Viscofan Reshaping food and wellbeing. For many, for long.

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# Annual Report

# Viscofan S.A. and subsidiaries

# 31 December 2024



# Viscofan, S.A. y sociedades dependientes

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# Viscofan, S.A. y sociedades dependientes

Informe de auditoría
Cuentas anuales consolidadas al 31 de diciembre de 2024
Informe de gestión consolidado

# Informe de auditoría de cuentas anuales consolidadas emitido por un auditor independiente

A los accionistas de Viscofan, S.A.:

## Informe sobre las cuentas anuales consolidadas

### Opinión

Hemos auditado las cuentas anuales consolidadas de Viscofan, S.A. (la Sociedad dominante) y sus sociedades dependientes (el Grupo), que comprenden el estado de situación financiera a 31 de diciembre de 2024, la cuenta de resultados, el estado del resultado global, el estado de cambios en el patrimonio neto, el estado de flujos de efectivo y la memoria, todos ellos consolidados, correspondientes al ejercicio terminado en dicha fecha.

En nuestra opinión, las cuentas anuales consolidadas adjuntas expresan, en todos los aspectos significativos, la imagen fiel del patrimonio y de la situación financiera del Grupo a 31 de diciembre de 2024, así como de sus resultados y flujos de efectivo, todos ellos consolidados, correspondientes al ejercicio terminado en dicha fecha, de conformidad con las Normas Internacionales de Información Financiera, adoptadas por la Unión Europea (NIIF-UE), y demás disposiciones del marco normativo de información financiera que resultan de aplicación en España.

### Fundamento de la opinión

Hemos llevado a cabo nuestra auditoría de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España. Nuestras responsabilidades de acuerdo con dichas normas se describen más adelante en la sección *Responsabilidades del auditor en relación con la auditoría de las cuentas anuales consolidadas* de nuestro informe.

Somos independientes del Grupo de conformidad con los requerimientos de ética, incluidos los de independencia, que son aplicables a nuestra auditoría de las cuentas anuales consolidadas en España según lo exigido por la normativa reguladora de la actividad de auditoría de cuentas. En este sentido, no hemos prestado servicios distintos a los de la auditoría de cuentas ni han concurrido situaciones o circunstancias que, de acuerdo con lo establecido en la citada normativa reguladora, hayan afectado a la necesaria independencia de modo que se haya visto comprometida.

Consideramos que la evidencia de auditoría que hemos obtenido proporciona una base suficiente y adecuada para nuestra opinión.

### Cuestiones clave de la auditoría

Las cuestiones clave de la auditoría son aquellas cuestiones que, según nuestro juicio profesional, han sido de la mayor significatividad en nuestra auditoría de las cuentas anuales consolidadas del periodo actual. Estas cuestiones han sido tratadas en el contexto de nuestra auditoría de las cuentas anuales consolidadas en su conjunto, y en la formación de nuestra opinión sobre éstas, y no expresamos una opinión por separado sobre esas cuestiones.



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| Cuestiones clave de la auditoría | Modo en el que se han tratado en la auditoría |
|---|---|

### Reconocimiento de ventas de envolturas y films

La partida más significativa de la cuenta de resultados del Grupo es la cifra de ventas y prestación de servicios que asciende a un importe de 1.204 millones de euros (nota 19.1 de la memoria consolidada adjunta).

Las ventas del Grupo incluyen multitud de transacciones y corresponden, principalmente, a la venta de envolturas y films (negocio principal del Grupo).

Considerando lo anterior, la comprobación de que las ventas se registran de manera adecuada atendiendo a las condiciones de las mismas es una cuestión clave de nuestra auditoría.

Nuestros procedimientos de auditoría han partido del entendimiento y evaluación del diseño e implantación de los procesos relevantes que soportan el registro contable de las operaciones de venta. Hemos identificado los controles existentes y, para los más relevantes, hemos comprobado su adecuado funcionamiento. Por otra parte, hemos realizado, principalmente, los siguientes procedimientos relativos a las operaciones de ventas:

- Realización de pruebas en detalle sobre las ventas verificando, para una muestra, el adecuado registro de las transacciones mediante documentación soporte de terceros o, en su caso, hemos realizado pruebas asistidas por expertos en tecnología y sistemas, comprobando que todas las ventas siguen el flujo estándar de la transacción y que han sido, en su caso, cobradas.

- Selección y comprobación, en su caso, de los asientos contabilizados en el epígrafe de ventas que hemos considerado que pudieran dar lugar a partidas inusuales o irregulares.

- Obtención de confirmaciones de terceros para una muestra de saldos y/o facturas que componen el saldo de clientes a cierre del ejercicio. En los casos en los que no hemos obtenido respuesta, se han realizado procedimientos alternativos con evidencia justificativa de terceros para la comprobación de dichos saldos y/o facturas.

- Comprobación de que las ventas se han reconocido en el periodo correcto en función de las condiciones establecidas para las transacciones más cercanas al cierre de ejercicio.

- Evaluación de la razonabilidad de las fluctuaciones de las ventas del ejercicio 2024 respecto del ejercicio anterior.

Como resultado de nuestras pruebas no tenemos observaciones relevantes sobre esta cuestión.

## Otra información: Informe de gestión consolidado

La otra información comprende exclusivamente el informe de gestión consolidado del ejercicio 2024, cuya formulación es responsabilidad de los administradores de la Sociedad dominante y no forma parte integrante de las cuentas anuales consolidadas.

Nuestra opinión de auditoría sobre las cuentas anuales consolidadas no cubre el informe de gestión consolidado. Nuestra responsabilidad sobre el informe de gestión consolidado, de conformidad con lo exigido por la normativa reguladora de la actividad de auditoría de cuentas, consiste en:

a) Comprobar únicamente que el estado de información no financiera consolidado, determinada información incluida en el Informe Anual de Gobierno Corporativo y el Informe Anual de Remuneraciones de los Consejeros, a los que se refiere la Ley de Auditoría de Cuentas, se han facilitado en la forma prevista en la normativa aplicable y, en caso contrario, informar sobre ello.

b) Evaluar e informar sobre la concordancia del resto de la información incluida en el informe de gestión consolidado con las cuentas anuales consolidadas, a partir del conocimiento del Grupo obtenido en la realización de la auditoría de las citadas cuentas, así como evaluar e informar de si el contenido y presentación de esta parte del informe de gestión consolidado son conformes a la normativa que resulta de aplicación. Si, basándonos en el trabajo que hemos realizado, concluimos que existen incorrecciones materiales, estamos obligados a informar de ello.

Sobre la base del trabajo realizado, según lo descrito anteriormente, hemos comprobado que la información mencionada en el apartado a) anterior se facilita en la forma prevista en la normativa aplicable y que el resto de la información que contiene el informe de gestión consolidado concuerda con la de las cuentas anuales consolidadas del ejercicio 2024 y su contenido y presentación son conformes a la normativa que resulta de aplicación.

## Responsabilidad de los administradores y de la comisión de auditoría en relación con las cuentas anuales consolidadas

Los administradores de la Sociedad dominante son responsables de formular las cuentas anuales consolidadas adjuntas, de forma que expresen la imagen fiel del patrimonio, de la situación financiera y de los resultados consolidados del Grupo, de conformidad con las NIIF-UE y demás disposiciones del marco normativo de información financiera aplicable al Grupo en España, y del control interno que consideren necesario para permitir la preparación de cuentas anuales consolidadas libres de incorrección material, debida a fraude o error.

En la preparación de las cuentas anuales consolidadas, los administradores de la Sociedad dominante son responsables de la valoración de la capacidad del Grupo para continuar como empresa en funcionamiento, revelando, según corresponda, las cuestiones relacionadas con empresa en funcionamiento y utilizando el principio contable de empresa en funcionamiento excepto si los citados administradores tienen intención de liquidar el Grupo o de cesar sus operaciones, o bien no exista otra alternativa realista.

La comisión de auditoría de la Sociedad dominante es responsable de la supervisión del proceso de elaboración y presentación de las cuentas anuales consolidadas.

## Responsabilidades del auditor en relación con la auditoría de las cuentas anuales consolidadas

Nuestros objetivos son obtener una seguridad razonable de que las cuentas anuales consolidadas en su conjunto están libres de incorrección material, debida a fraude o error, y emitir un informe de auditoría que contiene nuestra opinión.

Seguridad razonable es un alto grado de seguridad, pero no garantiza que una auditoría realizada de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España siempre detecte una incorrección material cuando existe. Las incorrecciones pueden deberse a fraude o error y se consideran materiales si, individualmente o de forma agregada, puede preverse razonablemente que influyan en las decisiones económicas que los usuarios toman basándose en las cuentas anuales consolidadas.

Como parte de una auditoría de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España, aplicamos nuestro juicio profesional y mantenemos una actitud de escepticismo profesional durante toda la auditoría. También:

- Identificamos y valoramos los riesgos de incorrección material en las cuentas anuales consolidadas, debida a fraude o error, diseñamos y aplicamos procedimientos de auditoría para responder a dichos riesgos y obtenemos evidencia de auditoría suficiente y adecuada para proporcionar una base para nuestra opinión. El riesgo de no detectar una incorrección material debida a fraude es más elevado que en el caso de una incorrección material debida a error, ya que el fraude puede implicar colusión, falsificación, omisiones deliberadas, manifestaciones intencionadamente erróneas, o la elusión del control interno.

- Obtenemos conocimiento del control interno relevante para la auditoría con el fin de diseñar procedimientos de auditoría que sean adecuados en función de las circunstancias, y no con la finalidad de expresar una opinión sobre la eficacia del control interno del Grupo.

- Evaluamos si las políticas contables aplicadas son adecuadas y la razonabilidad de las estimaciones contables y la correspondiente información revelada por los administradores de la Sociedad dominante.

- Concluimos sobre si es adecuada la utilización, por los administradores de la Sociedad dominante, del principio contable de empresa en funcionamiento y, basándonos en la evidencia de auditoría obtenida, concluimos sobre si existe o no una incertidumbre material relacionada con hechos o con condiciones que pueden generar dudas significativas sobre la capacidad del Grupo para continuar como empresa en funcionamiento. Si concluimos que existe una incertidumbre material, se requiere que llamemos la atención en nuestro informe de auditoría sobre la correspondiente información revelada en las cuentas anuales consolidadas o, si dichas revelaciones no son adecuadas, que expresemos una opinión modificada. Nuestras conclusiones se basan en la evidencia de auditoría obtenida hasta la fecha de nuestro informe de auditoría. Sin embargo, los hechos o condiciones futuros pueden ser la causa de que el Grupo deje de ser una empresa en funcionamiento.

- Evaluamos la presentación global, la estructura y el contenido de las cuentas anuales consolidadas, incluida la información revelada, y si las cuentas anuales consolidadas representan las transacciones y hechos subyacentes de un modo que logran expresar la imagen fiel.

- Planificamos y ejecutamos la auditoría del Grupo para obtener evidencia suficiente y adecuada en relación con la información financiera de las entidades o de las unidades de negocio del Grupo como base para la formación de una opinión sobre las cuentas anuales consolidadas. Somos responsables de la dirección, supervisión y revisión del trabajo realizado para los fines de la auditoría del Grupo. Somos los únicos responsables de nuestra opinión de auditoría.

Nos comunicamos con la comisión de auditoría de la Sociedad dominante en relación con, entre otras cuestiones, el alcance y el momento de realización de la auditoría planificados y los hallazgos significativos de la auditoría, así como cualquier deficiencia significativa del control interno que identificamos en el transcurso de la auditoría.

También proporcionamos a la comisión de auditoría de la Sociedad dominante una declaración de que hemos cumplido los requerimientos de ética relativos a independencia y nos hemos comunicado con la misma para informar de aquellas cuestiones que razonablemente puedan suponer una amenaza para nuestra independencia y, en su caso, de las medidas de salvaguarda adoptadas para eliminar o reducir la amenaza.

Entre las cuestiones que han sido objeto de comunicación a la comisión de auditoría de la Sociedad dominante, determinamos las que han sido de la mayor significatividad en la auditoría de las cuentas anuales consolidadas del periodo actual y que son, en consecuencia, las cuestiones clave de la auditoría.

Describimos esas cuestiones en nuestro informe de auditoría salvo que las disposiciones legales o reglamentarias prohíban revelar públicamente la cuestión.

## Informe sobre otros requerimientos legales y reglamentarios

### Formato electrónico único europeo

Hemos examinado los archivos digitales del formato electrónico único europeo (FEUE) de Viscofan, S.A. y sociedades dependientes del ejercicio 2024 que comprenden el archivo XHTML en el que se incluyen las cuentas anuales consolidadas del ejercicio y los ficheros XBRL con el etiquetado realizado por la entidad, que formarán parte del informe financiero anual.

Los administradores de Viscofan, S.A. son responsables de presentar el informe financiero anual del ejercicio 2024 de conformidad con los requerimientos de formato y marcado establecidos en el Reglamento Delegado UE 2019/815, de 17 de diciembre de 2018, de la Comisión Europea (en adelante Reglamento FEUE).

Nuestra responsabilidad consiste en examinar los archivos digitales preparados por los administradores de la Sociedad dominante, de conformidad con la normativa reguladora de la actividad de auditoría de cuentas en vigor en España. Dicha normativa exige que planifiquemos y ejecutemos nuestros procedimientos de auditoría con el fin de comprobar si el contenido de las cuentas anuales consolidadas incluidas en los citados archivos digitales se corresponde íntegramente con el de las cuentas anuales consolidadas que hemos auditado, y si el formato y marcado de las mismas y de los archivos antes referidos se ha realizado en todos los aspectos significativos, de conformidad con los requerimientos establecidos en el Reglamento FEUE.

En nuestra opinión, los archivos digitales examinados se corresponden íntegramente con las cuentas anuales consolidadas auditadas, y éstas se presentan y han sido marcadas, en todos sus aspectos significativos, de conformidad con los requerimientos establecidos en el Reglamento FEUE.

## Informe adicional para la comisión de auditoría de la Sociedad dominante

La opinión expresada en este informe es coherente con lo manifestado en nuestro informe adicional para la comisión de auditoría de la Sociedad dominante de fecha 27 de febrero de 2025.

## Periodo de contratación

La Junta General Ordinaria de Accionistas celebrada el 18 de abril de 2024 nos nombró como auditores del Grupo por un periodo de un año para el ejercicio finalizado el 31 de diciembre de 2024.

Con anterioridad, fuimos designados por acuerdo de la Junta General Ordinaria y Extraordinaria de Accionistas para el periodo de 3 años y hemos venido realizando el trabajo de auditoría de cuentas de forma ininterrumpida desde el ejercicio finalizado el 31 de diciembre de 2017.

## Servicios prestados

Los servicios, distintos de la auditoría de cuentas, que han sido prestados al Grupo auditado se desglosan en la nota 25 de la memoria de las cuentas anuales consolidadas.

PricewaterhouseCoopers Auditores, S.L. (S0242)

Gabriel Torre Escudero (21647)

27 de febrero de 2025

AUDITORES
INSTITUTO DE CENSORES JURADOS DE CUENTAS DE ESPAÑA

PRICEWATERHOUSECOOPERS AUDITORES, S.L.

2025 Núm. 03/25/01163
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Informe de auditoría de cuentas sujeto a la normativa de auditoría de cuentas española o internacional

# Viscofan, S.A.

Informe de auditor
Información relativa al Sistema de Control Interno sobre la Información Financiera (SCIIF)
ejercicio 2024

# Informe del auditor sobre la Información relativa al Sistema de Control Interno sobre la Información Financiera (SCIIF)

A los administradores de Viscofan, S.A.:

De acuerdo con la solicitud del consejo de administración de Viscofan, S.A. (en adelante, la Sociedad) y con nuestra carta propuesta de fecha 6 de noviembre de 2024, hemos aplicado determinados procedimientos sobre la "Información relativa al SCIIF" adjunta e incluida en el apartado F del Informe Anual de Gobierno Corporativo de Viscofan, S.A. correspondiente al ejercicio 2024, en el que se resumen los procedimientos de control interno de la Sociedad en relación a la información financiera anual.

Los administradores son responsables de adoptar las medidas oportunas para garantizar razonablemente la implantación, mantenimiento y supervisión de un adecuado sistema de control interno, así como del desarrollo de mejoras de dicho sistema y de la preparación y establecimiento del contenido de la Información relativa al SCIIF adjunta.

En este sentido, hay que tener en cuenta que, con independencia de la calidad del diseño y operatividad del sistema de control interno adoptado por la Sociedad en relación con la información financiera anual, éste sólo puede permitir una seguridad razonable, pero no absoluta, en relación con los objetivos que persigue, debido a las limitaciones inherentes a todo sistema de control interno.

En el curso de nuestro trabajo de auditoría de las cuentas anuales y conforme a las Normas Técnicas de Auditoría, nuestra evaluación del control interno de la Sociedad ha tenido como único propósito el permitirnos establecer el alcance, la naturaleza y el momento de realización de los procedimientos de auditoría de las cuentas anuales de la Sociedad. Por consiguiente, nuestra evaluación del control interno, realizada a efectos de dicha auditoría de cuentas, no ha tenido la extensión suficiente para permitirnos emitir una opinión específica sobre la eficacia de dicho control interno sobre la información financiera anual regulada.

A los efectos de la emisión de este informe, hemos aplicado exclusivamente los procedimientos específicos descritos a continuación e indicados en la *Guía de Actuación sobre el Informe del auditor referido a la Información relativa al Sistema de Control Interno sobre la Información Financiera de las entidades cotizadas*, publicada por la Comisión Nacional del Mercado de Valores en su página web, que establece el trabajo a realizar, el alcance mínimo del mismo, así como el contenido de este informe. Como el trabajo resultante de dichos procedimientos tiene, en cualquier caso, un alcance reducido y sustancialmente menor que el de una auditoría o una revisión sobre el sistema de control interno, no expresamos una opinión sobre la efectividad del mismo, ni sobre su diseño y su eficacia operativa, en relación a la información financiera anual de la Sociedad correspondiente al ejercicio 2024 que se describe en la Información relativa al SCIIF adjunta. En consecuencia, si hubiéramos aplicado procedimientos adicionales a los determinados por la citada Guía o realizado una auditoría o una revisión sobre el sistema de control interno en relación con la información financiera anual regulada, se podrían haber puesto de manifiesto otros hechos o aspectos sobre los que les habríamos informado.

Asimismo, dado que este trabajo especial no constituye una auditoría de cuentas ni se encuentra sometido a la normativa reguladora de la actividad de auditoría de cuentas vigente en España, no expresamos una opinión de auditoría en los términos previstos en la citada normativa.



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Se relacionan a continuación los procedimientos aplicados:

1) Lectura y entendimiento de la información preparada por la Sociedad en relación con el SCIIF - información de desglose incluida en el apartado F del Informe Anual de Gobierno Corporativo - y evaluación de si dicha información aborda la totalidad de la información requerida que seguirá el contenido mínimo descrito en el apartado F, relativo a la descripción del SCIIF, del modelo del IAGC según se establece en la Circular 5/2013 de 12 de junio de 2013 de la Comisión Nacional del Mercado de Valores (CNMV), y modificaciones posteriores, siendo la más reciente la Circular 3/2021, de 28 de septiembre de la CNMV (en adelante, las Circulares de la CNMV).

2) Preguntas al personal encargado de la elaboración de la información detallada en el punto 1 anterior con el fin de: (i) obtener un entendimiento del proceso seguido en su elaboración; (ii) obtener información que permita evaluar si la terminología utilizada se ajusta a las definiciones del marco de referencia; y (iii) obtener información sobre si los procedimientos de control descritos están implantados y en funcionamiento en la Sociedad.

3) Revisión de la documentación explicativa soporte de la información detallada en el punto 1 anterior, y que comprenderá, principalmente, aquella directamente puesta a disposición de los responsables de formular la información descriptiva del SCIIF. En este sentido, dicha documentación incluye informes preparados por la función de auditoría interna, alta dirección y otros especialistas internos o externos en sus funciones de soporte a la comisión de auditoría.

4) Comparación de la información detallada en el punto 1 anterior con el conocimiento del SCIIF de la Sociedad obtenido como resultado de la aplicación de los procedimientos realizados en el marco de los trabajos de auditoría de cuentas anuales.

5) Lectura de actas de reuniones del consejo de administración, comisión de auditoría y otras comisiones de la Sociedad a los efectos de evaluar la consistencia entre los asuntos en ellas abordados en relación con el SCIIF y la información detallada en el punto 1 anterior.

6) Obtención de la carta de manifestaciones relativa al trabajo realizado adecuadamente firmada por los responsables de la preparación y formulación de la información detallada en el punto 1 anterior.

Como resultado de los procedimientos aplicados sobre la Información relativa al SCIIF no se han puesto de manifiesto inconsistencias o incidencias que puedan afectar a la misma.

Este informe ha sido preparado exclusivamente en el marco de los requerimientos establecidos por el artículo 540 del texto refundido de la Ley de Sociedades de Capital y por las Circulares de la CNMV a los efectos de la descripción del SCIIF en el Informe Anual de Gobierno Corporativo.

PricewaterhouseCoopers Auditores, S.L.

Gabriel Torre Escudero

27 de febrero de 2025



# Viscofan, S.A. y sociedades dependientes

Informe de verificación limitada emitido por un verificador
sobre el Estado de Información No Financiera Consolidado
e Información sobre Sostenibilidad al 31 de diciembre de 2024

# Informe de verificación limitada emitido por un verificador sobre el Estado de Información No Financiera Consolidado e Información sobre Sostenibilidad

A los accionistas de Viscofan, S.A. por encargo de la dirección:

## Conclusión de verificación limitada

De acuerdo con el artículo 49 del Código de Comercio hemos realizado la verificación limitada del Estado de Información No Financiera Consolidado adjunto (en adelante, EINF) correspondiente al ejercicio anual finalizado el 31 de diciembre de 2024 de Viscofan, S.A. (en adelante, la Sociedad dominante) y sociedades dependientes (en adelante, el Grupo) que forma parte del informe de gestión consolidado del Grupo.

El contenido del EINF incluye información adicional a la requerida por la normativa mercantil vigente en materia de información no financiera, en concreto incluye la Información sobre Sostenibilidad preparada por el Grupo correspondiente al ejercicio anual terminado el 31 de diciembre de 2024 (en adelante, la información sobre sostenibilidad) siguiendo lo establecido en la Directiva (UE) 2022/2464 del Parlamento Europeo y del Consejo, de 14 de diciembre de 2022, sobre la presentación de información sobre sostenibilidad por parte de las empresas (CSRD, por sus siglas en inglés). Dicha información sobre sostenibilidad también ha sido objeto de verificación limitada.

Basándonos en los procedimientos realizados y en las evidencias que hemos obtenido, no ha llegado a nuestro conocimiento ninguna cuestión que nos lleve a pensar que:

a) el Estado de Información No Financiera del Grupo correspondiente al ejercicio finalizado el 31 de diciembre de 2024 no ha sido preparado, en todos sus aspectos significativos, de acuerdo con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios seleccionados de las Normas Europeas de Información sobre Sostenibilidad (NEIS o ESRS, por sus siglas en inglés), así como aquellos otros criterios descritos de acuerdo a lo mencionado para cada materia en la tabla del Anexo 1 "Tabla de trazabilidad con la Ley 11/2018" del citado Estado;

b) la información sobre sostenibilidad en su conjunto no ha sido preparada, en todos los aspectos significativos, de conformidad con el marco de información sobre sostenibilidad aplicado por el Grupo y que se identifica en el apartado 1.1.1 adjunto, incluyendo:

   - Que la descripción proporcionada del proceso para identificar la información sobre sostenibilidad incluida en el apartado 1.1.4 es coherente con el proceso implantado y que permite identificar la información material a ser revelada según las prescripciones de las NEIS.
   - El cumplimiento de las NEIS.
   - El cumplimiento de los requisitos de divulgación, incluidos en el apartado 2.4 de la sección sobre medio ambiente de la información sobre sostenibilidad con lo establecido en el artículo 8 del Reglamento (UE) 2020/852, del Parlamento Europeo y del Consejo, de 18 de junio de 2020, relativo al establecimiento de un marco para facilitar las inversiones sostenibles.



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## Fundamento de la conclusión

Hemos realizado nuestro encargo de verificación limitada de conformidad con las normas profesionales de general aceptación aplicables en España y específicamente con las pautas de actuación contenidas en las Guías de Actuación 47 Revisada y 56 emitidas por el Instituto de Censores Jurados de Cuentas de España sobre encargos de verificación de información no financiera y considerando el contenido de la nota publicada por el Instituto de Contabilidad y Auditoría de Cuentas (ICAC) de fecha 18 de diciembre de 2024 (en adelante, normas profesionales de general aceptación).

La extensión de los procedimientos aplicados en un encargo de verificación limitada es menor en comparación con los que se requieren en un encargo de verificación razonable. En consecuencia, el grado de seguridad que se obtiene en un encargo de verificación limitada es menor que el grado de seguridad que se hubiera obtenido si se hubiera realizado un encargo de seguridad razonable.

Nuestras responsabilidades de acuerdo con dicha normativa se describen con más detalle en la sección *Responsabilidades del verificador* de nuestro informe.

Hemos cumplido con los requerimientos de independencia y demás requerimientos de ética del Código Internacional de Ética para Profesionales de la Contabilidad (incluidas las normas internacionales de independencia) del Consejo de Normas Internacionales de Ética para Profesionales de la Contabilidad (Código de ética del IESBA por sus siglas en inglés) que está basado en los principios fundamentales de integridad, objetividad, competencia y diligencia profesionales, confidencialidad y comportamiento profesional.

Nuestra firma aplica la Norma Internacional de Gestión de la Calidad (NIGC) 1, que requiere que se diseñe, implante y opere un sistema de gestión de la calidad que incluya políticas y procedimientos relativos al cumplimiento de los requerimientos de ética, normas profesionales y requerimientos legales y reglamentarios aplicables.

Consideramos que la evidencia que hemos obtenido es suficiente y adecuada para proporcionar una base sobre la que sustentar nuestra conclusión.

## Responsabilidades de los administradores de la Sociedad dominante

La formulación del EINF incluido en el informe de gestión consolidado del Grupo, así como el contenido del mismo, es responsabilidad de los administradores de Viscofan, S.A. El EINF se ha preparado de acuerdo con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios de las NEIS seleccionados, así como aquellos otros criterios descritos de acuerdo a lo mencionado para cada materia en la tabla del Anexo 1 "Tabla de trazabilidad con la Ley 11/2018" del citado Estado.

Esta responsabilidad incluye asimismo el diseño, la implantación y el mantenimiento del control interno que se considere necesario para permitir que el EINF esté libre de incorrección material, debida a fraude o error.

Los administradores de Viscofan, S.A. son también responsables de definir, implantar, adaptar y mantener los sistemas de gestión de los que se obtiene la información necesaria para la preparación del EINF.

En relación con la información sobre sostenibilidad, los administradores de la Sociedad dominante son responsables de desarrollar e implantar un proceso para identificar la información que se debe incluir en la información sobre sostenibilidad de conformidad con el contenido de la CSRD, de las NEIS y con lo establecido en el artículo 8 del Reglamento (UE) 2020/852, del Parlamento Europeo y del Consejo, de 18 de junio de 2020 y de divulgar información sobre este proceso en la propia información sobre sostenibilidad en el apartado 1.1.4. Dicha responsabilidad incluye:

- conocer el contexto en el que se desarrollan las actividades y relaciones de negocio del Grupo, así como sus grupos de interés, en relación con los impactos que tiene el Grupo sobre las personas y el medio ambiente;
- identificar los impactos reales y potenciales (tanto negativos como positivos), así como los riesgos y oportunidades que podrían afectar, o de los que razonablemente se podría esperar que afecten, a la situación financiera, los resultados financieros, los flujos de efectivo, el acceso a la financiación o el coste de capital del Grupo en el corto, medio o largo plazo;
- evaluar la materialidad de los impactos, riesgos y oportunidades identificados; y
- realizar hipótesis y estimaciones que sean razonables en función de las circunstancias.

Los administradores de la Sociedad dominante son asimismo responsables de la preparación de la información sobre sostenibilidad, que incluya la información identificada por el proceso, de conformidad con el marco de información sobre sostenibilidad aplicado, incluyendo el cumplimiento de la CSRD, el cumplimiento de las NEIS y el cumplimiento de los requisitos de divulgación, incluidos en el apartado 2.4 de la sección sobre medio ambiente de la información sobre sostenibilidad con lo establecido en el artículo 8 del Reglamento (UE) 2020/852, del Parlamento Europeo y del Consejo, de 18 de junio de 2020, relativo al establecimiento de un marco para facilitar las inversiones sostenibles.

Esta responsabilidad incluye:

- Diseñar, implantar y mantener el control interno que los administradores de la Sociedad dominante consideren relevante para permitir la preparación de la información sobre sostenibilidad que esté libre de incorrecciones materiales, debidas a fraude o error.
- Seleccionar y aplicar métodos apropiados para la presentación de información sobre sostenibilidad y la realización de asunciones y estimaciones que sean razonables, considerando las circunstancias, sobre las divulgaciones específicas.

### Limitaciones inherentes en la preparación de la información

De acuerdo con las NEIS, los administradores de la Sociedad dominante están obligados a preparar información prospectiva sobre la base de asunciones e hipótesis, que han de incluirse en la información sobre sostenibilidad, acerca de hechos que pueden ocurrir en el futuro, así como posibles acciones futuras que, en su caso, podría tomar el Grupo. El resultado real puede diferir de forma significativa del estimado, ya que se refiere al futuro y los acontecimientos futuros frecuentemente no ocurren como se esperaba.

Para determinar las revelaciones de la información sobre sostenibilidad, los administradores de la Sociedad dominante interpretan términos legales y de otro tipo que no se encuentran claramente definidos que pueden ser interpretados de forma diferente por otras personas, incluyendo la conformidad legal de dichas interpretaciones y, en consecuencia, están sujetas a incertidumbre.

## Responsabilidades del verificador

Nuestros objetivos son planificar y realizar el encargo de verificación con el fin de obtener una seguridad limitada sobre si el EINF y la información sobre sostenibilidad están libres de incorrección material, ya sea debida a fraude o error, y emitir un informe de verificación limitada que contiene nuestras conclusiones al respecto. Las incorrecciones pueden deberse a fraude o error y se consideran materiales si, individualmente o de forma agregada, puede preverse razonablemente que influirán en las decisiones que los usuarios toman basándose en esta información.

Como parte de un encargo de verificación limitada, aplicamos nuestro juicio profesional y mantenemos una actitud de escepticismo profesional durante todo el encargo. También:

- Diseñamos y aplicamos procedimientos para evaluar si el proceso para identificar la información que se incluye tanto en el EINF como en la información sobre sostenibilidad es congruente con la descripción del proceso seguido por el Grupo y permite, en su caso, identificar la información material a ser revelada según las prescripciones de las NEIS.

- Aplicamos procedimientos sobre el riesgo, incluido obtener un conocimiento de los controles internos relevantes para el encargo con el fin de identificar la información a revelar en la que es más probable que surjan incorrecciones materiales, debido a fraude o error, pero no con la finalidad de proporcionar una conclusión acerca de la eficacia del control interno del Grupo.

- Diseñamos y aplicamos procedimientos que responden a las divulgaciones contenidas tanto en el EINF como en la información sobre sostenibilidad en las que es probable que surjan incorrecciones materiales. El riesgo de no detectar una incorrección material debida a fraude es más elevado que en el caso de una incorrección material debida a error, ya que el fraude puede implicar colusión, falsificación, omisiones deliberadas, manifestaciones intencionalmente erróneas o la elusión del control interno.

## Resumen del trabajo realizado

Un encargo de verificación limitada incluye la realización de procedimientos para obtener evidencia que sirva de base para nuestras conclusiones. La naturaleza, momento de realización y extensión de los procedimientos seleccionados depende del juicio profesional, incluida la identificación de la información a revelar en que es probable que surjan incorrecciones materiales, debido a fraude o error, en el EINF y en la información sobre sostenibilidad.

Nuestro trabajo ha consistido en indagaciones ante la dirección, así como a las diversas unidades y componentes del Grupo que han participado en la elaboración del EINF e información sobre sostenibilidad, en la revisión de los procesos para recopilar y validar la información presentada en el EINF e información sobre sostenibilidad y en la aplicación de ciertos procedimientos analíticos y pruebas de revisión por muestreo, que se describen a continuación:

En relación con el proceso de verificación del EINF:

- Reuniones con el personal del Grupo para conocer el modelo de negocio, las políticas y los enfoques de gestión aplicados, los principales riesgos relacionados con esas cuestiones y obtener la información necesaria para la revisión externa.

- Análisis del alcance, relevancia e integridad de los contenidos incluidos en el EINF del ejercicio 2024 en función del análisis de materialidad realizado por el Grupo y descrito en el apartado 1.1.4, considerando contenidos requeridos en la normativa mercantil en vigor.

- Análisis de los procesos para recopilar y validar los datos presentados en el EINF del ejercicio 2024.

- Revisión de la información relativa a los riesgos, las políticas y los enfoques de gestión aplicados en relación con los aspectos materiales presentados en el EINF del ejercicio 2024.

- Comprobación, mediante pruebas, en base a la selección de una muestra, de la información relativa a los contenidos incluidos en el EINF del ejercicio 2024 y su adecuada compilación a partir de los datos suministrados por las fuentes de información.

En relación con el proceso de verificación de la información sobre sostenibilidad:

- Realización de indagaciones ante el personal del Grupo:

  - para conocer el modelo de negocio, las políticas y los enfoques de gestión aplicados, los principales riesgos relacionados con estas cuestiones y obtener información necesaria para la revisión externa.

  - con el fin de conocer el origen de la información utilizada por la dirección (por ejemplo, la interacción con los grupos de interés, los planes de negocio y los documentos de estrategia); y la revisión de la documentación interna del Grupo sobre su proceso.

- Obtención, a través de indagaciones ante el personal del Grupo, del conocimiento de los procesos de la entidad de recopilación, validación y presentación de información relevantes para la elaboración de su información sobre sostenibilidad.

- Evaluación de la concordancia de la evidencia obtenida de nuestros procedimientos sobre el proceso implantado por el Grupo para la determinación de la información que debe incluirse en la información sobre sostenibilidad con la descripción del proceso incluida en dicha información, así como evaluación de si el citado proceso implantado por el Grupo permite identificar la información material a ser revelada según las prescripciones de las NEIS.

- Evaluación de si toda la información identificada en el proceso implantado por el Grupo para la determinación de la información que debe incluirse en la información sobre sostenibilidad está efectivamente incluida.

- Evaluación de la concordancia de la estructura y la presentación de la información sobre sostenibilidad con lo dispuesto en las NEIS y el resto del marco normativo de información sobre sostenibilidad aplicado por el Grupo.

- Realización de indagaciones al personal pertinente y procedimientos analíticos sobre información divulgada en la información sobre sostenibilidad considerando aquella en la que es probable que surjan incorrecciones materiales, debido a fraude o error.

- Realización, en su caso, de procedimientos sustantivos por muestreo sobre información divulgada en la información sobre sostenibilidad seleccionada considerando aquella en la que es probable que surjan incorrecciones materiales, debido a fraude o error.

- Obtención, en su caso, de los informes emitidos por terceros independientes acreditados anexos al informe de gestión consolidado en respuesta a exigencias de la normativa europea y, en relación con la información a la que se refieren y de acuerdo con las normas profesionales de general aceptación, comprobación, exclusivamente, de la acreditación del verificador y de que el alcance del informe emitido se corresponde con el exigido por la normativa europea.

- Obtención, en su caso, de los documentos que contengan la información incorporada por referencia, los informes emitidos por auditores o verificadores sobre dichos documentos y, de acuerdo con las normas profesionales de general aceptación, comprobación, exclusivamente, de que, en el documento al que se refiere la información incorporada por referencia, se cumplen las condiciones descritas en las NEIS para poder incorporar información por referencia en la información sobre sostenibilidad.

- Obtención de una carta de manifestaciones de los administradores de la Sociedad dominante y la dirección en relación con el EINF e información sobre sostenibilidad.

## Otra información

Los administradores de la Sociedad dominante son responsables de la otra información. La otra información comprende las cuentas anuales consolidadas y resto de la información incluida en el informe de gestión consolidado, pero no incluye ni el informe de auditoría de las cuentas anuales consolidadas ni los informes de verificación emitidos por terceros independientes acreditados exigidos por el derecho de la Unión Europea sobre divulgaciones concretas contenidas en la información sobre sostenibilidad y que figuran como anexo del informe de gestión consolidado.

Nuestro informe de verificación no cubre la otra información y no expresamos ningún tipo de conclusión de verificación sobre esta.

En relación con nuestro encargo de verificación de la información sobre sostenibilidad, nuestra responsabilidad consiste en leer la otra información identificada anteriormente y, de este modo, considerar si la otra información presenta incongruencias materiales con la información sobre sostenibilidad o con el conocimiento que hemos adquirido durante el encargo de verificación que pudieran ser indicativas de la existencia de incorrecciones materiales en la información sobre sostenibilidad.

PricewaterhouseCoopers Auditores, S.L.

Gabriel Torre Escudero

27 de febrero de 2025



**Viscofan, S.A. and subsidiaries**

Consolidated Financial Statements for the year ending

31 December 2024

# Consolidated statements of financial position

| (Thousands of euros) | Notes | Period 2024 | 2023 |
|---|---|---|---|
| Intangible assets other than goodwill | 5.1 | 18,122 | 16,957 |
| Goodwill | 5.2 | 15,017 | 3,605 |
| Property, plant, and equipment | 6 | 548,851 | 556,141 |
| Right-of-use assets | 7.1 | 11,906 | 11,577 |
| Other non-current financial assets | 10 | 8,097 | 7,561 |
| Non-current derivatives | 16 | 0 | — |
| Deferred tax assets | 17 | 39,190 | 47,645 |
| **Non-Current Assets** | | **641,183** | **643,486** |
| Current stocks | 8 | 398,954 | 442,892 |
| Trade and other current receivables | 9 | 305,643 | 260,245 |
| Current tax assets | 17 | 869 | 3,649 |
| Other current financial assets | 10 | 945 | 911 |
| Current derivatives | 16 | 111 | 4,330 |
| Cash and cash equivalents | 11 | 55,143 | 51,996 |
| **Current Assets** | | **761,665** | **764,023** |
| **Total Assets** | | **1,402,848** | **1,407,509** |

# Consolidated statements of financial position

| (Thousands of euros) | Notes | Period 2024 | 2023 |
|---|---|---|---|
| Issued capital | 12.1 | 32,550 | 32,550 |
| Share premium | 12.2 | 12 | 12 |
| Other reserves | 12.3 | 810,210 | 868,456 |
| Treasury Shares | 12.4 | -35,045 | -21,671 |
| Profit for the year | | 157,019 | 140,962 |
| Interim dividend | 12.6 | -26,844 | -64,563 |
| Valuation adjustments | 12.5 | -706 | 2,026 |
| Non-controlling interests | | 1,715 | 0 |
| **Equity** | | **938,911** | **957,772** |
| Deferred income | | 3,381 | 806 |
| Non-current provisions for employee benefits | 13.1 | 19,145 | 25,916 |
| Other non-current provisions | 13.2 | 48 | 43 |
| Non-current financial liabilities | 15 | 63,776 | 43,979 |
| Non-current liabilities for right-of-use assets | 7.2 | 7,535 | 6,854 |
| Non-current derivatives | 16 | 0 | 0 |
| Deferred tax liabilities | 17 | 23,391 | 32,830 |
| **Non-Current Liabilities** | | **117,276** | **110,428** |
| Current financial liabilities | 15 | 174,229 | 178,048 |
| Current liabilities for right-of-use assets | 7.2 | 4,314 | 4,687 |
| Current derivatives | 16 | 3,199 | 43 |
| Trade and other payables | 14 | 126,164 | 125,520 |
| Current tax liabilities | 17 | 17,731 | 4,783 |
| Other current provisions | 13.2 | 21,024 | 26,228 |
| **Current liabilities** | | **346,661** | **339,309** |
| **Total liabilities** | | **463,937** | **449,737** |
| **Total equity and liabilities** | | **1,402,848** | **1,407,509** |

## Consolidated income statement

| (Thousands of euros) | Notes | Period 2024 | Period 2023 |
|---|---|---|---|
| Sales and rendered services | 19.1 | 1,203,994 | 1,225,787 |
| Changes in inventory of finished goods and work in progress | | -19,939 | 53,146 |
| Consumption of raw materials and consumables | | -370,472 | -474,113 |
| Other operating income | 19.2 | 13,850 | 15,052 |
| Staff costs | 19.3 | -274,278 | -270,086 |
| Other operating expenses | 19.4 | -267,402 | -280,901 |
| Amortisation of intangible assets | 5.1 | -4,587 | -4,792 |
| Depreciation expenses on tangible fixed assets | 6 | -73,364 | -73,628 |
| Right-of-use asset depreciation expense | 7.1 | -5,843 | -5,293 |
| Impairment gains (losses) on disposal of non-current assets | | -419 | -486 |
| **Operating profit** | | **201,540** | **184,686** |
| Finance income | 19.5 | 2,535 | 846 |
| Finance costs | 19.5 | -10,370 | -6,900 |
| Losses on non-trade receivables | 19.5 | -248 | 22 |
| Exchange gains (losses) | 19.5 | 12,981 | -9,748 |
| **Profit before taxes** | | **206,438** | **168,906** |
| Income tax expense | 17 | -49,105 | -27,944 |
| **Profit for the year from continuing operations** | | **157,333** | **140,962** |
| **Profit for the year** | | **157,333** | **140,962** |
| **Profit attributable to parent company** | | **157,019** | **140,962** |
| **Profit attributable to non-controlling interests** | | **314** | **—** |

## Earnings per share

| | Notes | Period 2024 | Period 2023 |
|---|---|---|---|
| **Basic earnings per share** | | **3.45** | **3.05** |
| Basic earnings (loss) per share from continuing operations | 20 | 3.45 | 3.05 |
| **Diluted earnings per share** | | **3.44** | **3.04** |
| Diluted earnings (loss) per share from continuing operations | 20 | 3.44 | 3.04 |

# Consolidated statements of other comprehensive income

| (Thousands of euros) | Notes | Period 2024 | Period 2023 |
|---|---|---|---|
| **Profit for the year attributable to the parent company** | | **157,019** | **140,962** |
| **Other comprehensive income** | | | |
| **Other comprehensive income that will not be reclassified to profit or loss in subsequent periods before tax** | | | |
| Other comprehensive income, before tax, actuarial pension gains and losses | 13.1 | 819 | -992 |
| **Total other comprehensive income not to be reclassified to profit or loss before tax** | | **819** | **-992** |
| **Other comprehensive income that will be reclassified to profit or loss in subsequent periods before tax** | | | |
| **Foreign exchange translation gains (losses)** | | | |
| Gains or losses on translation differences on foreign transactions before tax | 12.3 | -27,520 | 2,532 |
| **Other comprehensive income, before tax, foreign exchange translation gains (losses)** | | **-27,520** | **2,532** |
| **Cash flow hedges** | | | |
| Gains (losses) on cash flow hedges, before taxes | 12.5 | -3,820 | -586 |
| **Other comprehensive income, before taxes, cash flow differences** | | **-3,820** | **-586** |
| **Total other comprehensive income to be reclassified to profit or loss before tax** | | **-31,340** | **1,946** |
| **Total other comprehensive income before tax** | | **-30,521** | **954** |
| **Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss** | | | |
| Income tax related to remeasurements of defined benefit plans included in other comprehensive income | 13.1 | -362 | 693 |
| **Aggregate income tax relating to components of other comprehensive income not to be reclassified into profit or loss** | | **-362** | **693** |
| **Income taxes related to cash flow hedges included in other comprehensive income** | 12.5 | 1,088 | 54 |
| **Aggregate income tax relating to components of other comprehensive income to be reclassified into profit or loss** | | **1,088** | **54** |
| Other comprehensive income | | -29,795 | 1,701 |
| **Comprehensive income** | | **127,224** | **142,663** |

# 2024 Consolidated statement of changes in equity

| (Thousands of euros) | Equity | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Share capital (Note 12.1) | Share premium (Note 12.2) | Reserves (Note 12.3) | Treasury shares (Note 12.4) | Profit for the year attributable to parent company | Interim dividend (Note 12.6) | Valuation adjustments (Note 12.5) | Parent company total | Non-controlling interests | Total |
| **Opening balance as at 1 January 2024** | **32,550** | **12** | **868,456** | **-21,671** | **140,962** | **-64,563** | **2,026** | **957,772** | **0** | **957,772** |
| **Changes in equity** | | | | | | | | | | |
| **Capital subscriptions (additions/retirements)** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** | 0 | **0** |
| **Total recognised income and (expense)** | 0 | 0 | -27,063 | 0 | 157,019 | 0 | -2,732 | **127,224** | 314 | **127,538** |
| **Dividends paid** | 0 | 0 | 0 | 0 | 0 | -26,844 | 0 | **-26,844** | 0 | **-26,844** |
| **Distribution of prior year's profit** | 0 | 0 | 4,692 | 38,488 | -140,962 | 64,563 | 0 | **-33,219** | 0 | **-33,219** |
| **Acquisition of treasury shares** | 0 | 0 | 0 | -90,716 | 0 | 0 | 0 | **-90,716** | 0 | **-90,716** |
| **Delivery of treasury shares (interim dividend)** | 0 | 0 | -38,192 | 38,192 | 0 | 0 | 0 | **0** | 0 | **0** |
| **Other deliveries of treasury shares** | 0 | 0 | 0 | 662 | 0 | 0 | 0 | **662** | 0 | **662** |
| **Transactions with non-controlling interests** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** | 1,401 | **1,401** |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Share-based payment expenses** | 0 | 0 | 2,603 | 0 | 0 | 0 | 0 | **2,603** | 0 | **2,603** |
| **Other movements** | 0 | 0 | -286 | 0 | 0 | 0 | 0 | **-286** | 0 | **-286** |
| **Total increase (decrease) in equity** | **0** | **0** | **-58,246** | **-13,374** | **16,057** | **37,719** | **-2,732** | **-20,576** | **1,715** | **-18,861** |
| | | | | | | | | | | |
| **Closing balance as at 31 December 2024** | **32,550** | **12** | **810,210** | **-35,045** | **157,019** | **-26,844** | **-706** | **937,196** | **1,715** | **938,911** |

## 2023

## Consolidated statement of changes in equity

| (Thousands of euros) | Equity | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Share capital (Note 12.1) | Share premium (Note 12.2) | Reserves (Note 12.3) | Treasury shares (Note 12.4) | Profit for the year attributable to parent company | Interim dividend (Note 12.6) | Valuation adjustments (Note 12.5) | Total |
| **Opening balance as at 1 January 2023** | **32,550** | **12** | **813,145** | **-16,181** | **139,430** | **-64,644** | **2,558** | **906,870** |
| **Changes in equity** | | | | | | | | |
| **Total recognised income and (expense)** | 0 | 0 | 2,233 | 0 | 140,962 | 0 | -532 | **142,663** |
| Dividends paid | 0 | 0 | -24,945 | 0 | 0 | -64,563 | 0 | **-89,508** |
| Transfers between equity accounts | 0 | 0 | 74,786 | 0 | -139,430 | 64,644 | 0 | **0** |
| Movement in treasury shares | 0 | 0 | 0 | -5,490 | 0 | 0 | 0 | **-5,490** |
| Transactions with non-controlling interests | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** |
| Share-based payment expenses | 0 | 0 | 3,237 | 0 | 0 | 0 | 0 | **3,237** |
| **Total increase (decrease) in equity** | **0** | **0** | **55,311** | **-5,490** | **1,532** | **81** | **-532** | **50,902** |
| **Closing balance as at 31 December 2023** | **32,550** | **12** | **868,456** | **-21,671** | **140,962** | **-64,563** | **2,026** | **957,772** |

## Consolidated statement of cash flows

| (Thousands of euros) | Notes | Period 2024 | 2023 |
|---|---|---|---|
| **Profit for the year after tax** | | **157,019** | **140,962** |
| Adjustments for income tax expense | 17 | 49,105 | 27,944 |
| Adjustment for inventory write-down (increase) | | 35,919 | -66,607 |
| Adjustment for decrease (increase) in accounts receivable | | -41,828 | -5,314 |
| Adjustment for (decrease) increases in accounts payable | | -2,639 | -18,725 |
| Adjustment for depreciation expenses | | 83,794 | 83,713 |
| Changes in provisions | | -6,590 | 7,614 |
| Interest income adjustment | 19.5 | -2,535 | -846 |
| Interest expense adjustment | 19.5 | 10,370 | 6,900 |
| Exchange gains (losses), net | 19.5 | -12,981 | 9,748 |
| Share-based payment | | 2,001 | 2,346 |
| Other adjustments | | -41 | -172 |
| **Adjustments to reconcile profit before tax to net cash flows** | | **114,575** | **46,601** |
| Net cash flows from (used in) operations | | **271,594** | **187,563** |
| Income tax payments | 17 | -34,821 | -41,223 |
| Contributions and other payments, related to pension plans | | -951 | -630 |
| **Net cash generated by operating activities** | | **235,822** | **145,710** |
| Acquisition of a subsidiary, net of cash acquired | | -7,213 | — |
| Payments for the acquisition of tangible and intangible fixed assets | | -75,027 | -77,126 |
| Proceeds from the sale of fixed assets | | 625 | 1,158 |
| Interest collected | | 2,535 | 846 |
| **Net cash from investing activities** | | **-79,080** | **-75,122** |
| Provisions of financial debt | 12.1 | 170,879 | 156,365 |
| Financial debt repayments | 12.1 | -158,841 | -117,957 |
| Acquisition of treasury shares | | -90,716 | -6,264 |
| Dividends paid to shareholders of the parent company | | -60,063 | -89,508 |
| Interest paid | 12.1 | -9,726 | -6,275 |
| Payments for right-of-use assets | 12.1 | -5,843 | -5,296 |
| Other financial liabilities (net) | | 1,597 | -1,781 |
| **Net cash from financing activities** | | **-152,713** | **-70,716** |
| **Net increase (decrease) in cash and cash equivalents before the effect of changes in foreign exchange rates** | | **4,029** | **-128** |
| Effect of exchange rate changes on cash and cash equivalents | | -882 | 931 |
| **Net increase (decrease) in cash and cash equivalents** | | **3,147** | **803** |
| Cash and cash equivalents as of 1 January | 11 | 51,996 | 51,193 |
| **Cash and cash equivalents as at 31 December** | **11** | **55,143** | **51,996** |

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## 1. Description and principal activities

Viscofan, S.A. (hereinafter the Company or the Parent) was incorporated in Spain as a limited liability company for an indefinite period on 17 October 1975 under the name Viscofan, Industria Navarra de Envolturas Celulósicas, S.A. At the Annual General Meeting held on 17 June 2002 the shareholders agreed to change the name of the Company to the current one.

Under articles 73 and subsequent, in relation to article 71, of Law 3/2009, of 3 April on the structural amendments of companies, the Board of Directors of Viscofan, S.A. and the Board of Directors of Viscofan España, S.L.U., on 25 February 2021, proceeded to draft and sign a common unbundling project whereby the Company unbundles a part of its assets that constitute an autonomous economic unit and it transfers it en bloc by universal succession to Viscofan España S.L.U.

Until the proposed spin-off and contribution of the business line described above, the core business consisted of the manufacture, distribution and marketing of all types of casings and films for food use; collagen-based products for food use and bioengineering; and the production of electricity for sale to third parties by means of cogeneration systems. As of the draft terms of the spin-off, the main activity corresponds to the acquisition, holding, enjoyment, administration in general and disposal of all kinds of securities.

The head offices and registered office are located in Polígono Industrial Berroa, Calle Berroa, 15 - 4ª Planta, 31192 Tajonar - Navarra (Spain) and its main activity is carried out in the centres of Cáseda and Urdiain (Navarra).

The Company is in turn the parent company of a group of companies (the Viscofan Group or the Group) which are mainly active in the manufacture, distribution and marketing of all types of casings and films for food use; collagen-based products for food use and bioengineering; and the production of electrical energy for sale to third parties by means of cogeneration systems.

The entirety of Viscofan S.A.'s shares have been listed since 1986, and are quoted on the Spanish electronic trading platform (continuous market).

The Group's 2023 consolidated financial statements were approved at the Annual General Meeting held on 18 April 2024.

The Parent’s directors expect these 2024 consolidated financial statements, prepared on 27 February 2025, to be approved by the shareholders in general meeting without modification.

# 2. Viscofan Group

## 2.1. Business combinations

- In 2024

On 5 June 2024, the legal liquidation of the company Jupiter PTY LTD is registered with the Australian Securities and Investments Commission.

Several capital increases were carried out at Viscofan Thailand Co. Ltd. in financial year 2024, amounting to THB 496,202 thousand (equivalent to EUR 13,142 thousand), to complete approved investments and the start-up of the production plant.

On 19 September 2024, through the subsidiary Viscofan do Brasil, soc. com. e ind. Ltda., the purchase was formalised of 60% of the companies Brasfibra Industria e Comercio de Derivados do Couro Ltda. and Master Couros Industria e Comercio de Derivados do Couro Ltda. for BRL 88 million (EUR 14.4 million). 50% of this amount will be paid in the years 2025 and 2026. Both companies are located in Sao Sebastiao do Paraiso (Brazil). Brasfibra is in the business of producing high quality bovine collagen products (collagen hydrolysates, collagen fibre and products for animal feed). Master Couros is a specialist in the treatment of bovine hides, which it supplies to Brasfibra.

Amounts recognised at the date the assets, liabilities, and contingent liabilities at their carrying amount were as follows:

| Thousands of euros | Master Couros Industria e Comercio de Derivados do Couro Ltda | Brasfibra Industria e Comercio de Derivados do Couro Ltda | Total |
|---|---|---|---|
| Property, plant, and equipment (Note 6) | 54 | 1,614 | 1,668 |
| Inventories | 78 | 136 | 214 |
| Other financial assets | — | — | — |
| Receivables | 1,246 | 2,204 | 3,450 |
| Cash and cash equivalents | 38 | 383 | 421 |
| **Total assets** | **1,416** | **4,337** | **5,753** |
| | | | |
| Provisions | — | — | — |
| Non-current financial liabilities | — | — | — |
| Current financial liabilities | — | — | — |
| Payables | 217 | 961 | 1,178 |
| Deferred tax liabilities | — | — | — |
| **Total liabilities** | **217** | **961** | **1,178** |

These amounts are subject to change as a result of the process of identifying and valuing the net assets acquired.

For the period from 1 October 2024 to 31 December 2024, the acquired business contributed ordinary revenues of EUR 2,437 thousand and net income of EUR 785 thousand to the Group, of which EUR 314 thousand related to non-controlling interests. If the acquisition had taken place on 1 January 2024, the ordinary income would have been EUR 9,158 thousand and the net profit contributed would have been EUR 3,120 thousand, of which EUR 1,248 thousand would correspond to non-controlling interests, for the year ended 31 December 2024.

- In 2023

On 14 February 2023, the legal liquidation of the company Vector USA Inc. is completed.

The change of name of German subsidiary Naturin Viscofan GmbH to Viscofan DE GmbH is effective as of 16 March 2023.

The change of name of the French subsidiary Supralon France SARL to Viscofan France SARL is effective as of 16 June 2023.

Two capital increases were carried out at Viscofan (Thailand) Co. Ltd. in financial year 2023, amounting to THB 298,975 thousand (equivalent to EUR 8,209 thousand), to cover approved investments.

A capital increase of USD 21,000 thousand (EUR 19,488 thousand) was carried out by Viscofan USA Inc. in 2023 to strengthen the financial structure of the company after investments made in previous years.

## 2.2. Details of subsidiaries and associates comprising the Viscofan Group at 31 December 2024

| Group companies | % of equity interest | | Activity | Registered address |
|---|---|---|---|---|
| | Direct | Indirect | | |
| Koteks Viscofan, d.o.o. | 100.00 | 0 | Manufacture, marketing and distribution of casings and films | Novi Sad (Serbia) |
| Viscofan DE GmbH | 100.00 | — | Manufacture, marketing and distribution of casings and films | Weinheim (Germany) |
| Supralon Verpackungs AG | — | 100.00 | Rental of industrial machinery (to the group)/Other services | Chur (Switzerland) |
| Supralon Produktions und Vertriebs GmbH | — | 100.00 | Manufacture, marketing and distribution of casings and films | Alfhausen (Germany) |
| Viscofan France SARL | — | 100.00 | Marketing and distribution of casings and films | Courcouronnes (France) |
| Vector Europe NV. | 100.00 | — | Marketing and distribution of casings and films | Hasselt (Belgium) |
| Vector Packaging Europe NV. | — | 100.00 | Manufacture, marketing and distribution of casings and films | Hasselt (Belgium) |
| Viscofan Canada Inc. | — | 100.00 | Marketing and distribution of casings and films | Quebec (Canada) |
| Viscofan Centroamérica Comercial, S.A. | 99.50 | 0.50 | Marketing and distribution of casings and films | San José (Costa Rica) |
| Viscofan CZ, s.r.o. | 100.00 | — | Manufacture, marketing and distribution of casings and films | Ceske Budejovice (Czech Republic) |
| Viscofan España SLU | 100.00 | — | Manufacture, marketing and distribution of casings and films | Tajonar, Navarre (Spain) |
| Viscofan Globus Australia PTY Ltd | 100.00 | — | Marketing and distribution of casings and films | Bankstown (Australia) |
| Viscofan Globus New Zealand Ltd | 100.00 | — | Marketing and distribution of casings and films | Lower Hutt (New Zealand) |
| Viscofan Japan GK | 100.00 | — | Marketing and distribution of casings and films | Tokyo (Japan) |
| Viscofan de México S.R.L. de C.V. | 99.99 | 0.01 | Manufacture, marketing and distribution of casings and films | San Luis Potosí (Mexico) |
| Viscofan do Brasil, soc, Ltda. | 100.00 | — | Manufacture, marketing and distribution of casings and films | Sao Paulo (Brazil) |
| Brasfibra Industria e Comercio de Derivados do Couro Ltda. | — | 60.00 | Manufacture and sale of bovine collagen products | Sao Sebastiao do Paraiso (Brazil) |
| Master Couros Industria e Comercio de Derivados do Couro Ltda. | — | 60.00 | Treatment of bovine hides | Sao Sebastiao do Paraiso (Brazil) |
| Viscofan (Thailand) Co. Ltd. | 100.00 | — | Marketing and distribution of casings and films | Bangkok (Thailand) |
| Viscofan Technology (Suzhou) Co. Ltd. | 100.00 | — | Manufacture, marketing and distribution of casings and films | Suzhou (China) |
| Viscofan UK Ltd. | 100.00 | — | Marketing and distribution of casings and films | Seven Oaks (UK) |
| Viscofan Uruguay, S.A. | 100.00 | — | Manufacture, marketing and distribution of casings and films | Montevideo (Uruguay) |
| Viscofan USA Inc. | 100.00 | — | Manufacture, marketing and distribution of casings and films | Montgomery (USA) |
| Zacapu Power S.R.L. de C.V. | — | 100.00 | Electricity distribution | Zacapu, Michoacán (Mexico) |

## 2.3. Details of subsidiaries and associates comprising the Viscofan Group at 31 December 2023

| Group companies | % of equity interest | | Activity | Registered address |
|---|---|---|---|---|
| | Direct | Indirect | | |
| Jupiter PTY Ltd | 100.00 | 0 | Services rendered | Bankstown (Australia) |
| Koteks Viscofan, d.o.o. | 100.00 | 0 | Manufacture, marketing and distribution of casings and films | Novi Sad (Serbia) |
| Viscofan DE GmbH | 100.00 | 0 | Manufacture, marketing and distribution of casings and films | Weinheim (Germany) |
| Supralon Verpackungs AG | 0 | 100.00 | Rental of industrial machinery (to the group)/Other services | Chur (Switzerland) |
| Supralon Produktions und Vertriebs GmbH | 0 | 100.00 | Manufacture, marketing and distribution of casings and films | Alfhausen (Germany) |
| Viscofan France SARL | 0 | 100.00 | Marketing and distribution of casings and films | Courcouronnes (France) |
| Vector Europe NV. | 100.00 | 0 | Marketing and distribution of casings and films | Hasselt (Belgium) |
| Vector Packaging Europe NV. | 0 | 100.00 | Manufacture, marketing and distribution of casings and films | Hasselt (Belgium) |
| Viscofan Canada Inc. | 0 | 100.00 | Marketing and distribution of casings and films | Quebec (Canada) |
| Viscofan Centroamérica Comercial, S.A. | 99.50 | 0.50 | Marketing and distribution of casings and films | San José (Costa Rica) |
| Viscofan CZ, s.r.o. | 100.00 | 0.00 | Manufacture, marketing and distribution of casings and films | Ceske Budejovice (Czech Republic) |
| Viscofan España SLU | 100.00 | 0 | Manufacture, marketing and distribution of casings and films | Tajonar, Navarre (Spain) |
| Viscofan Globus Australia PTY Ltd | 100.00 | 0 | Marketing and distribution of casings and films | Bankstown (Australia) |
| Viscofan Globus New Zealand Ltd | 100.00 | 0 | Marketing and distribution of casings and films | Lower Hutt (New Zealand) |
| Viscofan Japan GK | 100.00 | 0 | Marketing and distribution of casings and films | Tokyo (Japan) |
| Viscofan de México S.R.L. de C.V. | 99.99 | 0.01 | Manufacture, marketing and distribution of casings and films | San Luis Potosí (Mexico) |
| Viscofan do Brasil, soc, Ltda. | 100.00 | 0 | Manufacture, marketing and distribution of casings and films | Sao Paulo (Brazil) |
| Viscofan (Thailand) Co. Ltd. | 100.00 | 0 | Marketing and distribution of casings and films | Bangkok (Thailand) |
| Viscofan Technology (Suzhou) Co. Ltd. | 100.00 | 0 | Manufacture, marketing and distribution of casings and films | Suzhou (China) |
| Viscofan UK Ltd. | 100.00 | 0 | Marketing and distribution of casings and films | Seven Oaks (UK) |
| Viscofan Uruguay, S.A. | 100.00 | 0 | Manufacture, marketing and distribution of casings and films | Montevideo (Uruguay) |
| Viscofan USA Inc. | 100.00 | 0 | Manufacture, marketing and distribution of casings and films | Montgomery (USA) |
| Zacapu Power S.R.L. de C.V. | 0.00 | 100 | Electricity distribution | Zacapu, Michoacán (Mexico) |

## 3. Basis of preparation

The consolidated financial statements for 2024 have been prepared under EU-endorsed International Financial Reporting Standards (EU-IFRS) to present fairly the consolidated equity and consolidated financial position of Viscofan, S.A. and subsidiaries at 31 December 2024 and 2023, as well as the consolidated results from its operations, its consolidated cash flows and consolidated recognised income and expenses for the year then ended.

The consolidated financial statements have been prepared based on the accounting records of Viscofan, S.A. and the companies comprising the Group. However, given that the accounting polices and measurement bases applied in these consolidated financial statements differ from those used by the companies forming the Group (where the prevailing regulations of each country apply), the consolidation process has taken into consideration the adjustments and reclassifications required to adapt such principles and criteria to the International Financial Reporting Standards adopted by the European Union (IFRS-EU).

The Group adopted EU-IFRS as of 1 January 2004 and applied IFRS 1 “First-time Adoption of International Financial Reporting Standards” at that date.

### 3.1. New and amended standards and interpretations

The accounting policies used during the preparation of these consolidated financial statements are the same as those applied for the consolidated financial statements for the year ended 31 December 2023.

The following amendments came into force in the financial year 2024:

- IAS 1 (Amendment) “Classification of liabilities as current or non-current”
- IAS 1 (Amendment) “Non-current liabilities with covenants”
- IAS 7 and I 7 (Amendment) “Supplier financing arrangements”
- IAS 16 (Amendment) “Lease liability in a sale and leaseback”

These amendments have had no material impact on the Group's Consolidated Financial Statements.

The following amendments came into force in the financial year 2023:

- IAS 1 (Amendment) “Disclosure of accounting policies”
- IAS 8 (Amendment) “Definition of accounting estimates”
- IAS 12 (Amended) “Deferred taxes relating to assets and liabilities arising from a single transaction”
- IAS 12 (Amended) “International tax reform: Pillar Two model rules”

### 3.2. Published standards which are not applicable

The Group intends to adopt these standards, interpretations, and amendments thereof published by the IASB and considered mandatory in the European Union at the date these consolidated financial statements were prepared, applying them as they come into force.

### 3.3. Policies used by the Group when several options are permitted

International Financial Reporting Standards occasionally allow for more than one alternative accounting treatment for a transaction. The criteria adopted by the Group for its most relevant transactions are the following:

Capital grants can be recognised reducing the cost of the assets for which financing was granted or as deferred income (which was the Group's choice). They are recognised in the income statement under “Other income.”

Certain property, plant, and equipment may be measured at market value or historical cost less depreciation and impairment loss. Viscofan has chosen the latter criteria.

### 3.4. Comparison of information

These consolidated financial statements present for comparative purposes, for each of the headings in the consolidated statement of financial position, the consolidated income statement, the consolidated comprehensive income statement, the consolidated cash flow statement, the consolidated statement of changes in equity and the notes to the consolidated financial statements, as well as the consolidated figures for 2024 and those for the previous year, except when an accounting standard specifically establishes that this is unnecessary.

### 3.5. Relevant accounting estimates, assumptions and judgments

The preparation of financial statements in conformity with EU-IFRS requires Group management to make judgments, estimates, and assumptions, and to apply relevant accounting estimates in the process of applying Group accounting policies.

This section describes the main assumptions advanced about the future and other key sources of uncertainty in estimations made at the reporting date that have a significant risk of requiring a material adjustments to the carrying amounts of assets and liabilities within the next financial year. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are duly reflected in assumptions when and as they occur.

(a) Taxes

The subsidiaries comprising the Group are individually responsible for their tax obligations in their respective countries.

The two Navarre companies have filed consolidated tax returns since 1 January 2021.

The Group analyses the possible inspections by the tax authorities of the respective countries and establishes provisions based on its best estimates. The amount of such provisions is based on various factors, such as experience of previous tax inspections and differing interpretations of tax regulations by the Group and the corresponding tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the country where the respective Group company is domiciled. The Group's policy, affecting all subsidiaries, is to apply conservative criteria when interpreting the different prevailing regulations in each of the countries where it operates.

Deferred tax assets are recognised for all unused tax losses and other temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be used. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and future taxable profits, together with future tax planning strategies.

The years open for review by tax authorities vary depending on each country's tax legislation, and returns are not considered definitive until the corresponding inspection period has elapsed or until they have been inspected and accepted by tax authorities.

The Company’s management considers that all applicable taxes have been duly paid so that even in the event of discrepancies in the interpretation of prevailing tax legislation with respect to the treatment applied, the resulting potential tax liabilities, if any, would not have a material impact on the accompanying financial statements.

Further details on taxes are disclosed in Note 17.

(b) Pension benefits

The cost of fixed-benefit pension plans and other obligations and the present value of pension obligations are determined using actuarial measurements. Actuarial measurements involve making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates, and future pension increases. Owing to the complexity and long-term scope of estimates, these are sensitive to any changes in assumptions.

Mortality rates are based on publicly available mortality tables for the specific country. Future salary and pension increases are based on expected future inflation rates for the respective countries.

A sensitivity analysis and details on the hypotheses used are provided in Note 13.1.

(c) Provisions for litigation and contingent assets and liabilities

Estimating provision amounts with respect to potential assets and liabilities derived from ongoing litigation is carried out on the basis of the professional opinion of the legal representatives hired to deal with such matters, as well as on the basis of internal evaluations performed by the Group's Legal Department.

The breakdown of provisions for litigations is shown in Note 13.3, while the main contingent assets and liabilities that may give rise to the future recognition of assets and liabilities are described in Note 13.4.

(d) Fair value of share-based remuneration

Fair value is determined by a third party using an adjusted form of the Black-Scholes model that includes a Monte Carlo simulation model that takes into account the price of the share during the year, the option period, the effect of dilution (where material), the share price at the grant date and the expected volatility of the underlying share price, the expected dividend yield, the risk-free interest rate for the option period and the correlations and volatilities of the reference Group companies.

(e) Other accounting estimates and hypotheses

- Assessment of possible impairment losses on certain assets and goodwill: Notes 4.7, 4.12, 4.13 and 4.15.
- Useful life of property, plant, and equipment and intangible assets: See Notes 4.12 and 4.13.
- Measurement of derivative financial instruments: (Note 4.23)

### 3.6. Ukraine - Russia conflict

Beyond the loss of life and destruction of resources it has caused, Russia's invasion of Ukraine has altered the dynamics of energy markets and trade sanctions put in place prevent the sale of casings from Europe. Consequently, the Board of Directors of Viscofan S.A. adopted the decision to interrupt the export activity of casings with Russia in 2022, a situation that continued during 2023.

According to “Regulation (EU) 2024/1745 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of the Russia's actions destabilising the situation in Ukraine”, the Spanish authorities have authorised the sale and export of the goods covered by code 3917 10, having determined that these products are sold, transferred or exported strictly for the production of food for human consumption in Russia.

On the basis of this Regulation, commercial transactions have been carried out with Russia throughout the year through Viscofan España, SLU.

It remains the case that the Group owns no fixed assets in either Ukraine or Russia.

### 3.7. Regulation of energy generating companies

The Group company Viscofan España, S.L.U. operates an electricity cogeneration facility. The Group is careful to comply with the regulation published in 2013 in this area, the most significant aspects of which are expressed below.

On 14 July 2013, Royal Decree-Law 9/2013 entered into force, drawing the bases of a new legal and economic system for existing electricity facilities using renewable energy, cogeneration and waste sources, establishing a remuneration system based on standard parameters in line with those of the various standard facilities defined. The RD eliminates the regulated renewable energy and cogeneration tariffs, creates the Electricity Self-Consumption Register and launches a new economic system whose main characteristic guarantees that the renewable energy facilities obtain an equivalent return to the interest rates on the 10-year State bonds, plus 300 basis points in reference to costs and investments of a standard facility, during its entire regulatory life. The RD also eliminates the efficiency and reactive energy complements existing in the regime that precedes it. Furthermore, the RD does not set new bonuses. The specification of the definitive remuneration has been postponed to the subsequent publication of a ministerial order and the latest existing rates remain as a reference, valid during the provisional term stretching from the publication of the RD to the publication of the subsequent order.

Electricity Law 24/2013, of 26 December, was published on 27 December 2013 to set out a regulation for the electricity sector that guarantees electricity supply with the necessary quality levels at the minimum possible cost, ensuring the economic and financial sustainability of the system and enabling an effective level of competition within it, respecting at all times the environmental protection principles proper to a modern society.

The expected enactment of this Law is defined in Royal Decree 413/2014, of 6 June, regulating the electricity production activity based on renewable, cogeneration and waste sources. The above RD organises the bases of the remuneration framework that enables electricity production facilities assigned to this system to cover the necessary costs in order to be able to compete on the market on an equal footing with the remaining technologies and obtain a reasonable return, establishing a remuneration system based on standard parameters and standard facilities. Towards this end, both article 14.4 of the Electricity Law and article 20 of the above Royal Decree, define an system to update the remuneration parameters of standard facilities. For facilities whose operating costs depend essentially on the price of fuel, Order IET/1345/2015, of 2 July, enacts the aforementioned articles and implements an update methodology on remuneration, to be applied biannual.

The above regulation contemplates the revision of market price estimates for the first three years of the regulatory period corresponding to financial years 2014, 2015 and 2016, adjusting them to real market prices. Section 3 of art. 22 of Royal Decree 413/2014 on market price estimates and deviation adjustments indicates that when the annual average price of the daily and intra-daily market is outside the limits set by the regulation, a positive or negative balance will be generated. This balance, accumulated on an annual basis, will be understood as the adjustment value for deviations in market price estimates. The adjustment value due to differences in market price and its estimates will therefore be calculated annually.

In the context of the COVID-19 international pandemic, Order TED/260/2021, of 18 March, was published on 22 March 2021, adopting measures to support facilities whose operating costs depend essentially on the price of fuel. The Order reviews the remuneration of standard facilities whose operating costs depend essentially on the fuel market.

Order TED/1232/2022, dated 2 December 2022, was published on 14 December 2022, updating the remuneration parameters for standard facilities applicable to those using renewable energy sources, cogeneration and waste, with the aim of having the new parameters applied to financial year 2022, and setting the remuneration corresponding to the first half of 2022 for these facilities.

Finally, on 28 December 2022, Order TED/1295/2022 of 22 December 2022 is published, setting the remuneration corresponding to the second semester of 2022, applicable to certain electricity production facilities using renewable energy sources, cogeneration and waste, for the purpose of its application to the 2022 financial year.

In relation to the adjustment for pool deviations affecting RECORE installations, the following regulations have been published during 2023:

Royal Decree-Law 6/2022, of 29 March, establishes that by 2023 a new methodology for determining the remuneration for the operation (Ro) of standard installations must be published, and, furthermore, that in this new methodology, the banding adjustments for pool deviations must cease to be applied for installations whose costs depend essentially on the cost of fuel (cogeneration, waste treatment and biomass).

Royal Decree-Law 10/2022 of 13 May requires that the market price for the adjustment for deviations in the pool price cease to be the average of the daily and intra-day market (OMIE) and become the average of a basket of electricity price products (spot and futures).

Royal Decree-Law 20/2022 of 27 December provides that, as it has not been possible to publish a proposal for a new methodology in time, the current methodology will be applicable for the first half of 2023, modifying the provisions of RDL 6/2022.

In December 2022, the Draft Order for the first half of 2023 is published, continuing with the current regulation as set out in RDL 20/2022.

In April 2023 the Draft Order for the second half of 2023 is published, establishing a new Ro calculation methodology, and a new pool deviation adjustment methodology for cogeneration, treatments, and biomass, proposing to replace the banding adjustments with a settlement at the end of each year.

Royal Decree-Law 5/2023, of 28 June, establishes a series of changes for the year 2023, with respect to the previously published regulations and proposals:

- It considers commodity prices for 2023, pending the new methodology (electricity, natural gas and CO2 prices), but resulting in a reduction of the Ro value of the plants.

- For the year 2023 the applicable price for the adjustment for pool deviations will be the smallest between the RDL 10/2022 basket average and the minimum daily market price (OMIE). Given that the average OMIE price was lower than the basket price in 2023, the OMIE price is taken as the adjustment price for 2023.

The value of the Ro for the first half of 2023 is officially set by Order TED/741/2023, of June 30. The Order proposes two alternative Ro values, with the higher value being applicable. This is because one of the alternatives is calculated according to the commodity prices determined by the usual methodology, while the other alternative is calculated according to the prices set by Royal Decree-Law 5/2023. The order also specifies that for the calculation of the adjustment for pool deviations for the 2023-2025 half-period, the targeting coefficient must be applied not only to the actual pool, but also to the adjustment bands.

The Draft Order on parameters for the first half of 2024 was published on 22 November 2023. This Order finally sets the new Ro methodology, which will apply from 1 January 2024

On 11 April 2024, Order TED/353/2024 was published, establishing the values of the Ro for the second calendar semester of 2023, applicable to certain facilities for the production of electricity from renewable energy sources, cogeneration and waste, and approving new standard facilities and their corresponding remuneration parameters.

On 31 May 2024, Order TED/526/2024 was published, establishing the methodology for updating the operating remuneration of electricity generation facilities whose operating costs depend essentially on the price of fuel and updating their operating remuneration values applicable as from 1 January 2024. The calculation of Ro is established on a quarterly basis for cogeneration and waste treatment, and on an annual basis for biomass. and ceases to apply pool adjustments of any kind for cogeneration and waste treatment.

On 27 June 2024, the Resolution of the Secretary of State for Energy was published, updating the values of the remuneration for the operation corresponding to the third calendar quarter of 2024 of the standard electricity generation facilities whose operating costs depend essentially on the price of fuel.

On 27 September 2024, the Resolution of the Secretary of State for Energy was published, updating the values of the remuneration for the operation corresponding to the fourth calendar quarter of 2024 of the standard electricity generation facilities whose operating costs depend essentially on the price of fuel.

On 26 December 2024, the Resolution of the Secretary of State for Energy was published, updating the values of the remuneration for the operation corresponding to the first calendar quarter of 2025 of the standard electricity generation facilities whose operating costs depend essentially on the price of fuel.

## 4. Significant accounting principles

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations as endorsed by the European Union (EU-IFRS).

A summary of the most significant principles is as follows:

### 4.1. Changes in accounting policies

Changes in regulation in 2024 did not affect this year's financial statements nor those of the previous year.

In 2023, as a result of the publication of IAS 12 amendment “Deferred Tax Relating to Assets and Liabilities Arising from a Single Transaction”, the accounts for the year ended 31 December 2022 had to be restated. However, these changes did not affect the result for said year.

The Group intends to adopt these standards, interpretations and amendments mandatory in the European Union when they enter into force if they are applicable. Based on the analyses performed to date, the Group considers that there were no significant impacts on the consolidated financial statements.

### 4.2. Going concern basis

Once the financial situation has been assessed, together with the liquidity and obligations undertaken, the directors conclude that no events or conditions exist that cast doubt over the Group's ability to continue as a going concern, hence the consolidated financial statements have been prepared using this principle.

### 4.3. Method of consolidation

Control is obtained when the Group is exposed, or has the rights attached to variable interest rates arising from its involvement in a subsidiary, and is able to influence them as a result of the exercise of power over the subsidiary. Specifically, the Group has control of a subsidiary if, and only if it has:

- Power over the subsidiary (existing rights allowing it to manage relevant subsidiary's activities)
- Exposure, or rights, to variable returns from its involvement with the other company
- The ability to use its power over the other company to affect the amount of the company's return

Generally, it is presumed that the majority of voting rights grants control.

The Group has applied the exemption permitted by IFRS 1 First-time Adoption of International Financial Reporting Standards regarding business combinations. Consequently, only business combinations which occurred subsequent to 1 January 2004, the date of transition to EU-IFRS, have been recognised using the purchase method. Entities acquired prior to that date were recognised under the former Spanish general chart of accounts, once the necessary transition date adjustments and corrections were considered.

Subsidiaries were fully consolidated; hence all the assets, liabilities, equity, income, expenses and cash flow arising from transactions between Group companies are totally eliminated during the consolidation process.

The financial statements of the subsidiaries used in the consolidation process reflect the same reporting date as that of the Parent and are adapted to the Group's accounting policies.

Non-controlling interests in the results, and equity of subsidiaries are shown separately in the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income and the consolidated statement of changes in equity.

### 4.4. Effects of changes in foreign exchange rates

(a) Foreign currency transactions

The consolidated financial statements are presented in thousands of euros, which is the functional and presentation currency of the Parent.

Each Group entity determines its own functional currency and the balances included in the financial statements of each company are measured using this functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the transaction date.

Monetary assets and liabilities expressed in foreign currencies have been translated into the functional currency at the year-end exchange rate, whereas non-monetary assets and liabilities measured at historical cost in a foreign currency are translated using the exchange rate at the transaction date. Non-monetary assets denominated in foreign currencies measured at fair value are translated to the functional currency at the foreign currency exchange rate prevailing at the date the value was determined.

Differences arising on settlement of transactions in foreign currency and on translation of monetary assets and liabilities expressed in foreign currency to the functional currency are taken to the income statement. Exchange differences arising from the translation of monetary items forming part of the net investment in foreign operations are recognised as translation differences in equity.

Translation gains or losses related to monetary financial assets or liabilities expressed in foreign currency are also recognised in the income statement.

b) Translation of foreign operations

Translation differences are recognised in the Group’s equity. Translation of foreign operations, excluding foreign operations in hyperinflationary economies, is based on the following criteria:

- Assets and liabilities, including goodwill and adjustments to net assets arising from the acquisition of businesses, including comparative balances, are translated at the year-end exchange rate at each balance sheet date.

- Income and expenses relating to foreign operations, including comparative balances, are translated at the exchange rates prevailing at each transaction date; and

- Foreign exchange differences arising from application of the above criteria are recognised under translation differences in equity.

The Group does not carry out any business activities in hyperinflationary countries.

Translation differences arising as a result of the sale of foreign businesses recognised in equity are recognised as a single line item in the consolidated income statement when there is a loss of control of such businesses.

### 4.5. Classification of assets and liabilities as current and non-current

The Group classifies assets and liabilities in the consolidated statement of financial position as current or non-current based on the following criteria: For these purposes, current assets or liabilities are those that meet the following criteria:

- Assets are classified as current when they are expected to be realised, sold or traded in the Group's ordinary course of business within 12 months of the balance sheet date and when held essentially for trading. Cash and cash equivalents are also classified as current, except where they may not be exchanged or used to settle a liability, at least within the 12 months following the balance sheet date. The Group classifies the remainder of its assets as non-current.

- Liabilities are classified as current when expected to be settled in the Group's ordinary course of business within 12 months of the balance sheet date and when essentially held for trading, or where the Group does not have an unconditional right to defer settlement of the liability for at least 12 months from the balance sheet date. The Group classifies the remainder of its liabilities as non-current.

- Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### 4.6. Calculation of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

- The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses measurement techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 — Measurement techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

- Level 3 — Measurement techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company considers that its cash, trade and other receivables, trade and other payables, and balances of accounts payable to and receivable from public administrations, have a fair value very close to their carrying amounts mainly as a result of their coming due in the short term.

The fair values for the remaining financial assets and liabilities are disclosed in Notes 10 and 15, respectively.

### 4.7. Financial instruments - Initial recognition and subsequent measurement

(a) Classification

The Group has classified its financial assets in the following measurement categories:

- those valued subsequently at fair value (whether through profit or loss or through other comprehensive income), and

- those valued at amortised cost.

The classification depends on the business model at the entity to manage financial assets and the contractual terms of cash flows.

For assets valued at fair value, gains or losses are recognised through profit or loss or through other comprehensive income. For investments in equity instruments that are not held for sale, this will depend on whether the Group made an irrevocable choice at the time of the initial recognition to account for the investment in equity at fair value through other comprehensive income.

The Group only reclassifies investments in debt when the business model is changed to manage these assets.

(b) Recognition and derecognition

Conventional purchases and sales of financial assets are recognised on the trade date, the date on which the Group commits to buying or selling the asset. Financial assets are derecognised when the rights to cash flows relating to the financial assets expire and the Group has substantially transferred all risks and rewards inherent to ownership.

(c) Measurement

Upon initial recognition, the Group measures a financial asset at its fair value, plus, in the case of financial assets other than at fair value through profit or loss (FVTPL), the costs of the transaction directly attributable to the acquisition of the financial asset. The costs of the financial asset transaction recognised at fair value through profit or loss are recognised as expenses on the income statement.

Financial assets with implicit derivatives are considered as a whole when establishing whether their cash flows are exclusively for the payment of the principal and interest.

- ***Debt instruments***

The subsequent measurement of debt instruments depends on the Group's business model to manage the asset and the cash flow characteristics of the asset. There are three measurement categories under which the Group classifies its debt instruments:

- Amortised cost: Assets held for the collection of contractual cash flows, when these flows only represent the payments of principal and interest, are valued at amortised cost.

  Interests income on these financial assets are included in financial income in accordance with the effective interest rate method.

  Any gains or losses arising when they are derecognised are directly recognised in profit or loss for the year and appear under other gains/(losses) along with gains and losses on exchange differences.

  Impairment losses appear as a separate item in the profit and loss statement.

- Fair value through other comprehensive income: Assets held for the collection of contractual cash flows and the sale of financial assets, when the cash flows of assets only represent the payments of principal and interest, are valued at fair value through profit or loss

  Changes in the carrying amount are taken to other comprehensive income, with the exception of the recognition of impairment losses or gains, interest income and gains or losses from exchange differences, which are recognised in the statement of profit or loss.

  When the financial asset is derecognised, the accumulated gains or losses previously recognised in other comprehensive income are reclassified from equity to profit or loss and recognised in other gains/(losses).

  Interests income on these financial assets are included in financial income in accordance with the effective interest rate method.

Gains and losses on exchange differences are presented in other gains and losses and impairment losses are presented as a separate item on the statement of profit or loss.

- Fair value through other profit or loss: Assets that do not meet the criteria for being measured at amortised cost or at fair value through other comprehensive income are recognised at fair value through profit or loss.

  Gains or losses on a debt investment recognised subsequently at fair value through profit or loss are recognised through profit or loss and presented net on the statement of profit or loss under other gains/(losses) in the year in which they occur.

- ***Equity instruments***

The Group subsequently measures all equity investments at fair value. When the Group's management has decided to present gains or losses at the fair value of equity investments through other comprehensive income, there is no subsequent reclassification of gains and losses at fair value through profit or loss following the derecognition of the investment in accounts. Dividends from these investments are recognised in profit or loss for the year as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gains/(losses) in the income statement when applicable. Impairment losses (and reversals of impairment losses) on equity investments measured at fair value through other comprehensive income are not presented separately from other changes in fair value.

(d) Impairment

The Group measures against a prospective base of expected credit losses associated with its assets at amortised cost and fair value through other comprehensive income. The methodology applied for impairments depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group takes the simplified approach permitted under IFRS 9, which requires that expected losses during their useful life are recognised from the initial recognition of the receivables. See Note 9 for further details.

## 4.8. Impairment of non-financial assets subject to depreciation or amortisation

The Group periodically evaluates whether there are indications of possible impairment losses on assets other than financial assets, inventories, deferred tax assets and non-current assets held for sale, to determine whether their carrying amount exceeds their recoverable value (impairment loss).

(a) Calculation of recoverable amount

The recoverable amount of assets is the greater of their net selling value and value in use. An asset's value in use is calculated based on the expected future cash flows deriving from use of the assets, expectations of possible variations in the amount or timing of those future cash flows, the time value of money, the price for bearing the uncertainty inherent in the asset and other factors that market participants would reflect in pricing the future cash flows the entity expects to derive from the asset.

Recoverable amounts are calculated for individual assets, unless the asset does not generate cash inflows that are largely independent from those corresponding to other assets or groups of assets. In this case, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

(b) Reversal of impairment

Impairment losses are only reversed if there has been a change in the estimates used to determine the recoverable amount. Impairment losses on goodwill are not reversible.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment had been recognised.

The amount of the reversal of the impairment of a CGU is allocated to its assets, except goodwill, pro rata on the basis of the carrying amount of the assets, to the limit referred to in the previous paragraph.

### 4.9. Revenue recognition

Revenue from the sale of goods or services is recognised at the fair value of the consideration received or receivable. Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services, net of VAT and any other amounts or taxes which are effectively collected on the behalf of third parties. Volume or other types of discounts for prompt payment are recorded as a reduction in revenue if considered probable at the time of revenue recognition.

Before recognising revenue, the Group:

- identifies the customer contracts
- identifies the separate performance obligation
- establishes the transaction price of the contract
- allocates the transaction price between the separate performance obligations
- recognises the revenue when each performance obligation is satisfied

(a) Sale of casings and film

The Group manufactures and sells casings and film for food use and other applications. Sales are recognised when control of the products is transferred, i.e., when the products are delivered to the customer, this party has full discretion over the product and no obligations have been unfulfilled that may affect the customer's acceptance of the products. The delivery takes place based on agreements with customers (Incoterm) and it is at this time when risks of obsolescence and loss are transferred to the customer, and the Group has proof that all acceptance criteria have been met.

The products are often sold subject to volume discounts over a 12-month period. Income from these sales is recognised based on the price specified in the contract, net of estimated volume discounts. Accumulated experience is used to estimate and provide discounts, using the expected

value method and ordinary income are only recognised insofar as it is highly likely that there is no significant reversal. No element of financing is considered to exist, as sales are completed with a credit term of 45-90 days, which is consistent with market practice.

An account receivable is recognised when the assets are delivered, as this is the time at which the consideration is unconditional, as only the passing of time is required for the payment to mature.

(b) Sale of energy

Energy sales are recognised as energy is produced and made available to the customer. At this time, it is understood that there are no unfulfilled obligations. These sales are made at regulated tariffs in each location. No element of financing is considered to exist, as sales are completed with a credit term of 60 days.

The Viscofan Group recognises the electricity revenue generated from cogeneration, including the perceived market tariff, together with the energy generation premiums, in line with the regulations, as said energy is generated and marketed.

In terms of the sales of electricity produced, they are recognised as the energy generated by cogeneration systems is produced and delivered, applying the tariffs in force.

### 4.10. Earnings per share

Basic earnings per share are calculated by dividing net profit for the year attributable to the ordinary shares of the Parent by the weighted number of ordinary shares outstanding during that year, excluding the average number of shares of the Parent, Viscofan, S.A. held by any of the Group companies.

Diluted earnings per share are calculated by dividing net profit for the year attributable to the ordinary shareholders of the parent by the weighted average number of ordinary shares which would be in issue if all potential ordinary shares were converted into ordinary shares of Viscofan, S.A.

### 4.11. Business combinations and goodwill

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises:

- the fair values of the assets transferred
- liabilities incurred with former owners of the acquired business
- equity investments issued by the group
- the fair value of any asset or liability resulting from a contingent consideration arrangement, and
- the fair value of any previous equity interest in the subsidiary.

Identifiable assets acquired and contingent liabilities and liabilities assumed in a business combination, with limited exceptions, are initially measured at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-to-acquisition basis at fair value or by the proportionate share of the non-controlling interest in the acquiree's net identifiable assets.

Acquisition-related costs are recognised as an expense when incurred.

Goodwill is recognised as the excess of

- the consideration transferred, the amount of any non-controlling interest at the acquired entity and the fair value at the acquisition date of any equity interest
- on the fair value of the identifiable net assets acquired and the liabilities assumed.

If the amounts of the fair value of the net assets acquired and the liabilities assumed is higher, the difference is recognised directly in profit or loss as a purchase on very advantageous terms.

When the settlement of any part of the cash consideration is deferred, future amounts payable are discounted to their present value at the exchange date. The discount rate used is the entity's incremental borrowing interest rate, the rate at which a similar loan could be obtained from an independent lender under comparable terms and conditions.

The contingent consideration is classified as equity or financial liability. The amounts classified as a financial liability are subsequently restated to fair value with changes in fair value recognised in profit or loss.

If the business combination is carried out in stages, the carrying amount at the acquisition date of the acquiree's equity interest in the previously-held acquiree is measured again at its fair value at the acquisition date, recognising any resulting gain or loss in profit or loss.

### 4.12. Intangible assets

(a) Goodwill

Goodwill is measured as described in Note 4.12. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised, but tested annually for impairment, or more frequently if events or changes in circumstances indicate that it may be impaired, and is recognised at cost less any accumulated impairment losses. A gain or loss on the sale of an entity includes the carrying amount of goodwill related to the entity sold.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units. The allocation is made among cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose (Note 5).

b) Development costs

Development costs incurred on a project are recognised as intangible assets if the project is technically and commercially viable, sufficient technical and financial resources are available to complete it, the costs incurred can be reliably determined and profit is probable.

The Group has not capitalised any development costs. Capitalised development costs are amortised on a straight-line basis over the estimated useful life of each project, never exceeding 5 years.

When there are reasonable doubts as to the technical success or economic and commercial profitability of capitalised projects, the amounts recognised in assets are charged directly to the profit and loss account for the year.

Expenditure on research activities is recognised in the consolidated income statement as an expense as it is incurred.

(c) Other tangible assets

Other intangible assets are stated at cost, less accumulated amortisation and impairment losses.

Software maintenance costs are expensed as incurred.

(d) Useful lives and amortisation rates

The Group evaluates whether the useful life of each intangible asset acquired is finite or indefinite. An intangible asset is considered to have an indefinite useful life where there is no foreseeable limit to the period over which it will generate net cash inflows. At 31 December 2024 and 2023, the Group had no intangible assets with indefinite useful lives, except for Goodwill discussed in Note 5.

Intangible assets with finite useful lives are amortised by allocating the depreciable amount systematically on a straight-line basis over the useful lives of the assets in accordance with the following criteria:

| | Estimate useful life (years) |
|---|---|
| Development costs | 5 |
| Industrial property and Rights of use | 5-10 |
| Concession land rights in China | 50 |
| Software | 5 |

The depreciable amount of intangible asset items is the cost of acquisition or deemed cost less the residual value.

The Group reassesses residual values, useful lives, and amortisation methods at the end of each financial year. Changes to initially established criteria are recognised as a change in accounting estimates.

### 4.13. Property, plant, and equipment

(a) Initial recognition

Property, plant, and equipment is stated at cost, less accumulated depreciation and any impairment losses. The cost of self-constructed assets is determined using the same principles as for an acquired asset, considering the principles established to determine the cost of production. The cost of production is capitalised through the credit of the costs attributable to the assets in accounts under “Other income” in the consolidated income statement.

The cost of assets which have long installation periods includes finance costs accrued prior to their being put to use. Such costs meet the capitalisation requirements described above.

The Group availed itself at 1 January 2004 of the exemption related to the restated values pursuant to the corresponding legislation, as an attributed cost of IFRS 1 “First Time Adoption of International Financial Reporting Standards”.

(b) Amortisation and depreciation

Property, plant, and equipment is depreciated systematically over the useful life of the asset. The depreciable amount of PP&E items is the cost of acquisition less the residual value. Each part of a PP&E item with a cost that is significant in relation to the total cost of the item is depreciated separately.

Depreciation of PP&E items is calculated using the straight-line method over their estimated useful lives, as follows:

| | Estimate useful life (years) |
|---|---|
| Buildings | 30 |
| Plant and equipment | 10. |
| Other installations, tools and furniture | 5 - 10 |
| Property, plant, and equipment | 3 - 15 |

The Group reassesses residual values, useful lives, and depreciation methods at the end of each financial year. Changes to initially established criteria are recognised as a change in accounting estimates.

(c) Subsequent recognition

Subsequent to initial recognition of the asset, only costs that will probably generate future economic benefits and which may be measured reliably are capitalised. Ordinary maintenance costs are expensed as they are incurred.

Replacements of property, plant, and equipment which meet the requirements for capitalisation are recognised as a reduction in the carrying amount of the items replaced. Where the cost of the replaced items has not been depreciated independently and it has not been practical to determine the respective carrying amount, the replacement cost is used as indicative of the cost of items at the time of acquisition or construction.

### 4.14. Right-of-use

From 1 January 2019, leases are recognised as a right-of-use asset and the corresponding liability on the date on which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Right-of-use liabilities include the net present value of the following right-of-use payments:

- fixed payments (including fixed payments in substance), less any right-of-use incentive to collect
- variable right-of-use payments that depend on an index or rate, initially measured according to the index or rate at the start date
- amounts expected to be paid by the Group as residual value guarantees
- the exercise price of a call option if the Group is reasonably certain that it will exercise that option, and
- penalty payments on termination of the rights-of-use, if the term of the right-of-use reflects the Group's exercise of that option.

Right-of-use payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Right-of-use payments are discounted using the interest rate implied in the right-of-use.

The Group is exposed to potential future increases in variable right-of-use payments based on an index or rate, which are not included in the right-of-use liability until they take effect. When adjustments to index or rate-based right-of-use payments take effect, the right-of-use liability is reassessed and adjusted against the right-to-use asset.

Right-of-use payments are apportioned between principal and finance cost. The finance cost is charged to income over the right-of-use period so as to produce a constant periodic interest rate on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost, comprising:

- the amount of the initial measurement of the right-of-use liability
- any right-of-use payments made on or before the start date, less any right-of-use incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally amortised on a straight-line basis over the shorter of the asset's useful life or the end of the lease term.

The Group applies the exemption of recognising leases that have a period equal to or lower than 12 months from the date of commencement, and that do not contain a purchase option, and the leases in which the underlying asset has a scant value. The payment for these leases is recognised as an expense during the lease period.

### 4.15. Inventories

Inventories comprise non-financial assets which are held for sale by the consolidated entities in the ordinary course of business.

Cost comprises all costs of acquisition, costs of conversion, and other costs incurred in bringing the inventories to their present location and condition.

Inventory conversion costs comprise the costs directly related with the units produced and a systematically calculated part of the indirect, variable or fixed costs incurred in the conversion process. Indirect fixed costs are distributed on the basis of the normal production capacity or actual production.

Indirect fixed costs distributed to each production unit are not increased as a result of a low level of production or idle production capacity. Indirect costs that are not distributed are recognised as expenses for the financial year in which they are incurred. In periods of abnormally high production, the amount of indirect costs distributed to each production unit is decreased so that inventories are not measured above cost. Variable indirect costs are distributed to each production unit on the basis of the actual use of the production facilities.

The methods applied by the Group to determine inventory costs are as follows:

- Raw materials, other materials consumed, and goods for resale: at weighted average cost.

- Finished and semi-finished products: at weighted average cost of raw and other materials and includes direct and indirect labour, plus other manufacturing overheads.

Volume discounts from suppliers are recognised when it is probable that the discount conditions will be met. Prompt payment discounts are recognised as a reduction in the cost of inventories acquired.

The cost of inventories is adjusted against profit or loss in cases where cost exceeds net realizable value. Net realizable value is considered as the following:

- Raw materials and other consumables: the Group only makes adjustments if the finished products in which the raw materials are incorporated are expected to be sold at a price equivalent to their production cost or lower;

- Goods for resale and finished products: estimated sale price, less selling costs.

- Work in progress: estimated sale price for corresponding finished products, less the estimated costs for completion of their production and selling costs.

Write-downs and reversals of write-downs are recognized in the consolidated income statement for the year. When the circumstances that previously caused the inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed against the following headings: “Changes in inventories of finished products” and “Work in progress and consumption of materials and other supplies.” The reversal of write-downs in the value of inventories is recognised with a credit to the “Changes in inventories of finished goods and work in progress” and “Consumption of raw materials and other consumables” headings.

### 4.16. Emission rights

The Viscofan Group records emission rights when it owns them, under the “Inventories” heading.

Rights assigned free of charge to each plant under each national emission rights assignment plan are initially measured at market value on the date granted and are recognised as a credit to “Grants” (Note 4.20) in the consolidated statement of financial position. Rights acquired from third parties are recognised at their acquisition cost.

These assets are measured using the cost method. At each year end they are analysed for any indications of impairment of their carrying amounts.

These emission rights are eliminated from the statement of financial position when they are sold, delivered, or have expired. Should the rights be delivered, they are derecognized from the provision made when the CO2 emissions take place applying the FIFO method (first in, first out).

### 4.17. Non-current assets held for sale and discontinued operations

The Group classifies assets whose carrying amount is expected to be realised through a sale transaction, rather than through continuing use, as “Non-current assets held for sale” when the following criteria are met:

- When they are immediately available for sale in their present condition, subject to the normal terms of sale; and

- When it is highly probable that they will be sold.

Non-current assets held for sale are accounted for at the lower of their carrying amount and fair value less cost to sell, except deferred tax assets, assets arising from employee benefits, and financial assets which do not correspond to investments in Group companies, joint ventures and associates, which are measured according to specific standards. These assets are not depreciated and, where necessary, the corresponding impairment loss is recognised to ensure that the carrying amount does not exceed fair value less costs to sell.

Disposal groups held for sale are measured using the same criteria described above. The disposal group as a whole is then remeasured at the lower of the carrying amount and fair value less costs to sell.

Related liabilities are classified as “Liabilities held for sale and discontinued activities”.

A disposal group of assets is considered a discontinued operation if it is a component of an entity which either has been disposed of or is classified as held for sale and:

- Represents a significant and separate major line of business or geographical area of operations.

- Is part of a single coordinated plan to dispose of a significant and separate major line of business or geographical area of operations.

Discontinued operations are presented in the consolidated income statement separately from income and expenses from continuing operations, on a single line under “Profit from discontinued operations.”

### 4.18. Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand deposits with credit institutions. Other short-term, highly-liquid investments are also included under this heading, provided that they were readily convertible into specified amounts of cash and had an original maturity of close to or not exceeding three months.

### 4.19. Dividend

The interim dividends approved by the Board of Directors in 2024 and 2023 are included as a reduction of the Viscofan Group's equity.

### 4.20. Government grants

Government grants are recognised on the face of the balance sheet when there is reasonable assurance that they will be received and that the Group will comply with the conditions attached.

(a) Capital grants

Government grants in the form of non-monetary assets are recognised at fair value, with a credit to “Grants” in the consolidated statement of financial position and they are transferred to “Other income” in the consolidated income statement in line with the depreciation of the subsidised asset.

Non-refundable grants related to emission rights are initially recognised at market value on the date provided under “Grants,” and are recognised in the consolidated income statement as they are used. They are recognised in “Other income” on the consolidated income statement.

(b) Operating subsidies

Operating subsidies are recognised with a credit to “Other income” in the consolidated income statement.

Grants received as compensation for expenses or losses already incurred, or for the purpose of providing immediate financial support not related to future expenses, are recognised as a credit to “Other income” in the consolidated income statement.

(c) Interest rate subsidies

Financial liabilities with implicit interest rate subsidies in the form of below-market rates of interest are initially recognised at fair value. The difference between this value, adjusted where applicable by the costs of issue of the financial liability and the amount received, is recorded as an official grant based on the nature of the grant.

### 4.21. Employee benefits

(a) Liabilities for retirement benefits and other commitments

Defined benefit plans include those financed by insurance premium payments for which a legal and implicit obligation exists to settle commitments directly with employees when they fall due or pay additional amounts in the event the insurer does not pay all employee benefits relating to employee service in the current and prior periods.

Defined benefit liabilities recognised in the consolidated statement of financial position reflect the present value of defined benefit plans at year end, less the fair value of the assets related to those benefits.

Defined benefit plan costs are recognised under “Staff costs” in the consolidated income statement and are obtained as a result of the addition of the net amount of the current service costs, plus the effect of any reduction or liquidation of the plan.

Interest on the net liability/(asset) relating to the defined benefit plan is calculated by multiplying the net liability/(asset) by the discount rate and is recognised in financial results under “Financial expenses”.

Subsequent to initial measurement, the re-evaluation, which comprises actuarial gains and losses, the effect of the limit on the assets, excluding amounts included in net interest and performance of the plan assets are recognised immediately in the statement of financial position with a credit or debit to reserves, as appropriate, through other comprehensive income in the period in which they occur. These changes are not reclassified to profit or loss in subsequent periods.

A description of each of the Group’s defined benefit pension plans is included in Note 13.1.

b) Termination benefits

The Group recognises termination benefits unrelated to restructuring processes when it is demonstrably committed to terminating the employment of current employees before the normal retirement date. The Group is demonstrably committed to terminating the employment of current employees when a detailed formal plan has been prepared and those affected have valid expectations that the process will be carried out, and there is no possibility of withdrawing or changing the decisions made. Indemnities payable in over 12 months are discounted at interest rates based on market rates of quality bonds and debentures.

c) Short-term employee benefits

Short-term benefits accrued by Group personnel are recorded in line with the employees’ period of service. The amount is recorded as an employee benefit expense and as a liability net of settled amounts. If the contribution already paid exceeds the accrued expense, an asset is recorded to the extent that it will reduce future payments or a cash refund.

The Group recognizes the expected cost of short-term benefits in the form of accumulated compensated absences, when the employees render service that increases their entitlement to future compensated absences, and in the case of non-accumulating compensated absences, when the absences occur.

The Group recognizes the expected cost of profit-sharing and bonus payments when it has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

d) Share-based payment

Certain classes of employees are provided with share-based remuneration benefits through the Long Term Employee Incentive Plan, an employee share ownership plan. Note 22.3 provides information on these plans.

The fair value of shares granted under the long-term employee incentive plan that are settled through the delivery of shares is recognised as employee benefit expense against equity. The total amount to be recognised as an expense is determined by reference to the fair value at the grant date of the shares granted:

- including market performance conditions (for example, the entity's share price)
- excluding the impact of non-market related service or performance targets for the vesting of the shares (e.g. accident rate, waste reduction targets)

The total expense is recognised during the vesting period, which is the period during which all the specified terms for vesting have to be satisfied. At the end of each year, the entity reviews its estimates of the number of shares it expects to become vested, based on non-market service targets for vesting. The impact, if any, of the review of the original estimates is recognised in profit or loss, with a corresponding adjustment to equity.

If the long-term employee incentive plan is settled in cash, it is recognised as employee benefit expense against a liability. The total amount to be recognised as an expense is determined by reference to fair value at each close.

## 4.22. Provisions

(a) General criteria

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation, provided a reliable estimate can be made of the amount of the obligation.

The amounts recognised as a provision in the consolidated statements of financial position are the best estimate of the expenditure required to settle the present obligation at the consolidated balance sheet date, taking into account the risks and uncertainties related to the provision and, where significant, financial effect of the discount, provided that the expenditures required in each period can be reliably measured. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

The financial effect of provisions is recognised under finance costs in the consolidated income statement.

Reimbursement rights from third parties are recognised as a separate asset where it is practically certain that these will be collected. The income reimbursed, where applicable, is recognised in the consolidated income statement as a reduction in the associated expense and is limited to the amount of the provision.

If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed against income. The provision is

reversed against the consolidated income statement where the corresponding expense was recorded.

(b) Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

(c) Restructuring expenses

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been announced publicly. Provisions for restructuring only include payments directly related to the restructuring which are not associated to continuing activities of the Group.

(d) Emission rights provision

Provision is made systematically for expenses related to the emission of greenhouse gases. This provision is cancelled once the corresponding free-of-charge and market-acquired rights granted by public entities have been transferred.

### 4.23. Derivatives and hedge accounting

Derivatives are initially recognised at fair value on the date the derivative contract is signed and subsequently restated to fair value at each balance sheet date. The accounting for subsequent changes in fair value depends on whether the derivative has been designated as a hedging instrument and, if so, on the nature of the item being hedged. The group designates certain derivatives as:

- fair value hedges of recognised assets or liabilities or a firm commitment (fair value hedges)
- hedges of a specific risk associated with cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- hedges of a net investment in a foreign operation (net investment hedges).

At the start of the hedging relationship, the Group documents the economic relationship between hedging instruments and the hedged items, including whether it is expected that changes in the cash flows of hedging instruments offset changes in the cash flows of the hedged items. The Group documents its risk management target and strategy to undertake its hedging transactions.

The fair values of the derivative financial instruments designated in hedging ratios are broken down in Note 16. The movements in the hedge reserve included in the equity of shareholders are shown in Note 12.

The total fair value of a hedging derivative is classified as a non-current asset or liability if the remaining maturity of the hedged item exceeds 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as current assets or liabilities.

The effective portion of changes in the fair value of derivatives designated and classified as cash flow hedges is recognised under cash flow hedge reserves in equity. The gain or loss relating to the ineffective portion is immediately recognised in the income statement for the year within other gains/(losses).

When option contracts are used to cover expected transactions, the Group only designates the intrinsic value of the option contract as the hedging instrument.

The gains or losses corresponding to the effective portion of changes in the intrinsic value of option contracts are recognised under cash flow hedge reserves in equity. Changes in the time value of option contracts related to the hedged item ("aligned time value") are recognised through other comprehensive income under hedge cost reserves in equity.

When forward contracts are used to cover expected transactions, the Group generally only designates the change in fair value of the forward contract relating to the cash component as the hedging instrument. The gains or losses relating to the effective portion of changes in the cash component of forward contracts are recognised under cash flow hedge reserves in equity. Changes in the forward element of the contract related to the hedged item ("aligned forward element") are recognised through other comprehensive income under hedge cost reserves in equity. In some cases, the gains or losses corresponding to the effective portion of changes in the fair value of the entire forward contract are recognised under cash flow hedge reserves in equity.

Accumulated amounts in equity are reclassified in the years when the hedged item affects profit or loss for the year, as follows:

- When the hedged item subsequently results in the recognition of a non-financial asset (such as inventories), both deferred hedge gains and losses and the deferred time value or deferred forward points, as applicable, are included in the initial cost of the asset. Deferred amounts are ultimately recognised in profit for the year, as the hedged item affects profit or loss for the year (for example, via the cost of sales).

- Gains or losses corresponding to the effective portion of interest rate swaps covering floating rate loans are recognised in profit or loss under finance cost at the time as the interest cost on hedged loans.

### 4.24. Income tax

Income tax on the profit for the year comprises current and deferred tax.

Current tax is the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the year. Current tax assets or liabilities are measured for amounts payable to or recoverable from tax authorities, using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences, whereas deferred tax assets are the amounts of income taxes recoverable in future periods in respect of deductible temporary differences, the carry-forward of unused tax losses, and the carry-forward of unused tax credits. Temporary differences are differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the year except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different year, directly in equity, or from a business combination.

(a) Taxable temporary differences

Taxable temporary differences are recognised in all cases except where:

- Arising from the initial recognition of goodwill or an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit, or
- Associated with investments in subsidiaries over which the Group is able to control the timing of the reversal of the temporary difference and it is probable that the timing difference will reverse in the foreseeable future.

(b) Deductible temporary differences

Deductible temporary differences are recognised provided that:

- It is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the differences arise from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.
- The temporary differences are associated with investments in subsidiaries to the extent that the difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

Tax planning opportunities are only considered on evaluation of the recoverability of deferred tax assets and if the Group intends to use these opportunities or it is probable that they will be used.

(c) Measurement

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the years when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and reflecting the tax consequences that would follow from the manner in which the Group expects to recover or settle the carrying amount of its assets or liabilities.

The carrying amounts of deferred tax assets are reviewed by the Group at each balance sheet date to reduce these amounts to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of the deferred tax assets to be utilised.

Deferred tax assets which do not comply with the aforementioned conditions are not recognised in the consolidated statement of financial position. At year end the Group reassesses unrecognised deferred tax assets.

(d) Classification and offsetting

The Group only offsets current tax assets and liabilities if it has a legally enforceable right to offset the recognised amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The Group only offsets tax assets and liabilities where it has a legally enforceable right, where these relate to taxes levied by the same tax authority and on the same entity and where the tax authorities permit the entity to settle on a net basis, or to realize the asset and settle the liability simultaneously for each of the future years in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Deferred tax assets and liabilities are recognised on the consolidated statement of financial position under non-current assets or liabilities, irrespective of the date of realisation or settlement.

(e) Tax assets

The group has several different types of tax credits in certain subsidiaries. These tax credits are recorded by reducing the corporate income tax expense for the year in which they are applied.

### 4.25. Environmental issues

(a) Environment

The Group takes measures to prevent, reduce or repair the damage caused to the environment by its activities.

Costs incurred from environmental activities are recognised under “Other operating costs” in the year in which they are incurred.

Assets used by the Group to minimize the environmental impact of its activity and protect and improve the environment, including the reduction or elimination of future pollution caused by the Group’s operations, are recognised in the consolidated balance sheet based on the criteria for recognition, measurement, and disclosure detailed in Note 24.

### 4.26. Related party transactions

Transactions with related parties are accounted for in accordance with the measurement criteria detailed throughout this Note 4. The only transactions with related parties are detailed in Note 22 “Information relating to directors of the Parent and key management personnel of the Group”.

## 5. Intangible assets and goodwill

### 5.1. Intangible assets other than goodwill

The breakdown and movements in other intangible assets during 2024 and 2023 are as follows:

| | Thousands of euros | | | | | | |
|---|---|---|---|---|---|---|---|
| | **Customer portfolio** | **Software** | **Industrial property** | **Implementation** | **Advances** | **Amortisation and depreciation** | ***Total*** |
| **Opening balance as at 1 January 2023** | **621** | **54,478** | **23,576** | **2,455** | **382** | **-63,863** | **17,649** |
| Exchange gains (losses) | 0 | -155 | -519 | 0 | 0 | 508 | -166 |
| Additions | 0 | 3,179 | 0 | 1,013 | 48 | -4,792 | -552 |
| Disposals | 0 | -537 | 0 | 0 | 0 | 537 | 0 |
| Transfers | 0 | 59 | 0 | 0 | -33 | 0 | 26 |
| **Closing balance as at 31 December 2023** | **621** | **57,024** | **23,057** | **3,468** | **397** | **-67,610** | **16,957** |
| Exchange gains (losses) | 0 | 180 | 627 | 0 | 0 | -681 | 126 |
| Additions | 0 | 3,588 | 0 | 1,166 | 782 | -4,587 | 949 |
| Disposals | 0 | -34 | 0 | 0 | 62 | 35 | 63 |
| Transfers | 0 | 1,005 | 0 | 0 | -978 | 0 | 27 |
| **Closing balance as at 31 December 2024** | **621** | **61,763** | **23,684** | **4,634** | **263** | **-72,843** | **18,122** |

The balances of this heading at 31 December 2024 and 2023 are the following:

| | Thousands of euros | | | | | |
|---|---|---|---|---|---|---|
| | **31.12,2024** | | | **31/12/2023** | | |
| | **Cost** | **Amortisation and depreciation** | ***Total*** | **Cost** | **Amortisation and depreciation** | ***Total*** |
| Customer portfolio | 621 | -621 | *0* | 621 | -621 | 0 |
| Software | 61,763 | -49,094 | *12,669* | 57,024 | -45,036 | 11,988 |
| Industrial property | 23,684 | -20,473 | *3,211* | 23,057 | -19,636 | 3,421 |
| Implementation | 4,634 | -2,655 | *1,979* | 3,468 | -2,317 | 1,151 |
| Advances | 263 | 0 | *263* | 397 | 0 | 397 |
| **TOTAL** | **90,965** | **-72,843** | ***18,122*** | **84,567** | **-67,610** | **16,957** |

Details of the cost of fully amortised intangible assets in use at 31 December 2024 and 2023 are as follows:

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| Software | 41,359 | 37,197 |
| Industrial property | 13,425 | 13,427 |
| **Fully depreciated assets** | **54,784** | **50,624** |

## 5.2. Goodwill

The changes during 2024 and 2023 are detailed below:

| | Thousands of euros |
|---|---|
| **Opening balance as at 1 January 2023** | **3,237** |
| Exchange gains (losses) | 368 |
| **Closing balance as at 31 December 2023** | **3,605** |
| Exchange gains (losses) | -752 |
| Additions (Note 2.1) | 12,164 |
| **Closing balance as at 31 December 2024** | **15,017** |

The addition of 2024 relates to the goodwill associated with the acquisition of 60% of the companies Brasfibra Industria e Comercio de Derivados do Couro Ltda. and Master Couros Industria e Comercio de Derivados do Couro Ltda. through Viscofan do Brasil, soc. com. e ind. Ltda for a price of BRL 88 million (Note 2.1). 50% of this amount will be paid in the years 2025 and 2026.

At year-end, the assessment regarding the identification and valuation of the net assets acquired has not been completed and therefore provisional accounting is being applied, the value of this goodwill being EUR 11,533 thousand.

The rest of the amount relates to the Supralon Group CGU (EUR 2,614 thousand) in the “Rest of Europe and Asia” geographical region, and to the CGU transfer of ingredients (EUR 870 thousand) in the North America geographical region.

***Impairment test***

Below, we provide details of the calculation used in the impairment test for the different goodwill recognised at 31 December 2024.

(a) CGU Supralon Group

Goodwill for the sum of 2,614 thousand euros, recognised on the Group’s consolidated balance sheet corresponds to the Supralon Group, whose CGU corresponds to the legal company or subgroup, dedicated to the production and distribution of casings for the meat industry.

5-year projections were done, in which Management established forecasted business figures broken down by CGU managers (by year, country, customer, average product sales prices) based on historic data (internal/external sources), market, competition scenarios, information on new products and those in development, and actions to be implemented aimed at geographical expansion, and available macroeconomic forecasts.

As a result of this analysis, the Directors consider that at 31 December 2024, there were no indications that any impairment losses should be recorded.

(b) Transfer of ingredients

Goodwill recognised in the Group's consolidated balance sheet at 31 December 2024 amounted to 870 thousand euros.

The transfer of ingredients CGU is a pioneer in the industry, having developed innovative products with value-added technology, such as casings capable of transferring ingredients: spices, flavours, aromas and colours to cold meats and other meat products in natura. The products thus obtained significantly facilitate certain production processes of our customers and improve consumer experience.

The assumptions include an increasing volume of sales during the first year's activity. 5-year projections were done, in which Management established forecasted business figures broken down by CGU managers (by year, country, customer, average product sales prices) based on historic data (internal/external sources), market, competition scenarios, information on new products and those in development, and actions to be implemented aimed at geographical expansion, and available macroeconomic forecasts.

As a result of this analysis, the Directors consider that at 31 December 2024, there were no indications that any impairment losses should be recorded.

(c) Brasfibra and Master Couros CGU

As indicated in note 2.1, on 19 September 2024, the acquisition was completed of two businesses in Brazil engaged in the production of high quality bovine collagen. In the process of identifying the price paid for the transaction, no impairment indicators have been identified and Group management continues to believe that the goodwill and intangible assets will be clearly recovered with the cash flows of future years.

## 6. Property, plant, and equipment

The breakdown and movements in property, plant, and equipment during 2024 and 2023 are as follows:

| | Thousands of euros | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | **Land and buildings** | **Plant and equipment.** | **Other installations, tools and furniture** | **Property, plant, and equipment** | **Property, plant, and equipment under construction and payments on account** | **Amortisation and depreciation** | **Impairment** | ***Total*** |
| **Opening balance as at 1 January 2023** | **306,381** | **1,053,156** | **123,996** | **51,540** | **9,630** | **-982,707** | **-752** | ***561,244*** |
| Exchange gains (losses) | -3,269 | -1,164 | -1,164 | -762 | -164 | 3,409 | 2 | *-3,112* |
| Additions | 3,342 | 26,728 | 2,880 | 2,263 | 38,093 | -73,628 | -308 | *-630* |
| Disposals | -109 | -2,497 | -602 | -1,756 | -9 | 3,638 | 0 | *-1,335* |
| Transfers | 3,217 | 18,730 | 723 | 856 | -23,552 | 0 | 0 | *-26* |
| **Closing balance as at 31 December 2023** | **309,562** | **1,094,953** | **125,833** | **52,141** | **23,998** | **-1,049,288** | **-1,058** | ***556,141*** |
| Exchange gains (losses) | 2,556 | -8,496 | 1,391 | 746 | -758 | 4,563 | 4 | *6* |
| Additions (Note 2.1) | 5 | 855 | 0 | 160 | 944 | -200 | -1 | *1,763* |
| Additions | 1,153 | 18,188 | 2,232 | 3,353 | 40,532 | -73,364 | -96 | *-8,002* |
| Disposals | -104 | -3,558 | -230 | -1,588 | -71 | 4,620 | -101 | *-1,032* |
| Transfers | 12,127 | 12,148 | 3,956 | 712 | -28,825 | -143 | 0 | *-25* |
| **Closing balance as at 31 December 2024** | **325,299** | **1,114,090** | **133,182** | **55,524** | **35,820** | **-1,113,812** | **-1,252** | ***548,851*** |

The balances of this heading at 31 December 2024 and 2023 are the following:

| | Thousands of euros | | | | | |
|---|---|---|---|---|---|---|
| | **31.12.2024** | | | **31/12/2023** | | |
| | **Cost** | **Amortisation and depreciation** | ***Total*** | **Cost** | **Amortisation and depreciation** | ***Total*** |
| Land and buildings | 325,299 | -152,091 | *173,208* | 309,562 | -145,176 | *164,386* |
| Plant and equipment | 1,114,090 | -820,436 | *293,654* | 1,094,953 | -772,812 | *322,141* |
| Other installations, tools and furniture | 133,182 | -101,728 | *31,454* | 125,833 | -95,366 | *30,467* |
| Property, plant, and equipment | 55,524 | -40,809 | *14,715* | 52,141 | -36,992 | *15,149* |
| Property, plant, and equipment under construction and payments on account | 35,820 | 0 | *35,820* | 23,998 | 0 | *23,998* |
| **TOTAL** | **1,663,915** | **-1,115,064** | ***548,851*** | **1,606,487** | **-1,050,346** | ***556,141*** |

In 2024, investments in property, plant and equipment in the Group totalled 65,458 thousand euros. Projects during the year included the completion of the cellulose and collagen converting plant in Thailand, a new plastics plant in Mexico and environment-related investments mainly in Spain and Brazil.

Investments in property, plant and equipment amounting to 73,306 thousand euros were made in 2023. The main projects were the cellulose and collagen converting plant in Thailand, converting investments in the Czech Republic as well as regular maintenance work in the group's production plants.

Details of the cost of fully depreciated property, plant, and equipment in use at 31 December 2024 and 2023 are as follows:

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| Buildings | 71,966 | 67,135 |
| Plant and equipment | 549,742 | 526,828 |
| Other installations, tools and furniture | 72,255 | 69,062 |
| Property, plant, and equipment | 28,280 | 27,200 |
| **Fully depreciated assets** | **722,243** | **690,225** |

As a result of the annual investment plan, at year-end 2024 there are commitments to acquire fixed assets amounting to EUR 13,547 thousand, including the environment-related investments in Spain and investments in the continuous improvement and optimisation of processes throughout the group.

At year-end 2023, acquisition commitments of property, plant and equipment amounted to EUR 28,936 thousand related to converting facilities in Thailand, increased plastics capacity in Mexico and environment-related investments in Spain and Brazil.

The Group has insurance policies covering the various risks to which its items of property, plant, and equipment are exposed. The coverage of these policies is considered sufficient.

***Impairment test***

During the last two years, no signs of impairment have been identified in any of the Group's cash-generating units.

However, investment in the US has generated negative results in recent years. During 2022, the Company's management decided to make certain investments in the American subsidiary in order to modernise the production assets and to improve the situation of this subsidiary. As a result of these investments and an optimisation of their operation in 2023 and 2024, management considers that there is no reason to impair the investment.

In order to carry out the impairment analysis, the main assumptions considered were as follows:

- the investments made in recent years in the company have led to a scenario of clearly improved productivity.
- the sales envisaged in the plan are expected to grow in the following years in line with installed capacity increases.

- the current circumstances of raw material and production costs have been considered, adapted to the current market circumstances and the new materialised investments.
- the EBITDA to sales projection is increasing as new investments materialise, reaching reasonable margins within the context of the group.
- the impact on working capital as a result of the projections made.
- the discount rate after tax used is 8.7%.

After performing the above analysis, the present value of future cash flows is significantly higher than the present value of the investment. However, a sensitivity analysis has been performed on the main variables, identifying a more conservative scenario in the estimates, in which the slack in the analysis remains significant, as well as an increase in the discount rate to a value of 9.7%, without identifying any impairment. Finally, a more aggressive scenario has been considered in which both flow and discount rate sensitivities are considered, and in this scenario a deterioration of the US investment is not identified either. The very healthy performance of the American subsidiary's accounts is in line with the figures calculated in the business plan.

## 7. Right-of-use

This note provides information on the rights of use under which the Group is a lessee.

### 7.1. Right-of-use assets

The balance sheet shows the following amounts related to rights of use:

| | Thousands of euros | | | | | |
|---|---|---|---|---|---|---|
| | **Buildings** | **Plant and equipment** | **Other installations, tools and furniture** | **Property, plant, and equipment** | **Amortisation and depreciation** | ***Total*** |
| **Opening balance as at 1 January 2023** | **16,031** | **1,722** | **0** | **6,139** | **-13,312** | ***10,580*** |
| Exchange gains (losses) | -160 | -8 | 0 | 31 | 136 | *-63* |
| Additions | 3,432 | 844 | 0 | 2,278 | -5,293 | *1,261* |
| Disposals | -1,254 | -1,177 | 0 | -1,045 | 3,275 | *-201* |
| Transfers | 250 | 0 | 0 | -783 | 533 | *0* |
| **Opening balance as at 1 January 2023** | **18,299** | **1,381** | **0** | **6,558** | **-14,661** | ***11,577*** |
| Exchange gains (losses) | -180 | -4 | 0 | -1 | 188 | *3* |
| Additions | 2,753 | 2,261 | 0 | 1,405 | -5,843 | *576* |
| Disposals | -1,761 | -770 | 0 | -1,253 | 3,534 | *-250* |
| Transfers | 0 | 0 | 0 | 0 | 0 | *0* |
| **Closing balance as at 31 December 2024** | **19,111** | **2,868** | **0** | **6,709** | **-16,782** | ***11,906*** |

The balances of this heading at 31 December 2024 and 2023 are the following:

| | Thousands of euros | | | | | |
|---|---|---|---|---|---|---|
| | **31.12,2024** | | | **31/12/2023** | | |
| | **Cost** | **Amortisation and depreciation** | ***Total*** | **Cost** | **Amortisation and depreciation** | ***Total*** |
| Buildings | 19,111 | -12,190 | *6,921* | 18,299 | -10,674 | *7,625* |
| Plant and equipment | 2,868 | -638 | *2,230* | 1,381 | -576 | *805* |
| Property, plant, and equipment | 6,709 | -3,954 | *2,755* | 6,558 | -3,411 | *3,147* |
| **TOTAL** | **28,688** | **-16,782** | ***11,906*** | **26,238** | **-14,661** | ***11,577*** |

Additions to right-of-use assets in 2024 amounted to 6,419 thousand euros; 6,554 thousand euros in 2023.

### 7.2. Right-of-use liabilities

The balance sheet shows the following amounts related to rights of use:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Up to 3 months | 741 | 442 |
| 3 months – 1 year | 3,573 | 4,245 |
| **Current** | **4,314** | **4,687** |
| Between 1 and 5 years | 6,974 | 6,418 |
| More than 5 years | 561 | 436 |
| **Non-current** | **7,535** | **6,854** |
| **Total as at 31 December** | **11,849** | **11,541** |

The Group leases warehouses, offices and vehicles. Leases are usually for fixed periods, but may have options for extension.

Some property leases contain payment terms generally linked to inflation. There are no other variable payments.

Extension and termination options are included in a number of warehouse and office leases throughout the Group. The lease term incorporates options for extension or termination, with a maximum term generally of 10 years unless the extension term is shorter. No other assets have been identified within leased items whose useful life exceeds the term of the lease.

Deferred tax assets and liabilities (Note 17) associated with these items have been recognised in 2024 and 2023 on the basis of IAS 12, with no effect on the income statement.

## 8. Inventories

Details of inventories at 31 December 2024 and 2023 are as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Raw materials and other consumables | 93,686 | 101,979 |
| Semi-finished products | 94,552 | 102,053 |
| Finished products | 177,334 | 195,552 |
| Commercial inventories | 13,337 | 13,293 |
| Greenhouse gas emission rights | 15,289 | 25,301 |
| Advances to suppliers | 4,756 | 4,714 |
| **Total Inventories** | **398,954** | **442,892** |

The valuation adjustments in 2024, corresponding to impairment and obsolescence, entailed income of EUR 820 thousand (an expense of EUR 6,409 thousand in 2023) and they are recognised under “Consumption of raw materials and other consumables” and “Changes in inventory of finished goods and work in progress” on the consolidated income statement and are recognised under “Consumption of raw materials and other consumables” and “Changes in inventory of finished goods and work in progress” on the consolidated income statement.

The emission rights consumed by the Company during 2024 and 2023 amounted to 272,095 and 294,406 tonnes, respectively.

The amount of the expense related to greenhouse gas emissions in 2024 was recognised under “Consumption of raw materials and other consumables” in the amount of 17,068 thousand euros (22,605 thousand euros in 2023).

Group companies have contracted various insurance policies to cover the risk of damage to inventories. The coverage of these policies is considered sufficient.

## 9. Trade and other receivables

The breakdown for “Trade and other receivables” at 31 December 2024 and 2023 is as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Trade receivables | 271,665 | 223,014 |
| Other trade debtors | 9,771 | 8,021 |
| Advances to employees | 125 | 102 |
| Impairment | -2,415 | -2,228 |
| **Total trade debtors** | **279,146** | **228,909** |
| Receivables from public administrations | 20,886 | 27,327 |
| Accruals | 5,611 | 4,009 |
| **Total other receivables** | **26,497** | **31,336** |
| **Total trade and other receivables** | **305,643** | **260,245** |

At 31 December 2024 and 2023, the age of trade receivables by maturity was as follows:

| | Thousands of euros | | | | | |
|---|---|---|---|---|---|---|
| | Not due | Due | | | | |
| | | Up to 30 days | 31-60 days | 61-90 days | More than 90 days | *Total* |
| **2024** | 244,803 | 24,693 | 7,285 | 1,244 | 1,121 | ***279,146*** |
| **2023** | 200,937 | 20,136 | 4,078 | 1,980 | 1,778 | ***228,909*** |

The Group has credit insurance contracts which cover the collection of the greater portion of its customer balances.

Trade receivables do not carry interest, and generally payment conditions range from 45 to 120 days.

The breakdown by currency of trade receivables is as follows:

| | Thousands of euros | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Euros | US Dollar | Czech Koruna | Brazilian Real | Mexican Peso | Chinese Yuan | Other currencies | *Total book value* |
| **2024** | 100,228 | 101,367 | 1,440 | 40,926 | 1,096 | 18,613 | 15,476 | ***279,146*** |
| **2023** | 73,186 | 84,050 | 1,538 | 38,329 | 333 | 15,715 | 15,758 | ***228,909*** |

The movement in impairment of customers for sales and services as well as other trade receivables is as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| **Opening balance as at 1 January** | **-2,228** | **-2,925** |
| Exchange gains (losses) | 201 | -47 |
| Allowances | -402 | -160 |
| Utilised and payments | 14 | 904 |
| **Closing balance as at 31 December** | **-2,415** | **-2,228** |

At 31 December 2024 and 2023, balances receivable from public administrations are as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| VAT receivable from Public Treasury | 15,429 | 20,299 |
| Receivable from Public Treasury for withholdings and payments on account | 4,201 | 5,764 |
| Other public bodies | 1,256 | 1,264 |
| **Closing balance as at 31 December** | **20,886** | **27,327** |

A breakdown by currency is as follows:

| | Thousands of euros | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Euros | US Dollar | Czech Koruna | Brazilian Real | Mexican Peso | Chinese Yuan | Other currencies | *Total book value* |
| **2024** | 5,781 | 1,053 | 560 | 7,308 | 2,555 | 43 | 3,586 | ***20,886*** |
| **2023** | 7,630 | 1,820 | 592 | 10,686 | 5,660 | 39 | 900 | ***27,327*** |

**Impairment**

Trade and other receivables are subject to the expected credit loss model. However, the impairment identified is immaterial.

Cash and cash equivalents is also subject to the impairment requirements under IFRS 9, although the impairment identified is also immaterial.

To establish the expected credit loss, the Group applies the simplified approach set out under IFRS 9.

To measure expected credit loss, trade receivables have been grouped together based on the characteristics of the shared credit risk and the days past due.

The expected loss rates are based on the payment profiles of sales during a 36-month period prior to 1 January 2024 and the corresponding historic credit losses experienced during this period. Historic loss rates are adjusted to reflect annual, forward-looking information about macroeconomic factors that affect the ability of customers to repay accounts receivable.

Furthermore, the Group impairs these accounts receivable by assessing the specific risks of non-recoverability, as was the case in the previous year, to establish whether there is objective evidence that an impairment has occurred. The Group considers that an impairment occurs when the debtor experiences significant financial difficulties or when there is a non-payment or delay in payments of more than 180 days.

Receivables for which an impairment was recognised are written off against the impairment amount when there is no expectation of recovering additional cash.

The change in the collection of flows in 2024 and that forecast for future years has not changed with regard to that of previous financial years.

## 10. Current and non-current financial assets

All financial assets at 31 December 2024 and 2023 are included in level 2, within the valuation hierarchies: assets and liabilities whose fair value has been determined with technical valuation techniques that use hypotheses observable in the market.

The breakdown at 31 December 2024 and 2023 of current and non-current financial assets not including trade and other receivables is as follows:

| | Thousands of euros | | | |
|---|---|---|---|---|
| | Valued at | | | |
| | Amortised cost | Fair value through P&L | *Total book value* | *Fair value* |
| Financial investments | 5,918 | 0 | *5,918* | *5,918* |
| Deposits and guarantees lodged | 2,179 | 0 | *2,179* | *2,179* |
| **Non-current financial assets** | **8,097** | **0** | ***8,097*** | ***8,097*** |
| Equity instruments | 0 | 795 | *795* | *795* |
| Loans and other receivables | 150 | 0 | *150* | *150* |
| Short-term deposits | 0 | 0 | *0* | *0* |
| **Current financial assets** | **150** | **795** | ***945*** | ***945*** |
| **Total as at 31 December 2024** | **8,247** | **795** | ***9,042*** | ***9,042*** |

| | Thousands of euros | | | |
|---|---|---|---|---|
| | Valued at | | | |
| | Amortised cost | Fair value through P&L | *Total book value* | *Fair value* |
| Financial investments | 5,410 | 0 | *5,410* | *5,410* |
| Deposits and guarantees lodged | 2,151 | 0 | *2,151* | *2,151* |
| **Non-current financial assets** | **7,561** | **0** | ***7,561*** | ***7,561*** |
| Equity instruments | 0 | 759 | *759* | *759* |
| Loans and other receivables | 152 | 0 | *152* | *152* |
| Short-term deposits | 0 | 0 | *0* | *0* |
| **Current financial assets** | **152** | **759** | ***911*** | ***911*** |
| **Total as at 31 December 2023** | **7,713** | **759** | ***8,472*** | ***8,472*** |

A breakdown of financial assets by maturity is as follows:

| | Thousands of euros | | | | | | |
|---|---|---|---|---|---|---|---|
| | Less than 1 year | 1 to 2 years | 2 to 3 years | 3 to 4 years | 4 to 5 years | More than 5 years | *Total* |
| **2024** | 945 | 536 | 18 | 5 | 134 | 7,404 | ***9,042*** |
| **2023** | 911 | 608 | 25 | — | 913 | 6,015 | ***8,472*** |

A breakdown by currency is as follows:

| | Thousands of euros | | | | | | |
|---|---|---|---|---|---|---|---|
| | Euros | US Dollar | Brazilian Real | Mexican Peso | Chinese Yuan | Other currencies | *Total book value* |
| **2024** | 6,109 | 85 | 1,695 | 834 | 151 | 168 | ***9,042*** |
| **2023** | 5,501 | 111 | 2,060 | 538 | 133 | 129 | ***8,472*** |

The Group has not recognised any impairment in relation to these assets at 31 December 2024 (or 31 December 2023).

## 11. Cash and cash equivalents

"Cash and cash equivalents" at 31 December 2024 and 2023 correspond entirely to the balances held by the Group in cash and at credit entities, with some accounts earning interest at market rates. The Group had no banking overdrafts during the periods, with all its balances freely distributable.

A breakdown by currency is as follows:

| | Thousands of euros | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Euros | US Dollar | Czech Koruna | Brazilian Real | Mexican Peso | Chinese Yuan | Other currencies | *Total book value* |
| **2024** | 4,977 | 17,921 | 6 | 5,006 | 4,271 | 11,582 | 11,380 | ***55,143*** |
| **2023** | 15,811 | 13,036 | 9 | 6,826 | 2,203 | 9,282 | 4,829 | ***51,996*** |

# 12. Equity

## 12.1. Share capital

At 31 December 2024, the Parent's share capital consisted of 46,500,000 bearer shares of 0.70 euros par value each. Total capital value was 32,550 thousand euros. The same as at 31 December 2023.

In both years, shares were fully subscribed for and paid up.

All shares bear the same voting and dividend rights and obligations, and are listed on the official Stock Exchanges of Madrid, Barcelona, and Bilbao under the automatic quotation system (continuous market). All shares are freely distributable.

At 31 December 2024 and 2023, the parent was aware of the following shareholders with a direct or indirect stake of over 3%:

| | % stake | |
|---|---|---|
| | 2024 | 2023 |
| Corporación Financiera Alba, S.A. | 14,250 | 14,250 |
| APG Asset Management N.V. | 9,997 | 9,997 |
| Angustias y Sol, S.L. | 5,016 | 5,016 |
| Setanta Asset Management Limited | 3,955 | 3,955 |

Additionally, in accordance with Article 32 of Royal Decree 1362/2007, of 19 October, on shareholders obliged to notify their residence in tax havens or in countries not requiring the payment of taxes, or with whom there is no effective exchange of tax information, no notification was received at year-end 2024 and 2023.

In June 2024 and in the context of the delivery of the first optional dividend “Viscofan Flexible Remuneration” approved at the shareholders' meeting held in April 2024, an initial capital reduction operation was carried out in the amount of EUR 473 thousand, redeeming 675,954 shares. At the same time, a capital increase was carried out for the same number of shares with a nominal value of €0.70 per share, leaving the share capital unchanged.

In addition, in December 2024 and in the context of the delivery of the second optional dividend “Viscofan Flexible Remuneration” approved at the aforementioned shareholders' meeting, a second capital reduction operation was carried out in the amount of EUR 464 thousand, redeeming 662,369 shares. At the same time, a capital increase was carried out for the same number of shares with a nominal value of €0.70 per share, also leaving the share capital unchanged.

***Capital management***

The primary objective of the Viscofan Group’s capital management is to safeguard its capital ratios to ensure the continuity of its business and maximize performance.

To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, increase capital or cancel treasury shares.

The Group monitors capital by analysing trends in its leverage ratio, in line with common practice in Spain. This ratio is calculated as net financial debt divided by total equity. Net financial debt includes total borrowings in the consolidated financial statements less cash and cash equivalents, and excluding liquid financial assets.

The Viscofan Group's primary objective is to maintain a healthy capital position. The leverage ratios as well as the analysis of net debt, at 31 December 2024 and 2023, were as follows:

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| Cash and cash equivalents (Note 11) | 55,143 | 51,996 |
| Other current financial assets (Note 10) | 945 | 911 |
| Financial liabilities (Note 15) | -238,005 | -222,027 |
| Liabilities for right-of-use assets (Note 7.2) | -11,849 | -11,541 |
| **Total net financial debt** | **-193,766** | **-180,661** |
| **Total equity** | **-938,911** | **-957,772** |
| **Leverage ratio** | **20.6%** | **18.9%** |

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| Cash and cash equivalents (Note 11) | 55,143 | 51,996 |
| Other current financial assets (Note 10) | 945 | 911 |
| Financial debt repayable in one year (Notes 15 and 7.2) | -178,543 | -182,735 |
| Financial debt repayable over one year (Notes 15 and 7.2) | -71,311 | -50,833 |
| **Net debt** | **-193,766** | **-180,661** |

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| Cash and cash equivalents (Note 11) | 55,143 | 51,996 |
| Other current financial assets (Note 10) | 945 | 911 |
| Gross debt at fixed interest rates (Note 21.4) | -67,198 | -32,069 |
| Gross debt at variable interest rates | -182,656 | -201,499 |
| **Net debt** | **-193,766** | **-180,661** |

The change in net debt, at 31 December 2024 and 2023, is as follows:

| | Thousands of euros | | | | | |
|---|---|---|---|---|---|---|
| | **Opening balance as at 1 January 2024** | **Cash flows** | **Acquisitions and other non-cash changes** | **Change in fair value** | **Exchange gains (losses)** | ***Closing balance as at 31 December 2024*** |
| Cash and cash equivalents | **51,996** | 4,029 | | | -882 | ***55,143*** |
| Other current financial assets | **911** | 26 | | | 8 | ***945*** |
| **Liabilities included in financing activities** | **0** | | | | | ***0*** |
| Current financial debt | **-158,466** | -12,038 | 16,213 | | 329 | ***-153,962*** |
| Non-current financial debt | **-31,118** | | -16,072 | | 50 | ***-47,140*** |
| Interest | **-375** | 9,726 | -10,245 | | -1 | ***-895*** |
| Payable to suppliers of non-current assets | **-15,880** | 4,043 | | | 194 | ***-11,643*** |
| Other current financial liabilities | **-3,327** | 1,597 | -6,711 | | 712 | ***-7,729*** |
| Other non-current financial liabilities | **-12,861** | | -3,761 | | -14 | ***-16,636*** |
| Current liabilities for right-of-use assets. | **-4,687** | 5,843 | -5,483 | | 13 | ***-4,314*** |
| Non-current liabilities for right-of-use assets. | **-6,854** | | -676 | | -5 | ***-7,535*** |
| **Total net debt** | **-180,661** | **13,226** | **-26,735** | **0** | **404** | ***-193,766*** |

| | Thousands of euros | | | | | |
|---|---|---|---|---|---|---|
| | **Opening balance as at 1 January 2023** | **Cash flows** | **Acquisitions and other non-cash changes** | **Change in fair value** | **Exchange gains (losses)** | ***Closing balance as at 31 December 2023*** |
| Cash and cash equivalents | **51,193** | -128 | 0 | 0 | 931 | ***51,996*** |
| Other current financial assets | **1,582** | **-652** | **0** | **0** | **-19** | **911** |
| **Liabilities included in financing activities** | **0** | **0** | **0** | **0** | **0** | **0** |
| Current financial debt | **-117,826** | -38,408 | -3,207 | 0 | 975 | ***-158,466*** |
| Non-current financial debt | **-34,500** | **0** | **3,207** | **0** | **175** | **-31,118** |
| Interest | **-132** | **6,275** | **-6,518** | **0** | **0** | **-375** |
| Payable to suppliers of non-current assets | **-15,725** | **-203** | **0** | **0** | **48** | **-15,880** |
| Other current financial liabilities | **-3,236** | **563** | **-654** | **0** | **0** | **-3,327** |
| Other non-current financial liabilities | **-12,480** | **-1,781** | **2,040** | **0** | **-640** | **-12,861** |
| Current liabilities for right-of-use assets. | **-2,978** | **5,296** | **-6,983** | **0** | **-22** | **-4,687** |
| Non-current liabilities for right-of-use assets. | **-7,512** | — | 759 | 0 | -101 | ***-6,854*** |
| **Total net debt** | **-141,614** | **-29,038** | **-11,356** | 0 | **1,347** | ***-180,661*** |

### 12.2. Share premium

The revised text of the Spanish Corporate Enterprises Act expressly permits companies to use the balance of the share premium account to increase capital and does not place any limit on the amount of the balance which may be used for this purpose.

The amount at 31 December 2024 and 12 thousand euros, the same as at 31 December 2023.

### 12.3. Reserves

Changes in this item are as follows:

| | Thousands of euros | | | |
|---|---|---|---|---|
| | **Other reserves** | **Exchange gains (losses)** | **Share-based payment (Note 22.3)** | ***Total*** |
| **Opening balance as at 1 January 2023** | **865,485** | **-53,728** | **1,388** | ***813,145*** |
| Recognised income and (expense) | -299 | 2,532 | 0 | *2,233* |
| Dividends paid | -24,945 | 0 | 0 | *-24,945* |
| Transfers between equity accounts | 74,786 | 0 | 0 | *74,786* |
| Movement in treasury shares | 0 | 0 | 0 | *0* |
| Transactions with non-controlling interests | 0 | 0 | 0 | *0* |
| Share-based payment | 118 | 92 | 3,027 | *3,237* |
| **Closing balance as at 31 December 2023** | **915,145** | **-51,104** | **4,415** | ***868,456*** |
| Capital reduction | 0 | 0 | 0 | *0* |
| Recognised income and (expense) | 457 | -27,520 | 0 | *-27,063* |
| Dividends paid | 0 | 0 | 0 | *0* |
| Transfers between equity accounts | 4,406 | 0 | 0 | *4,406* |
| Movement in treasury shares | -38,192 | 0 | 0 | *-38,192* |
| Transactions with non-controlling interests | 0 | 0 | 0 | *0* |
| Share-based payment | 0 | 0 | 2,603 | *2,603* |
| **Closing balance as at 31 December 2024** | **881,816** | **-78,624** | **7,018** | ***810,210*** |

(a) Other reserves

- Legal reserves

In accordance with the Spanish Corporate Enterprises Act, companies registered in Spain are obliged to transfer 10% of the profits for the year to a legal reserve until it reaches an amount of at least an amount equivalent to 20% of share capital. This reserve is not distributable to shareholders and its value at 31 December 2024 and 2023 amounts to 6,510 thousand euros.

- Revaluation reserve

The parent opted for the voluntary revaluation of PP&E items as established in the Navarre Regional Law 21/2012 of December 26, on modifying various taxes and other tax measures. The revaluation was carried out with respect to items likely to be updated recorded in the balance sheet on 31 December 2012. The effect of this revaluation was not recognised in the Group's consolidated financial statements.

- Treasury share reserves

Pursuant to Article 148 of Royal Legislative Decree 1/2010, of 2 July, approving the revised text of the Spanish Corporate Enterprises Act, the Parent Company must establish an unavailable reserve equivalent to the value of treasury shares in its possession (see Note 12.4). These reserves must be held for both stakes and shares that have not been disposed of.

b) Exchange gains (losses)

The detail of the most significant translation differences by company for the years ended 31 December 2024 and 2023 is as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Viscofan CZ sro | 4,350 | 7,138 |
| Viscofan Technology (Suzhou) Co. Ltd. | 4,947 | 216 |
| Viscofan USA Inc | 12,791 | 8,358 |
| Viscofan de México S.R.L. de C.V. | -8,042 | 3,796 |
| Viscofan do Brasil, soc, Ltda. | -97,256 | -73,181 |
| Viscofan Uruguay, S.A. | -14,883 | -16,501 |
| Other Group companies | 19,469 | 19,070 |
| **Closing balance as at 31 December** | **-78,624** | **-51,104** |

## 12.4. Movement in treasury shares

At the Annual General Meeting held on 27 April 2023, the Board of Directors was authorised for a period of 5 years to derivatively acquire shares in the Company, either directly or through Viscofan Group companies, within the limits and up to the maximum amount permitted by the Spanish Corporate Enterprises Act (articles 146 and 509) and at a price that may not be less than the nominal value of the share nor 15% higher than the listed price of the share on the Spanish Stock Exchange Interconnection System (SIBE) at the time the purchase order is entered.

During 2024, the Company acquired 1,560,966 treasury shares for an amount of 90,716 thousand euros under the authorisation granted by the Annual General Meeting of 27 April 2023. In addition, 12,740 treasury shares were delivered as part of the variable remuneration plan.

In June 2024, within the delivery of the first optional dividend “Viscofan Flexible Remuneration”, the number of shares delivered as a share dividend was 675,954 for a value of EUR 38,488 thousand. In addition, 37,138 shares were received as part of this first optional dividend.

In addition, in December 2024, within the delivery of the second optional dividend "Viscofan Flexible Remuneration", the number of shares delivered as a share dividend was 662,369 for a value of EUR 38,192 thousand. Also, 24,659 shares were received as part of the second optional dividend.

During 2023, the Company acquired 112,800 treasury shares for an amount of 6,264 thousand euros under the authorisation granted by the Annual General Meeting of 27 April 2023. In addition, 15,389 treasury shares were delivered as part of the variable remuneration plan.

Thus, at 31 December 2024, Viscofan, S.A. held a total of 690,795 treasury shares representing 1.49% of its voting rights, for a value of 35,045 thousand euros.

At 31 December 2023, Viscofan, S.A. held a total of 419,095 treasury shares representing 0.9% of its voting rights, for a value of 21,671 thousand euros.

### 12.5. Valuation adjustments

Movements in the years ended 31 December 2024 and 2023 were as follows:

| | Thousands of euros | | |
|---|---|---|---|
| | **Exchange rate insurance** | **Commodity derivatives** | ***Total*** |
| **Opening balance as at 1 January 2023** | **2,252** | **306** | ***2,558*** |
| Profit/(Loss), net of tax effect | 2,052 | 0 | *2,052* |
| Reclassifications of (losses) or gains to the global income statement, net of tax effect | -694 | -1,890 | *-2,584* |
| **Closing balance as at 31 December 2023** | **3,610** | **-1,584** | ***2,026*** |
| Profit/(Loss), net of tax effect | -28 | 0 | *-28* |
| Reclassifications of (losses) or gains to the global income statement, net of tax effect | -2,704 | | *-2,704* |
| **Closing balance as at 31 December 2024** | **878** | **-1,584** | ***-706*** |

### 12.6. Appropriation of profit and other remuneration paid to the shareholders

The Board of Directors of Viscofan has resolved to propose to the Annual General Meeting the payment out of 2024 results and, as appropriate, voluntary reserves, of a dividend with an aggregate gross amount equal to the sum of the amounts indicated below (the "Dividend"). The Board proposes to:

(a) ratify the payment of EUR 26,844 thousand as an optional interim dividend distributed on 19 December 2024 (the "2024 Optional Interim Dividend") and which corresponds to EUR 1,437 per share multiplied by the number of shares that opted to receive the dividend in cash that did not have the status of direct treasury stock on the corresponding dates as approved by the Board of Directors; and

(b) the amount resulting from multiplying:

- the gross amount per share that will be paid by the Company as a Final Dividend for financial year 2024 in the exercise of the “Viscofan Flexible Remuneration” optional dividend system for financial year 2025 (the “Final Dividend”), as follows:

- The total number of shares with respect to which their holders have chosen to receive the cash dividend within the framework of the first exercise of the “Viscofan Flexible Remuneration” optional dividend system for financial year 2025.

The rest of the shareholders received their remuneration against the 2024 results in the form of “Viscofan Flexible Remuneration” (Scrip Dividend) with a total allocation of 662,369 new ordinary shares.

At the date of preparation of these consolidated financial statements, it is not possible to specify the amount of the Final Dividend or, consequently, the amount of the dividend to be charged to profits for the year 2024.

The payment of the Final Dividend shall be carried out jointly with the share capital increase that the Board of Directors submits to the approval of the 2025 Annual General Meeting, with the purpose of offering the Company's shareholders the possibility of receiving their remuneration in cash (in the Final Dividend) or in newly issued paid-up shares of the Company (through the increase in share capital). The collection of the Final Dividend will be one of the alternatives available to shareholders when receiving their remuneration within the framework of the exercise of the “Viscofan Flexible Remuneration” optional dividend system corresponding to financial year 2025, to be carried out by means of the capital increase referred to above.

The Board of Directors also plans to reduce the Company's share capital by redeeming treasury shares, thus avoiding any dilution for shareholders who choose to receive their dividend in cash.

The Board of Directors estimates that the gross amount of the Final Dividend will be EUR 1,653 per share (EUR 1,596 per share in 2023). Consequently, taking into consideration the amount of the 2024 Interim Dividend of EUR 1,437 per share (1.40 in 2023) and the 0.01 euros per share bonus for attendance to the Annual General Meeting (0.01 in 2023), the total remuneration to be received by shareholders will be EUR 3.10 per share (3,006 in 2023). Out of the aforementioned estimated amount of EUR 3.10 per share, EUR 2.10 correspond to the increasing ordinary remuneration that the Board of Directors has been proposing to the Annual General Meeting in recent years (EUR 2,006 per share charged to financial year 2023), while the EUR 1.00 per share above this amount is extraordinary in light of the current market and Company conditions.

The proposed ordinary remuneration (EUR 2.10 per share) is equivalent to the distribution of 62.2% of the net profit.

The proposed total and ordinary distribution exceeds by 4.7% the previous year's remuneration of EUR 2,006 per share.

The definite amount of the Final Dividend will be communicated as soon as it is determined by the Board of Directors (or the body delegated by it) in accordance with the terms of the dividend distribution and capital increase resolutions that the Board submits to the Annual General Meeting regarding the “Viscofan Flexible Remuneration” optional dividend system for financial year 2025. Once the first exercise of the “Viscofan Flexible Remuneration” for financial year 2025 has been completed, the Board of Directors (with full power of substitution) will produce a distribution proposal, determining the final amount of the dividend and the amount to allocated to carry-over.

The value of this dividend is inferior to the maximum limit permitted by prevailing legislation on distributable profit once the year has ended.

The statement required by current legislation and prepared by the Parent's Board of Directors in respect of the distribution of the 2024 Interim Dividend is as follows:

| | Thousands of euros |
|---|---|
| **Available cash at 17 October 2024** | **1,240** |
| Receipts from customers and debtors | 34,200 |
| Accounts payable and suppliers | -14,667 |
| Payments made to employees | -25,096 |
| Interest paid | -1,200 |
| Other payments | -10,000 |
| **Operating cash flows** | **-16,763** |
| Dividends | 125,000 |
| Purchases of property, plant, and equipment | -10,000 |
| Investment in group companies | -3,000 |
| **Cash flow related to investment activities** | **112,000** |
| Repayment of non-current borrowings | 0 |
| Dividends paid | -97,650 |
| Purchase of treasury shares | 0 |
| **Cash flow related to financing activities** | **-97,650** |
| **Projected liquidity at 17 October 2024** | **-1,173** |

The Company had sufficient liquidity to pay the interim dividend through dividends already received from subsidiaries plus the use of available credit lines.

## 13. Non-current employee benefits and other provisions

The breakdown of this heading in the Consolidated Statement of Financial Position is as follows:

| | | Thousands of euros | |
|---|---|---|---|
| | Note | 2024 | 2023 |
| Defined benefit | | 16,498 | 17,266 |
| Other staff remuneration | | 2,647 | 8,650 |
| **Non-current employee benefits** | **13.1** | **19,145** | **25,916** |
| Provisions for other litigations | | 0 | 0 |
| Other | | 48 | 43 |
| **Other non-current provisions** | | **48** | **43** |
| Provisions for guarantees / Returns | | 3,301 | 3,742 |
| Safety in the workplace provision | | 660 | 534 |
| Provisions for emission allowances | | 17,045 | 21,934 |
| Other | | 18 | 18 |
| **Current provisions** | **13.2** | **21,024** | **26,228** |

### 13.1. Non-current employee benefits

The Group makes contributions to various different defined benefit plans. The most significant plans are in Germany and the United States.

Actuarial valuations are used for all.

- ***Pension plans in Germany***

A contribution is made through the Viscofan DE GmbH subsidiary for a defined benefit plan consisting of a life pension plan for retired employees. At 31 December 2024, there were 235 employees, 501 retirees, and ex-employees. At 31 December 2023, there were 268 employees and 481 retirees and former employees.

The number of the above beneficiaries does not included retirees who, from 2010 and 2013, are paid by the insurance company. The agreement does not imply cutting back or cancelling the policy, as the obligation ultimately lies with Viscofan DE GmbH. However, the characteristics of the plan make the value of the assets and liabilities constant for the duration of the contract, so that both the assets and the liabilities offset each other, resulting in a current value of zero for the obligation.

The net obligation corresponding to pension plans amounts to 14,096 thousand euros at 31 December 2024 and 14,400 thousand euros at 31 December 2023.

- ***Pension plans in the United States of America***

The subsidiary Viscofan USA Inc., following its merger with Viscofan Collagen USA Inc, contributes to two defined benefit plans.

1) Retirement Plan for Hourly Employees. This plan provides a life annuity for employees and former employees of the company and has a total of 164 beneficiaries (15 of them serving and 149 of them retired and former employees).

   The net obligation amounts to EUR 228 thousand at 31 December 2024 due to the fact that the value of the fund is lower than the obligation. The capitalisation rate was 97.7% of the value of the obligation.

   As at 31 December 2023, the net obligation amounted to EUR -189 thousand because the value of the fund was higher than the obligation, with a capitalisation rate of 101.96% of the value of the obligation and 168 beneficiaries (22 active and 146 retired and former employees).

   This plan has been frozen as of 1 December 2010.

2) Retirement Plan for Salaried Employees. This plan provides an annuity for 124 participants (12 of whom are active, while 112 are retired and former employees).

   The net obligation amounted to EUR 118 thousand at 31 December 2024. The capitalisation rate was 99.01% of the value of the obligation.

   As at 31 December 2023, the net obligation amounted to 976 thousand euros with a capitalisation rate of 91.19% of the value of the obligation and 126 beneficiaries (12 active and 114 retired and former employees).

   This plan has been frozen as of 31 January 2008.

- ***Pension plans in Canada***

In financial year 2023, the pension plan registered by Viscofan Canada Inc. was outsourced. To this end, the Company met the fund's needs in 100% by contributing CAD 139 thousand (equivalent to EUR 95 thousand) and subsequently transferring all the assets of the fund, CAD 5,265 thousand (equivalent to EUR 3,605 thousand), to an external insurance company.

The most significant information regarding the pension plans was as follows:

a) Amounts recognised in the Statement of financial position:

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| **Present value of the obligation** | **-38,036** | **-38,215** |
| Plans in Germany | -14,096 | -14,400 |
| Plans in the United States | -21,886 | -21,736 |
| Plans in other countries | -2,054 | -2,079 |
| **Present value of assets** | **21,538** | **20,949** |
| Plans in the United States | 21,538 | 20,949 |
| **Net obligation at 31 December** | **-16,498** | **-17,266** |

b) Changes in the present value of net obligations:

| | Thousands of euros | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | **Germany** | | **Plans in the United States** | | **Plans in other countries** | | ***Total*** | |
| | **2024** | **2023** | **2024** | **2023** | **2024** | **2023** | ***2024*** | ***2023*** |
| **Obligation at 1 January** | **14,400** | **12,293** | **21,736** | **26,457** | **2,079** | **2,006** | ***38,215*** | ***40,756*** |
| Current service cost (Note 19) | 153 | 143 | 0 | 0 | 76 | 72 | *229* | *215* |
| Interest cost | 497 | 509 | 1,018 | 1,163 | 123 | 121 | *1,638* | *1,793* |
| Payments made | -409 | -397 | -1,813 | -1,981 | -218 | -219 | *-2,440* | *-2,597* |
| Actuarial loss (gain) | -545 | 1,852 | -378 | 530 | 7 | 65 | *-916* | *2,447* |
| Exchange gains (losses) | 0 | 0 | 1,323 | -826 | -13 | 34 | *1,310* | *-792* |
| Pension fund outsourcing | 0 | 0 | 0 | -3,607 | 0 | 0 | *0* | *-3,607* |
| **Present value of the obligation as at 31 December** | **14,096** | **14,400** | **21,886** | **21,736** | **2,054** | **2,079** | ***38,036*** | ***38,215*** |
| *Active* | *4,766* | *5,489* | *2,065* | *2,416* | *944* | *973* | *7,775* | *8,878* |
| *Former employees* | *1,930* | *1,887* | *4,411* | *4,448* | *0* | *0* | *6,341* | *6,335* |
| *Retirees* | *7,400* | *7,024* | *15,410* | *14,872* | *1,110* | *1,106* | *23,920* | *23,002* |

c) Changes in the fair value of plan assets in the United States:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| **Fair value of assets at 1 January** | **20,949** | **24,478** |
| Return on assets | 906 | 2,620 |
| Company contribution | 193 | 95 |
| Payments made | -1,813 | -5,463 |
| Exchange gains (losses) | 1,303 | -781 |
| Acquired in business combinations | 0 | 0 |
| **Fair value of assets at 31 December** | **21,538** | **20,949** |
| *Cash* | *0* | *0* |
| *National investment funds* | *21,230* | *20,148* |
| *International investment funds* | *308* | *801* |

d) Information relating to the amounts recognised in the consolidated income statement.

Current service costs for the period are included in employee benefits expenses.

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| **Current service cost** | **229** | **215** |
| Plans in Germany | 153 | 143 |
| Plans in other countries | 76 | 72 |
| **Net financial cost** | **635** | **628** |
| Interest cost of plans in Germany | 497 | 509 |
| Interest cost of plans in the United States | 15 | -2 |
| Interest cost of plans in other countries | 123 | 121 |
| **Expense (income) recognised in the year** | **864** | **843** |

e) Information relating to the amounts recognised in the consolidated statement of comprehensive income:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| **Actuarial loss and gain** | **819** | **-992** |
| Derived from changes in demographic assumptions | 836 | -1,977 |
| Derived from changes in financial assumptions | 18 | 0 |
| Derived from experience | 62 | -470 |
| Return, other than expected return, on plan assets | -97 | 1,455 |
| **Tax effect** | **-362** | **693** |
| **Net profit or loss recognised in the Consolidated Statement of Comprehensive Income** | **457** | **-299** |

f) Principal actuarial assumptions used in the plans:

- Pension plans in Germany

| | 2024 | 2023 |
|---|---|---|
| Annual discount rate | 3.5% | 3.5% |
| Expected rate of pension increases | 2.0% | 2.3% |
| Expected age of retirement for employees | 65-67 | 65-67 |

The mortality tables used to quantify the defined benefit obligation were those corresponding to Heubeck Richttafeln 2005 G.

- Pension plans in the United States and Canada

| | 2024 | 2023 |
|---|---|---|
| **US** | | |
| Annual discount rate | 5.1% | 5.1% |
| Expected rate of return on assets | 5.3% | 5.3% |

The mortality tables used to determine the defined benefit obligation were those for Pri-2012 Private Retirement Plans Mortality Tables (in the USA) and the Canadian Private Sector Pensioners' Mortality Table combined with the mortality improvement scale MI-2017 (in Canada).

g) Future payments expected for coming periods:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Payments to be made within the next 12 months | 2,603 | 2,377 |
| Payments to be made between 1 and 2 years | 2,580 | 2,342 |
| Payments to be made between 2 and 3 years | 2,579 | 2,382 |
| Payments to be made between 3 and 4 years | 2,548 | 2,392 |
| Payments to be made between 4 and 5 years | 2,513 | 2,370 |
| Payments to be made between 5 and 10 years | 12,155 | 11,540 |
| Payments to be made over 10 years | 20,652 | 22,289 |

h) Sensitivity analysis for each of the main assumptions.

How would the obligation affect a possible reasonable change in each assumption at year-end.

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| **Discount rate** | | |
| 50 basis point increase | -1,439 | -1,949 |
| Decrease by 50 basis points | 1,556 | 2,145 |
| **Pension increases** | | |
| 50 basis point increase | 884 | 923 |
| Decrease by 50 basis points | -811 | -845 |
| **Life expectancy** | | |
| Increase by 1 additional year | 710 | 1,236 |

The sensitivity analysis is based on a change in one hypothesis while considering the remaining hypotheses as unchanged.

- ***Other employee benefits and long-term remuneration***

The movements at 31 December 2024 and 2023 are as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| **Balance as at 1 January** | **8,650** | **6,030** |
| Exchange gains (losses) | -74 | -37 |
| Transfer to outstanding remuneration | -6,347 | -48 |
| Allowances | 574 | 2,853 |
| Payments | -156 | -148 |
| **Balance as at 31 December** | **2,647** | **8,650** |

In the year 2024 the amount corresponding to the Long-Term Incentive Plan was transferred to “Remuneration payable” as it will be paid in the year 2025.

The features of the Long-Term Incentive Plan are detailed in Note 22.

Included under this heading are prizes that the subsidiary Viscofan DE GmbH has established for its employees. This loyalty bonus is received when its employees complete 25 years of service. Employees receive a payment of 1,000 euros and a month's gross salary multiplied by 0.8 plus one day of holidays; when reaching 40 years of service, a payment of 1,000 euros and a month's gross salary multiplied by 1.1 plus one day of holidays; when reaching 50 years of service, one day of holidays.

The number of beneficiaries amounts to 492 employees (532 in the previous period), while the obligation amounts to EUR 1,350 thousand and EUR 1,431 thousand euros at 31 December 2024 and 2023, respectively. The beneficiaries received 132 thousand euros in payments during the

year (2023: 154 thousand euros). The payable amount expected for 2025 totals 54 thousand euros.

Recognised service costs and financial expenses for the current period amounted to 108 thousand and 48 thousand euros, respectively (2023: 77 thousand and 55 thousand euros, respectively).

The hypotheses used for calculating the obligations were the same as those used for the pension plan of the same subsidiary as described in the previous point.

### 13.2. Current provisions

(a) Provision for guarantees / refunds

A provision is recognised for warranty claims anticipated for products sold during the last year, based on past experience regarding the volume of returns. Most of these costs are expected to be incurred in the following year.

(b) Safety in the workplace provision

The safety in the workplace provision covers claims brought against the Group by certain employees, most of whom work for the Brazil subsidiary, in relation to resignations or terminations. These claims did not arise as a result of a specific incident, but are customary practice in Brazil. After seeking appropriate legal counsel, the directors consider that the result of the litigation will not significantly differ from the amounts provisioned at 31 December 2024.

(c) Emission rights provision

The emission rights provision includes the estimated consumption of emission rights during 2024 and 2023 valued in accordance with the measurement standard described in Note 4.16.

### 13.3. Contingent assets and liabilities

(a) Contingent liabilities

Legal claims of various kinds have been filed against Brazilian subsidiary Viscofan do Brasil, amounting to BRL 48,638 thousand (EUR 7,500 thousand; 2023: EUR 7,700 thousand), of which BRL 435 thousand (EUR 68 thousand) are classified as probable. There are provisions to cover the risk classified as probable.

- In relation to the accident at the Viscofan Spain, S.L.U. production centre In Cáseda (Navarra), which occurred in September 2019, a ruling was issued ordering a court trial against certain Group employees, for which any civil liability risk is insured. In the social affairs, the Company filed an appeal against the ruling of the Social Court in which the surcharge for social security benefits was imposed in 2023 by one of the employees, although the amount claimed was paid to the Social Security system in due course.

- In 2023, Sayer Technologies filed a lawsuit against the US subsidiary Viscofan USA Inc. in the state of New Jersey claiming USD 137,309 for unpaid invoices. Viscofan USA Inc. opposed this claim on the grounds of prior breach of contract by Sayer Technologies and has filed a counterclaim. During the year 2024, several proceedings have been carried out, with no agreement between the parties, and the process continues.

b) Contingent assets

In relation to the lawsuit filed in 2023 by the American subsidiary Viscofan USA Inc. against the electricity company Ameren Corporation, in 2024 the parties reached a settlement agreement that brought the process to a close.

## 14. Trade and other payables

The breakdown of "Trade and other payables" is as follows:

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| Suppliers | 44,844 | 43,578 |
| Accounts payable for services rendered and other accounts payable | 37,642 | 36,461 |
| Customer advances | 1,430 | 3,613 |
| Wages and salaries payable | 29,175 | 18,058 |
| **Trade payables** | **113,091** | **101,710** |
| Payable to public administrations | 13,073 | 23,810 |
| **Other accounts payable** | **13,073** | **23,810** |
| **Closing balance as at 31 December** | **126,164** | **125,520** |

The breakdown by currency of trade payables is as follows:

| | Thousands of euros | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | **Euros** | **US Dollar** | **Czech Koruna** | **Brazilian Real** | **Mexican Peso** | **Chinese Yuan** | **Other currencies** | ***Total book value*** |
| **2024** | 54,481 | 24,493 | 5,103 | 3,318 | 6,154 | 4,657 | 14,885 | ***113,091*** |
| **2023** | 47,622 | 22,664 | 4,087 | 5,374 | 5,928 | 3,822 | 12,213 | ***101,710*** |

At 31 December 2024 and 2023, balances payable to public administrations were as follows:

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| VAT payable to Public Treasury | 1,956 | 6,617 |
| Payable to Public Treasury for withholdings | 5,715 | 13,261 |
| Creditor social security bodies | 3,411 | 3,438 |
| Other public bodies | 1,991 | 494 |
| **Closing balance as at 31 December** | **13,073** | **23,810** |

A breakdown by currency is as follows:

| | Thousands of euros | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | **Euros** | **US Dollar** | **Czech Koruna** | **Brazilian Real** | **Mexican Peso** | **Chinese Yuan** | **Other currencies** | ***Total book value*** |
| **2024** | 8,063 | 140 | 581 | 1,600 | 535 | 875 | 1,279 | ***13,073*** |
| **2023** | 16,038 | 122 | 504 | 2,766 | 3,180 | 438 | 762 | ***23,810*** |

***Information on late payments to suppliers in Spain in commercial transactions***

In accordance with the third additional provision “Disclosure requirements” of Law 15/2010, dated 5 July, information on the average payment period to Spanish Group suppliers of the Spanish entities included in the consolidated group was as follows:

| | Days | |
|---|---|---|
| | **2024** | **2023** |
| Average supplier payment period | 32.6 | 21.2 |
| Ratio of paid transactions | 32.7 | 20.7 |
| Ratio of transactions pending payment | 31.2 | 26.1 |

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| Total payments made | 218,541 | 229,909 |
| Total future payments | 23,716 | 21,319 |

| | | |
|---|---|---|
| Monetary volume paid in a period shorter than the maximum period laid down in the late payment regulations | 209,942 | 229,475 |

| | **2024** | **2023** |
|---|---|---|
| Invoices paid in a period shorter than the maximum period established in the late payment regulations | 21,138 | 16,338 |

| | | |
|---|---|---|
| Percentage share of total monetary payments to their suppliers | 96.07% | 99.81% |
| Percentage share of total number of invoices | 93.43% | 99.66% |

***Information on Supplier financing arrangements***

Reverse factoring is offered to Spanish suppliers. Payment is always made on the due date of the invoice according to the agreed terms and it is the supplier who decides whether to bring collection forward.

The balance at 31 December 2024 comes to EUR 6,787 thousand.

## 15. Current and non-current financial liabilities

The breakdown of current and non-current financial liabilities, taking into account discounted contractual maturities at 31 December 2024 and 2023, is as follows:

| | Thousands of euros | | | | |
|---|---|---|---|---|---|
| | **Up to 1 year** | **Between 1 and 5 years** | **More than 5 years** | ***Total book value*** | ***Fair value*** |
| Payable to credit institutions | 153,962 | 47,140 | 0 | *201,102* | *201,102* |
| Accrued interest payable | 895 | 0 | 0 | *895* | *895* |
| Other financial liabilities | 19,372 | 11,275 | 5,361 | *36,008* | *36,008* |
| *Valued at amortised cost* | *19,372* | *11,275* | *5,361* | *36,008* | *36,008* |
| **Total as at 31 December 2024** | ***174,229*** | ***58,415*** | ***5,361*** | ***238,005*** | ***238,005*** |

| | Thousands of euros | | | | |
|---|---|---|---|---|---|
| | **Up to 1 year** | **Between 1 and 5 years** | **More than 5 years** | ***Total book value*** | ***Fair value*** |
| Payable to credit institutions | 158,465 | 31,118 | 0 | *189,583* | *189,583* |
| Accrued interest payable | 375 | 0 | 0 | *375* | *375* |
| Other financial liabilities | 19,208 | 7,373 | 5,488 | *32,069* | *32,069* |
| *Valued at amortised cost* | *19,208* | *7,373* | *5,488* | *32,069* | *32,069* |
| **Total as at 31 December 2023** | ***178,048*** | ***38,491*** | ***5,488*** | ***222,027*** | ***222,027*** |

At 31 December 2024, of the EUR 56,247 thousand of loans included in “Payable to credit institutions”, EUR 36,833 thousand are of a sustainable nature (EUR 44,500 thousand in 2023). In addition, the company has EUR 302,339 thousand in credit lines, of which EUR 125,000 thousand are sustainable credits. The amount drawn down is EUR 144,855 thousand of which EUR 73,166 thousand is sustainable.

Interest is linked to the trend of indicators with an annual review period.

The sustainability parameters established are one or a combination of the reduction of CO2 emissions, the reduction of m3 of water attraction and the tonnes of waste sent to the landfill, all of them tied to km of casing produced.

All current and non-current financial liabilities are included in Level 2 within the valuation hierarchies: assets and liabilities whose fair value has been determined with technical valuation techniques that use hypotheses observable in the market.

As can be seen in the previous table, the carrying amount of financial liabilities agrees with the fair value as the long-term debt corresponds to financing obtained in recent years under similar conditions to those currently obtainable in the market.

The classification was determined based on actual maturities of balances drawn down from credit lines. Thus, the balance drawn down from credit lines whose annual renewal has already been agreed upon subsequent to year end are included in the 1-year period.

These credit lines will be renewed as they mature.

Financial liabilities for debts with credit institutions accrue interest, both in this and the previous financial year, at variable rates referenced to Euribor/Libor/SOFR plus a differential in accordance with market conditions.

"Other financial liabilities" at 31 December 2024, both current and non-current, mainly includes:

- Loans with interest rates sponsored by entities such as the CDTI and the Ministry of Economy and Competitiveness amounting to 15,496 thousand euros.
- Non-current assets suppliers, amounting to 11,643 thousand euros.
- 50% of the purchase price of 60% of the companies Brasfibra Industria e Comercio de Derivados do Couro Ltda. and Master Couros Industria e Comercio de Derivados do Couro Ltda. for EUR 6,840 thousand (Note 2.1).

31 December 2023 mainly includes:

- Loans with interest rates sponsored by entities such as the CDTI and the Ministry of Economy and Competitiveness amounting to 13,750 thousand euros.
- Non-current assets suppliers, amounting to 15,880 thousand euros.

The Group recognizes the implicit interest on these loans using market interest rates.

A breakdown by currency is as follows:

| | Thousands of euros | | | | |
|---|---|---|---|---|---|
| | **Euros** | **US Dollar** | **Czech Koruna** | **Other currencies** | ***Total book value*** |
| **2024** | 205,043 | 7,349 | 1,194 | 24,419 | ***238,005*** |
| **2023** | 197,914 | 6,059 | 1,059 | 16,995 | ***222,027*** |

The limits, the amount drawn down, and the drawable amount under credit and discount lines as at 31 December are as follows:

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| Limit | 302,339 | 235,743 |
| Outstanding | 144,855 | 129,799 |
| Available | 157,484 | 105,944 |

The undiscounted value of financial liabilities classified by maturity at 31 December 2024 and 2023 is as follows:

| | Thousands of euros | | | | | | |
|---|---|---|---|---|---|---|---|
| | Less than 1 year | 1 to 2 years | 2 to 3 years | 3 to 4 years | 4 to 5 years | More than 5 years | *Total* |
| Principal of the debt | 153,962 | 27,418 | 19,722 | 0 | 0 | 0 | *201,102* |
| Interest | 5,981 | 1,138 | 727 | 140 | 140 | 140 | *8,266* |
| **Financial liabilities to credit institutions** | **159,943** | **28,556** | **20,449** | **140** | **140** | **140** | **209,368** |
| Principal of the debt | 19,372 | 5,272 | 1,817 | 1,802 | 2,384 | 5,361 | *36,008* |
| Interest | 792 | 366 | 250 | 210 | 170 | 118 | *1,906* |
| **Other financial liabilities** | **20,164** | **5,638** | **2,067** | **2,012** | **2,554** | **5,479** | ***37,914*** |
| **Total as at 31 December 2024** | **180,107** | **34,194** | **22,516** | **2,152** | **2,694** | **5,619** | ***247,282*** |

| | Thousands of euros | | | | | | |
|---|---|---|---|---|---|---|---|
| | Less than 1 year | 1 to 2 years | 2 to 3 years | 3 to 4 years | 4 to 5 years | More than 5 years | *Total* |
| Principal of the debt | 158,464 | 14,452 | 12,667 | 4,000 | — | — | *189,583* |
| Interest | 5,320 | 78 | 62 | 16 | — | — | *5,476* |
| **Financial liabilities to credit institutions** | **163,784** | **14,530** | **12,729** | **4,016** | **—** | **—** | ***195,059*** |
| Principal of the debt | 19,208 | 2,576 | 1,701 | 1,521 | 1,575 | 5,488 | *32,069* |
| Interest | 641 | 257 | 206 | 172 | 141 | 110 | *1,527* |
| **Other financial liabilities** | **19,849** | **2,833** | **1,907** | **1,693** | **1,716** | **5,598** | ***33,596*** |
| **Total as at 31 December 2023** | **183,633** | **17,363** | **14,636** | **5,709** | **1,716** | **5,598** | ***228,655*** |

At 31 December 2024, the Group had reverse factoring facilities with a joint limit of 7,000 thousand euros (4,000 thousand as at 31 December 2023), as well as multi-risk policies totalling 13,000 thousand euros, (13,000 thousand as at 31 December 2023).

## 16. Derivative financial instruments

The breakdown of balances, which include the values of the derivative financial instruments at 31 December 2024 and 2023, is as follows:

| | Thousands of euros | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2024 | | | | 2023 | | | |
| | Valued at fair value through P&L | | Valued at fair value through P&L | | Valued at fair value through P&L | | Valued at fair value through P&L | |
| | Financial assets | Financial liabilities | Financial assets | Financial liabilities | Financial assets | Financial liabilities | Financial assets | Financial liabilities |
| Exchange rate insurance | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Raw material hedges | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Non-current financial instruments** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** |
| Exchange rate insurance | 0 | 0 | 20 | 2,196 | 1,348 | 0 | 782 | 43 |
| Raw material hedges | 91 | 1,003 | 0 | 0 | 2,200 | 0 | 0 | 0 |
| **Current financial instruments** | **91** | **1,003** | **20** | **2,196** | **3,548** | **0** | **782** | **43** |
| **Total** | **91** | **1,003** | **20** | **2,196** | **3,548** | **0** | **782** | **43** |

Derivatives are only used for hedging purposes and not as speculative investments. However, when derivatives do not meet the test to be treated as accounting hedges, they are classified as "held for trading" for accounting purposes and are carried at fair value through profit and loss. They are presented as current assets or liabilities to the extent that they are expected to be settled within 12 months after the reporting period.

| | Thousands of euros | | | |
|---|---|---|---|---|
| | Measured at fair value | | | |
| | With changes in P&L | With changes in P&L | *Total book value* | *Fair value* |
| Non-current derivatives | 0 | 0 | *0* | *0* |
| Current derivatives | 20 | 91 | *111* | *111* |
| **Total Financial Assets as at 31 December 2024** | **20** | **91** | ***111*** | ***111*** |
| Non-current derivatives | 0 | 0 | *0* | *0* |
| Current derivatives | 2,196 | 1,003 | *3,199* | *3,199* |
| **Total Financial Liabilities as at 31 December 2024** | **2,196** | **1,003** | ***3,199*** | ***3,199*** |

| | Thousands of euros | | | |
|---|---|---|---|---|
| | Measured at fair value | | | |
| | With changes in P&L | With changes in P&L | *Total book value* | *Fair value* |
| Non-current derivatives | 0 | 0 | *0* | *0* |
| Current derivatives | 782 | 3,548 | *4,330* | *4,330* |
| **Total Financial Assets as at 31 December 2023** | **782** | **3,548** | ***4,330*** | ***4,330*** |
| Non-current derivatives | 0 | 0 | *0* | *0* |
| Current derivatives | 43 | 0 | *43* | *43* |
| **Total Financial Liabilities as at 31 December 2023** | **43** | **0** | ***43*** | ***43*** |

### 16.1. Electricity and gas coverage

Certain production costs of the Company are linked to the cost of electricity. For this reason, and in order to combat the negative effect of the current volatility of the electricity market, in 2022 the Company, through its subsidiary Viscofan España, S.L.U., entered into a long-term contract with its electricity supplier, which covers 33% of its annual consumption. The duration of the contract covers the periods from 2023 to 2027 in which a pool price has been fixed to which the Power Term as well as the Energy Term will be added.

At the end of 2023 the Company, through Viscofan España, S.L.U., signed an agreement with an energy supplier to purchase all the energy generated by a photovoltaic plant to be built in the vicinity of its facilities for a period of 30 years. The supplier is currently in the process of obtaining permits for the construction of such a plant.

In 2024 the Company, through Viscofan España, S.L.U., signed a contract with an energy solutions provider for the installation and commissioning in 2025 of a biomass boiler that will enable us to reduce CO2 emissions and make use of cellulose casing waste.

The entire operation is carried out towards securing own consumption, not incorporating speculative elements, and with the sole objective of locking in a reasonable energy cost under the current market conditions.

In 2023, the Company entered into gas hedging contracts for the period from February 2024 to January 2025 for a total of 285,000 MWh. At year-end 2024, none is outstanding.

### 16.2. Exchange rate insurance

Part of the fair value of the exchange rate insurances at year end was recognised as income or expense on the consolidated income statements for 2024 and 2023. The amount recognised directly in the consolidated income statements relates to exchange rate insurances designated as hedges to cover amounts payable or receivable recognised in the consolidated statements of financial position at the exchange rate at year end. No significant inefficiencies were noted in 2024 and 2023 in any derivative financial instruments contracted.

The Viscofan Group uses derivatives to hedge exchange rates in order to mitigate the possible adverse effects that exchange rate fluctuations might have on transactions in currencies other than the functional currency of certain Group companies.

The nominal value of the main exchange rate insurances in effect at 31 December 2024 and 2023, is as follows:

| | Thousand | |
|---|---|---|
| | 2024 | 2023 |
| US dollar | 77,750 | 49,500 |
| Pounds Sterling | 380 | — |
| Canadian Dollar | 1,500 | — |
| Brazilian Real | — | — |
| Japanese yen | 126,000 | — |

## 17. Income tax

The breakdown for deferred tax assets and liabilities, by type, is as follows:

| | Thousands of euros | | | | | |
|---|---|---|---|---|---|---|
| | Assets | | Liabilities | | Net | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Non-Current assets | 18,123 | 24,264 | -20,950 | -29,051 | -2,827 | -4,787 |
| Current assets | 11,918 | 11,346 | -613 | -536 | 11,305 | 10,810 |
| Non-current liabilities | 6,251 | 8,993 | -1,085 | -1,210 | 5,166 | 7,783 |
| Current liabilities | 2,898 | 3,042 | -743 | -2,033 | 2,155 | 1,009 |
| **Total as at 31 December** | **39,190** | **47,645** | **-23,391** | **-32,830** | **15,799** | **14,815** |

Throughout 2024, the Viscofan Group revalued the gross positions of deferred assets and liabilities, offsetting those that are recognised simultaneously.

Deferred tax assets, on current assets, are mainly due to the effect on tax of the elimination of the margin in inventory acquired between Group companies, as well as provisions on inventories that are not tax-deductible in some countries. The deferred tax asset for non-current assets relates mainly to the capitalisation of tax credits for tax losses (EUR 10,639 thousand) and differences between accounting and tax depreciations (EUR 6,341 thousand). In addition, deferred tax assets arising from current and non-current tax liabilities relate mainly to provisions at different Group companies that will be used for tax purposes when applied. A large number of the provisions described in this note have led to adjustments in the tax assessment basis in the different countries.

Deferred tax liabilities arising from non-current assets for the years ended 31 December 2024 and 2023, mainly relate to the application of different amortisation rates by certain Group subsidiaries than those used for tax purposes. Also included is the tax effect of net unrealised gains on PP&E items acquired in different business combinations.

The breakdown of deferred tax assets and liabilities recognised in the balance sheet, according to the items giving rise to them, is as follows:

| | 2024 | | 2023 | |
|---|---|---|---|---|
| **Deferred taxes** | **Assets** | **Liabilities** | **Assets** | **Liabilities** |
| Tax losses (pending allocation) | 10,639 | | 7,577 | — |
| Differences between accounting and tax depreciations | 6,341 | 14,571 | 6,796 | 20,389 |
| Staff and other provisions | 6,201 | | 7,788 | 149 |
| Provisions for impairments | 5,976 | | 7,825 | — |
| Originating from IFRS 16 | 2,869 | 2,865 | 2,802 | 2,798 |
| Limitation of financial expenses | 710 | | 672 | — |
| Other deferred taxes | 6,454 | 5,955 | 14,185 | 9,494 |
| **Total as at 31 December** | **39,190** | **23,391** | **47,645** | **32,830** |

The tax assets recognised in respect of tax loss carry-forwards (pending application), amounting to 10,639 thousand euros, correspond to:

| | Thousands of euros | |
|---|---|---|
| **Jurisdiction** | **2024** | **2023** |
| Australia | 166 | 172 |
| US | 10,473 | 7,405 |
| **Total as at 31 December** | **10,639** | **7,577** |

Based on the information available at year-end, and the projections arising from the Group's business plan for the coming years, the Group estimates that it will be able to generate sufficient taxable income to offset the taxable bases recorded.

As at 31 December 2024, the Group has unused tax loss carryforwards (Germany: EUR 1,205 thousand; Australia: EUR 2,301 thousand; Belgium: EUR 1,773 thousand; the United States: EUR 28,690 thousand; New Zealand: EUR 80 thousand and Thailand: EUR 363 thousand) which are not recognised in the balance sheet because the conditions for their recognition are not met. In addition, the Group has EUR 25,294 thousand in tax credits (Spain: EUR 9,028 thousand, the United States: EUR 7,805 thousand and Uruguay: EUR 8,461 thousand) which, following the accounting policy described in Note 4.24 e), have not been capitalised, as well as an amount of EUR 90 thousand for other deferred taxes (Spain: EUR 14 thousand and New Zealand: EUR 76 thousand), which have also not been recognised in the balance sheet.

In the US, tax loss carry-forwards have been generated between 2008 and 2024. Those generated between 2008 and 2017 have a legal expiry of 20 years from generation, with no allocation limit. Those generated since 2018 have no legal expiry date, and are capped at 80% of the tax base.

Also, the tax assets were generated between 2015 and 2024, have a legal expiry date of 20 years from their generation and their allocation is capped at 75% of the tax liability they are allocated to.

In addition, a tax incentive derived from investments in the country is available in the Republic of Serbia, reducing corporate income tax liability by 42% on tax returns filed from 2022 until 2031.

In Thailand, in February 2023, the Thailand Board of Investment granted the Group a corporate tax incentive for investments made in the country, reducing corporate tax rate by 60% until 2034.

During 2022 the Chinese subsidiary Viscofan Technology (Suzhou) Co. Ltd.'s rating was again deemed as “High Tech” for 3 years and, therefore, its tax rate dropped from 25% to 15%.

In relation to the temporary taxable differences of the subsidiaries, as at 31 December 2024 and 2023, the Group did not recognise any amount in this regard based on its dividend distribution policy, according to which it unlikely that the results accumulated by the subsidiaries as at 31 December 2024 will be distributed in the foreseeable future. This unrecognised deferred tax liability would total approximately €8.2 million at 31 December 2024 (€8.2 million at 31 December 2023).

The breakdown of changes during the year in recognised deferred tax assets and liabilities arising from temporary differences recognised as income tax expense/(income) on the

consolidated statement of recognised income and expense and as “Other income and expenses” on the consolidated comprehensive income statement is as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Non-Current assets | 1,439 | -1,421 |
| Current assets | 964 | 1,074 |
| Non-current liabilities | -1,762 | 5,358 |
| Current liabilities | 125 | -800 |
| **Consolidated income statement** | **766** | **4,211** |
| Non-Current assets | -174 | 173 |
| Current assets | -469 | 152 |
| Non-current liabilities | -307 | 675 |
| Current liabilities | 1,168 | -37 |
| **Other results of the Consolidated Statement of Comprehensive Income** | **218** | **963** |
| **Total change in deferred taxes and deferred tax liabilities** | **984** | **5,174** |

The breakdown of deferred taxes charged directly against “Other comprehensive income” on the Consolidated Statement of Comprehensive Income is as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Actuarial gains or losses on pension plans | -362 | 693 |
| Adjustments for changes in value cash flow hedges | 1,088 | 54 |
| Exchange gains (losses) | -508 | 216 |
| **Charged directly to other comprehensive income in the Consolidated Statement of Comprehensive Income** | **218** | **963** |

The major components of income tax expense for the years ended 31 December 2024 and 2023, are as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Corporate income tax expense for the year | 49,524 | 32,342 |
| Adjustments to prior years' income taxes | 347 | -187 |
| **Current income tax** | **49,871** | **32,155** |
| Origination and reversal of temporary differences | -766 | -4,211 |
| **Deferred taxes** | **-766** | **-4,211** |
| **Income tax expense on income from continuing operations** | **49,105** | **27,944** |

A reconciliation between tax expense/(income) on continued operations and the product of profit before tax multiplied by the tax rate prevailing in Spain (Navarre) on 31 December, is as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| **Profit for the year before tax from continuing operations** | **206,438** | **168,906** |
| Adjustments to the tax base | -4,045 | 15,276 |
| Preliminary tax base | 202,393 | 184,182 |
| Tax rate at 28% | 56,670 | 51,571 |
| Impact of the application of the rates in force in each country | -8,122 | -3,353 |
| Deductions generated/applied in the year | -5,175 | -12,259 |
| Adjustments to prior years' income taxes and other adjustments | 4,412 | -6,602 |
| Non-recoverable withholdings on dividends from Group companies | 1,320 | -1,413 |
| **Income tax expense** | **49,105** | **27,944** |

Income tax payable from continued operations was calculated as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Current income tax | -49,871 | -32,155 |
| Exchange gains (losses) | -508 | 216 |
| Withholdings and payments on account made | 33,517 | 30,805 |
| **Total as at 31 December** | **-16,862** | **-1,134** |

This amount is broken down in the Consolidated Statement of Comprehensive Income as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Income tax assets receivable | 869 | 3,649 |
| Income tax liabilities payable | -17,731 | -4,783 |
| **Total as at 31 December** | **-16,862** | **-1,134** |

In accordance with current legislation, taxes cannot be considered definitive until they have been inspected by the tax authorities or the inspection period of four years has elapsed. At 31 December 2024, the Parent and subsidiaries in Spain are open to inspection for all the main taxes to which they are liable and for which the corresponding inspection periods have yet to expire. The situation of foreign companies depends on the legislation prevailing in each country.

Due to the different possible interpretations of prevailing legislation, additional liabilities could be identified in the event of inspection. Nonetheless, parent management considers that any additional liabilities that might arise would not have a significant impact on these consolidated financial statements.

International Tax Reform - Pillar 2 Rules

On 21 December 2024, Law 7/2024 of 20 December was published, which, among other aspects, transposes in Spain Directive (EU) 2022/2523 establishing a supplementary tax

("Supplementary Tax") to ensure a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups ("Pillar 2 Law"), applicable retroactively for years beginning on or after 31 December 2023.

The group, as a large multinational group, is subject to such Supplementary Tax.

In addition, an analysis has been made based on available information, including the most recent tax returns, country-by-country reports, the financial statements of the Group entities and, where applicable, the transitional safe harbours provided for in the fourth transitional provision of the Pillar 2 Act, concluding that in most of the jurisdictions in which the Group operates the effective tax rates are above 15% and therefore there will be no supplementary tax payable in those jurisdictions. However, only in Serbia and Belgium does the simplification linked to safe harbours not apply and only in Serbia is a non-material Supplementary Tax expected. It will be Viscofan SA, as the ultimate parent company of the Group, who will have to file the tax return and make the corresponding payment within the deadlines laid down by the Pillar 2 Law, as no domestic regulation has been approved in Serbia.

## 18. Segment reporting

As indicated in note 1, the Group is engaged in the manufacture, distribution and marketing of all types of casings and films for food use. Additionally, the Group also carries out production-related activities, and sells electricity through its cogeneration plants in Spain and Germany with the objectives of: decreasing the cost of electricity while remaining self-sufficient, and at the same time reducing CO2 emissions, and, where appropriate, sell surplus electricity.

With the Beyond25 strategic plan, the commercial and operational strategies have been reoriented, distinguishing sales of what has been called Traditional Business, which includes casings based on collagen, cellulosic and fibrous technology, and sales of New Business, which includes plastic casings and the rest of the products and services, although the latter currently have a very small relative weight.

Therefore, the revenues obtained by the Viscofan Group can be grouped by nature into Traditional Business, New Businesses and Energy, although from a management information point of view, the activity is considered a mono-segment, being mainly casing sales.

Furthermore, Viscofan's business model is global, understood as products and services sold in a multitude of markets around the world that are generated by the assets held by the Group in different locations. In this way, each production centre produces goods with a final destination in different countries and markets. Sometimes, manufacturing sites produce semi-finished products, which are completed in other countries for subsequent sale to a third party, and this process often involves several geographic management regions.

To facilitate management and monitoring, four geographical regions have been established within the Beyond25 Plan: EMEA (comprising assets in Spain, Germany, Czech Republic, Serbia, Belgium, United Kingdom, France and Russia), North America (incorporating assets in Canada, Costa Rica, Mexico and the United States), APAC (comprising assets in Australia, China, Japan, New Zealand, and Thailand), and South America (comprising assets in Brazil and Uruguay).

Considering this business and management scheme, sales are analysed by geographic region and, in any case, specific returns are analysed in a more concrete manner based on companies or assets analysed on a more individualised basis.

Given the Group's current organisational, production and management structure, the new Beyond25 strategic plan, and the information taken into account in decision-making by the highest decision-making body, the Group's management considers that, in accordance with IFRS 8, the segment that carries out business activities that may generate income and incur expenses is unique: the sale of casings and films for food use.

However, from a commercial point of view, emphasis is placed on geographic areas and sales by type of casing, as broken down below:

| | Thousands of euros | | | | | | |
|---|---|---|---|---|---|---|---|
| **FY 2024** | **Spain** | **Rest of Europe, Middle East and Africa** | **Asia Pacific** | **North America** | **South America** | **Disposal and other** | ***Consolidated*** |
| Revenue from external customers | 148,968 | 359,514 | 163,005 | 373,742 | 158,765 | 0 | *1,203,994* |
| Ordinary income of other group companies | 158,222 | 308,952 | 1,802 | 111,013 | 41,848 | -621,837 | *0* |
| Total ordinary income | 307,190 | 668,466 | 164,807 | 484,755 | 200,613 | -621,837 | *1,203,994* |
| Depreciation charges | | | | | | | *-83,794* |
| Finance income | | | | | | | *2,535* |
| Finance costs | | | | | | | *-10,370* |
| Exchange gains (losses) | | | | | | | *12,981* |
| **Segment profit before tax** | | | | | | | ***206,438*** |
| **Total assets** | **441,684** | **440,462** | **175,294** | **437,939** | **197,742** | **-290,273** | ***1,402,848*** |
| **Total liabilities** | **300,407** | **134,148** | **50,287** | **238,077** | **51,847** | **-310,829** | ***463,937*** |
| **Asset acquisitions** | **22,214** | **10,901** | **14,259** | **16,483** | **7,137** | **0** | ***70,994*** |

| | Thousands of euros | | | | | | |
|---|---|---|---|---|---|---|---|
| **FY 2023** | **Spain** | **Rest of Europe, Middle East and Africa** | **Asia Pacific** | **North America** | **South America** | **Disposal and other** | ***Consolidated*** |
| Revenue from external customers | 171,003 | 360,315 | 158,466 | 369,324 | 166,679 | 0 | *1,225,787* |
| Ordinary income of other group companies | 171,709 | 321,702 | 2,270 | 106,484 | 43,380 | -645,545 | *0* |
| Total ordinary income | 342,712 | 682,017 | 160,736 | 475,808 | 210,059 | -645,545 | *1,225,787* |
| Depreciation charges | | | | | | | *-83,713* |
| Finance income | | | | | | | *846* |
| Finance costs | | | | | | | *-6,900* |
| Exchange gains (losses) | | | | | | | *-9,748* |
| **Segment profit before tax** | | | | | | | ***168,906*** |
| **Total assets** | **460,529** | **442,323** | **157,185** | **436,332** | **201,907** | **-290,767** | ***1,407,509*** |
| **Total liabilities** | **270,345** | **159,790** | **46,157** | **241,693** | **33,278** | **-301,526** | ***449,737*** |
| **Asset acquisitions** | **25,253** | **16,260** | **10,967** | **17,406** | **7,661** | **0** | ***77,547*** |

## 19. Operating income and operating expenses

### 19.1. Sales and rendered services

The sales and services provided in the consolidated income statement include the delivery of goods to customers, services rendered in the course of the Group's ordinary activities and the sale of energy, net of sales-related taxes.

The detail of this heading for 2024 and 2023 is as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Turnover corresponding to Traditional Business | 996,610 | 985,305 |
| Turnover corresponding to New Business | 147,326 | 151,521 |
| Turnover corresponding to Energy | 60,058 | 88,961 |
| **Total** | **1,203,994** | **1,225,787** |

Ordinary income from external customers can be traced to the sale of casings and film for food use and other applications, generally made to manufacturers of cold meats, as well as, to a lesser extent, the generation of electricity for sale to third parties through cogeneration systems.

In terms of the sale of casings and film, the Group considers that there is only one type of customer contract: sales correspond to a single performance obligation and are made at a moment in time.

In terms of the sales of electricity produced, they are recognised as the energy generated by cogeneration systems is produced and delivered.

### 19.2. Other income

The breakdown of “Other Operating Income” for 2024 and 2023 is as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Work carried out by the Group on non-current assets | 1,629 | 1,366 |
| Capital grants | 82 | 131 |
| Other operating income | 12,139 | 13,555 |
| **Total other income** | **13,850** | **15,052** |

The conditions or contingencies associated to grants received.

## 19.3. Staff costs

The breakdown of "Staff costs" in 2024 and 2023 is as follows:

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| Wages, salaries, et al | 214,079 | 210,861 |
| Severance | 2,582 | 1,037 |
| Current service cost of defined benefit plans (Note 13.1) | 229 | 215 |
| Social Security charged to the company | 39,833 | 39,158 |
| Other social charges and taxes | 17,555 | 18,815 |
| **Total staff costs** | **274,278** | **270,086** |

Group employees during 2024 and 2023, by professional category and gender, were as follows:

| | Headcount at the end of the period | | | | | |
|---|---|---|---|---|---|---|
| | **Men** | **Women** | ***Total 2024*** | **Men** | **Women** | ***Total 2023*** |
| Senior executives | 87 | 23 | ***110*** | 101 | 29 | ***130*** |
| Technicians and department heads | 969 | 392 | ***1,361*** | 945 | 373 | ***1,318*** |
| Administrative personnel | 70 | 188 | ***258*** | 62 | 192 | ***254*** |
| Specialised personnel | 687 | 224 | ***911*** | 686 | 238 | ***924*** |
| Workers | 1,946 | 737 | ***2,683*** | 1,967 | 739 | ***2,706*** |
| **Total** | **3,759** | **1,564** | ***5,323*** | **3,761** | **1,571** | ***5,332*** |

| | Average headcount | | | | | |
|---|---|---|---|---|---|---|
| | **Men** | **Women** | ***Total 2024*** | **Men** | **Women** | ***Total 2023*** |
| Senior executives | 91 | 26 | ***117*** | 101 | 29 | ***130*** |
| Technicians and department heads | 940 | 382 | ***1,322*** | 944 | 360 | ***1,304*** |
| Administrative personnel | 61 | 180 | ***241*** | 54 | 187 | ***241*** |
| Specialised personnel | 681 | 216 | ***897*** | 692 | 224 | ***916*** |
| Workers | 1,901 | 685 | ***2,586*** | 2,006 | 749 | ***2,755*** |
| **Total** | **3,674** | **1,489** | ***5,163*** | **3,797** | **1,549** | ***5,346*** |

Due to the circumstances of the production process, since 3 May 2017, and renewed on 13 November 2023, Viscofan S.A. has reported, through Resolution 313/2023 of the Directorate of the Navarre Employment Service, the recognition of exceptionality that justifies adopting

alternative measures to comply with the reserve quota in favour of disabled workers and authorises, as an alternative measure, the signing of civil or commercial contracts with Special Employment Centres, for a period of three years.

Employees, in companies located in Spain, with a recognised level of disability equal to or higher than 33%, reported in accordance with Royal Decree 602/2016 of 2 December, amount to 5 workers (4 operators and 1 administrative); the figures for 2023 include 5 workers (4 operators and 1 administrative).

The Group works with special employment centres in Spain and in other countries to perform certain tasks that contribute to the development of our production activity.

The Group had a total number of 66 disabled employees (60 men and 6 women). In 2023, the Group had a total number of 66 disabled employees (60 men and 6 women).

### 19.4. Other operating expenses

The detail of “Other operating expenses” for 2024 and 2023 is as follows:

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| Research and development expenditure | 3,946 | 3,600 |
| Repairs and maintenance | 35,244 | 33,665 |
| Environment | 10,758 | 10,352 |
| Utilities | 85,964 | 97,418 |
| Plant costs (security, cleaning and others) | 32,900 | 38,508 |
| Leases | 8,102 | 8,009 |
| Insurance premiums | 7,341 | 8,419 |
| Taxes | 6,820 | 4,202 |
| Business and administrative expenses | 67,588 | 68,668 |
| Other operating expenses | 8,739 | 8,060 |
| **Total other operating expenses** | **267,402** | **280,901** |

“Lease” expenses include fees as well as short-term rentals not affected by IFRS 16 Leases.

## 19.5. Financial income and expense

The breakdown of financial income and expenses for 2024 and 2023, according to the origin of the items making it up, is as follows:

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| **Finance income** | **2,535** | **846** |
| Amounts owed to credit institutions and other financial liabilities | -9,736 | -6,272 |
| Net financial cost of pension plans and long-term remuneration | -634 | -628 |
| **Finance costs** | **-10,370** | **-6,900** |
| **Fair value adjustment to financial investments** | **-248** | **22** |
| Exchange gains | 36,207 | 24,420 |
| Exchange losses | -23,226 | -34,168 |
| **Exchange gains (losses)** | **12,981** | **-9,748** |
| **Total financial income (expenses)** | **4,898** | **-15,780** |

## 20. Earnings per share

### 20.1. Basic

The calculation of basic earnings per share is based on the profit for the year attributable to the shareholders of the parent and a weighted average number of ordinary shares in circulation throughout the year, excluding treasury shares.

The breakdown of the calculation of basic earnings per share is as follows:

| | 2024 | 2023 |
|---|---|---|
| Weighted average number of ordinary shares in issue | 45,548,368 | 46,184,195 |
| Profit for the year from continuing operations attributable to equity holders of the parent company (thousands of euros) | 157,019 | 140,962 |
| **Basic earnings per share (in euros)** | **3.45** | **3.05** |

| | 2024 | 2023 |
|---|---|---|
| Average number of ordinary shares outstanding | 46,500,000 | 46,500,000 |
| Effect of treasury shares | -951,632 | -315,805 |
| **Weighted average number of ordinary shares in issue at 31 December** | **45,548,368** | **46,184,195** |

### 20.2. Diluted

Diluted earnings per share are calculated by dividing profit attributable to equity holders of the parent by the weighted average number of ordinary shares in circulation considering the diluting effects of potential ordinary shares.

The diluted earnings per share include the effect of the group's share plan, detailed in note 22.3. It includes the ordinary shares that will be put into circulation, based on the degree of compliance with the conditions established at 31 December 2024, the planned deadline for these conditions to be fulfilled.

| | 2024 | 2023 |
|---|---|---|
| Weighted average number of ordinary shares in issue | 45,663,511 | 46,340,895 |
| Profit for the year from continuing operations attributable to equity holders of the parent company (thousands of euros) | 157,019 | 140,962 |
| **Basic earnings per share (in euros)** | **3.44** | **3.04** |

Given the Company's plan to reduce its share capital by redeeming treasury shares (Note 12.6), no dilution effect will occur as a result of the capital increase devised for the payment of the Final Dividend within the framework of the Company's flexible remuneration programme.

## 21. Risk management

Risk management is controlled by the Group, in keeping with policies approved by the Board of Directors. The risk control system is described in section E. Risk management and control systems of the Annual Corporate Governance Report from the parent company, listing those that might affect the achievement of objectives, their materiality in 2024, and response and supervision plans. We will now focus on the financial risks described below.

The Group's activities are exposed to various financial risks: exchange rate risk, credit risk, liquidity risk, cash flow interest rate risk and fair value risk, as well as fuel price risk and emission allowance price risk. The Group's global risk management program focuses on the uncertainty of financial markets and aims to minimize the potential adverse effects on the Group's profitability. Certain risks are hedged by derivative instruments.

### 21.1. Exchange rate risk

As the Group operates internationally, it is exposed to variations in exchange rates, particularly the US Dollar. The exchange rate risk arises from future commercial transactions, recognised assets and liabilities and net investments abroad.

The risk management policy of the Group is to cover the net balance between collections and payments in currencies other than the functional currency with the most net risk. Therefore, forward currency contracts were formalised at the time the yearly budget was prepared; EBITDA forecasts were used as the basis for the following year, the degree of exposure, and the degree of risk the Group is willing to assume.

The following table shows the sensitivity of a possible exchange rate variation on net results for the year arising from certain currencies in the countries in which the Group carries out its activities, while maintaining the other variables constant:

| | Thousands of euros | | | |
|---|---|---|---|---|
| | 2024 | | 2023 | |
| | + 5% | - 5% | + 5% | - 5% |
| US dollar | 13,030 | -10,261 | 10,062 | -10,945 |
| Czech Koruna | -1,662 | 1,504 | -1,589 | 1,438 |
| Brazilian Real | -2,331 | 2,110 | -1,676 | 1,517 |
| Chinese Yuan Renmimbi | 1,061 | -959 | 1,476 | -1,335 |

The following table shows the impact on consolidated equity of changes in the exchange rates of certain currencies of countries where the Group conducts business:

| | Thousands of euros | | | |
|---|---|---|---|---|
| | 2024 | | 2023 | |
| | + 5% | - 5% | + 5% | - 5% |
| US dollar | 11,015 | -10,647 | 10,695 | -8,847 |
| Czech Koruna | 4,759 | -4,306 | 3,903 | -3,531 |
| Brazilian Real | 2,796 | -2,530 | 3,367 | -3,047 |
| Chinese Yuan Renmimbi | 5,031 | -4,552 | 5,274 | -4,772 |

### 21.2. Credit risk

The Viscofan Group's main financial assets are cash balances, trade and other receivables, and investments, which represent the Group's maximum exposure to credit risk.

The Group's credit risk relates mainly to trade receivables. Amounts reflected on the consolidated balance sheet, net insolvency provisions, estimated based on experiences gleaned from prior years, age, and valuation in the current economic environment. This would be the maximum amount of exposure to this type of risk.

There is no significant concentration of credit risk within the Group; its exposure is spread among a large number of counterparties and customers. No clients or associated group companies represented sales and amounts receivable higher than 10% of total risk.

The Group has a credit policy, with exposure risk managed as part of its normal course of business. Credit evaluation of clients is performed in all cases where amounts exceed a set limit. It is habitual practice of Group companies to partially cover non-payment risk through contracting loan guarantee and sureties covering approximately 90% of each client's debt. For countries at risk, coverage is reduced to 80%. In Countries without insurance coverage, guarantees such as advances and deposits on account are mandatory.

Credit risk arising from liquid funds and derivative financial instruments is limited due to the fact that counterparties are banking institutions with high credit ratings assigned by international agencies.

The Directors consider that at 31 December 2024 there were no significant assets that could be impaired with respect to their net carrying amount.

### 21.3. Liquidity risk

The Group has a prudent policy to cover its liquidity risks which is focused on having sufficient cash and marketable securities as well as the ability to draw down sufficient financing through its existing borrowing facilities to settle the market positions of its short-term investments. Given the dynamic nature of its underlying business, the Group aims to be flexible with regard to financing through drawdowns on its contracted credit lines.

The Group adequately monitors each month expected collections and payments to be made in the coming months and analyses any deviations from expected cash flows in the previous month to identify any possible deviations which might affect liquidity.

The following ratios show the level of liquidity at 31 December 2024 and 2023:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Current assets | 761,665 | 764,023 |
| Current liabilities | -346,661 | -339,309 |
| **Working capital** | **415,004** | **424,714** |
| Current liabilities | 346,661 | 339,309 |
| **Working capital/current liabilities ratio** | **119.71%** | **125.17%** |
| Cash and cash equivalents | 55,143 | 51,996 |
| Available on line of credit (Note 15) | 157,484 | 105,944 |
| **Treasury + credit availability and discounting** | **212,627** | **157,940** |
| **Cash + credit availability and discounting/current liabilities ratio** | **61.34%** | **46.55%** |

The amounts available on credit and discount lines do not include confirming lines or multi-risk policies which are described in Note 15.

In 2024 and 2023 there were no defaults or other noncompliance of the principal, interest, or repayments of debts with credit entities. No defaults are foreseen for 2025.

### 21.4. Interest rate risks in cash flows and fair value

The Group manages interest rate risk by maintaining a balanced portfolio of fixed and floating rate loans and credits. At 31 December 2024, approximately 33% of the Group's loans accrued interest at a fixed rate (2023: 33%).

The Group does not own significant remunerated assets.

At 31 December 2024 and 2023, the structure of financial liabilities subject to interest rate risk, once hedges through the derivatives arranged have been taken into account, is as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Payable to credit institutions | 201,997 | 189,959 |
| Other financial liabilities (*) | 24,365 | 16,188 |
| **Total financial debt** | **226,362** | **206,147** |
| Fixed interest rate | 67,198 | 56,688 |
| Variable interest rate | 159,164 | 149,459 |

(*) Excluding fixed asset suppliers and lease liabilities

In 2024 and 2023, the floating interest rates on loans are linked to Euribor and Libor dollar.

The Group is likewise exposed to changes in the interest rates used to calculate the pension plan obligations (Note 13.1).

The following table shows the sensitivity of profit (loss) for the year to a possible 1% variation in discount and/or interest rates:

| | Thousands of euros | | | |
|---|---|---|---|---|
| | 2024 | | 2023 | |
| | + 1% | - 1% | + 1% | - 1% |
| **Pension plan obligations** | | | | |
| Germany | -144 | 141 | -132 | 135 |
| US | -225 | 211 | -246 | 236 |
| Plans in other countries | -20 | 21 | -21 | 20 |
| **Financial debt** | | | | |
| Euribor | -1,539 | 1,547 | -1,902 | 1,728 |

## 21.5. Fuel price risk (gas and other oil derivatives)

Viscofan Group is exposed to fluctuations in the gas price and other fuels used in the casing production process.

The Group policy is to set the prices for main fuels through the arrangement of year-long contracts with suppliers, or by using hedging policies (Note 16.1). It thus attempts to mitigate the impact of price variations on the consolidated income statement.

The following table reflects the sensitivity to a possible gas price fluctuation on 10% of operating results.

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| + 10% | -5,075 | -8,461 |
| - 10% | 5,073 | 8,461 |

### 21.6. Emission rights price risk

In accordance with the 2013-2020 National Emission Allowance Assignment Plan, and after applying the inter-sectoral adjustment factors outlined in Appendix II to EU Decision 2013/448/EU to non-electricity generators, and the annual 1.74% annual reduction in electricity generators, in accordance with Articles 9 and 9 bis of EC Directive 2003/87/EC, the Group was assigned emission allowances equivalent to 356,915 tones.

In accordance with that described in Note 8, the consumption of emission rights for 2024 amounted to 272,095 tonnes (294,406 tonnes in 2023), generating an expense of 17,068 thousand euros (22,605 thousand euros in 2023).

The sensitivity faced with a possible variation in the average price of the consumption of emission rights of 10% of operating results, would be as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| + 10% | -1,707 | -2,260 |
| - 10% | 1,707 | 2,260 |

## 22. Information on the Board of Directors of the Parent and Key Group Personnel

### 22.1. Directors

Directors' remuneration is outlined in article 29.3 of the articles of association and remuneration policies approved by the Annual General Meeting.

The breakdown for Board remuneration in 2024 and 2023 is as follows:

| | Thousands of euros | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | **Salary** | **Fixed remuneration** | **Attendance fees** | **Short-term variable remuneration** | **Long-term variable remuneration** | **Remuneration membership Committees** | **Other items** | ***Total*** |
| José Domingo de Ampuero y Osma | | 655 | 30 | | 1,031 | | 1,312 | *3,028* |
| José Antonio Canales García | 775 | 80 | | 347 | 1,193 | | 57 | *2,452* |
| José María Aldecoa Sagastasoloa | | 35 | 12 | | | 8 | | *55* |
| Jaime Real de Asúa Arteche | | 97 | 30 | | | 37 | | *164* |
| Agatha Echevarría Canales | | 80 | 30 | | | 30 | | *140* |
| Santiago Domecq Bohórquez | | 80 | 30 | | | 25 | | *135* |
| Laura González Molero | | 80 | 28 | | | 54 | | *162* |
| Cristina Henríquez de Luna Basagoiti | | 80 | 30 | | | 30 | | *140* |
| Andrés Arizcorreta García | | 80 | 30 | | | 65 | | *175* |
| Javier Fernández Alonso | | 80 | 30 | | | 30 | | *140* |
| Verónica Pascual Boé | | 80 | 28 | | | 19 | | *127* |
| **Total 2024** | **775** | **1,427** | **278** | **347** | **2,224** | **298** | **1,369** | ***6,718*** |

Changes in the remuneration of directors in their capacity as such are due to changes in the composition of the Board and its Committees and in directors' performance during the year. The remuneration of the director Jose María Aldecoa Sagastasoloa for his duties as lead director until his resignation as director on the at the General Meeting of Shareholders in April 2024 has been indicated in Fixed remuneration; since that date, he has been replaced by Jaime Real de Asúa Arteche, who earns remuneration as lead director.

| | Thousands of euros | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | **Salary** | **Fixed remuneration** | **Attendance fees** | **Short-term variable remuneration** | **Long-term variable remuneration** | **Remuneration membership Committees** | **Other items** | ***Total*** |
| José Domingo de Ampuero y Osma | 656 | 160 | | 188 | | | 26 | *1,030* |
| José Antonio Canales García | 506 | 80 | | 145 | | | 55 | *786* |
| José María Aldecoa Sagastasoloa (*) | | 105 | 30 | | | 25 | | *160* |
| Jaime Real de Asúa Arteche | | 80 | 30 | | | 38 | | *148* |
| Agatha Echevarría Canales | | 80 | 30 | | | 30 | | *140* |
| Santiago Domecq Bohórquez | | 80 | 30 | | | 25 | | *135* |
| Laura González Molero | | 80 | 28 | | | 45 | | *153* |
| Carmen de Pablo Redondo | | 80 | 27 | | | 30 | | *137* |
| Cristina Henríquez de Luna Basagoiti | | 80 | 30 | | | 30 | | *140* |
| Andrés Arizcorreta García | | 80 | 30 | | | 25 | | *135* |
| Javier Fernández Alonso | | 80 | 30 | | | 30 | | *140* |
| Verónica Pascual Boé | | 7 | 3 | | | | | *10* |
| **Total 2023** | **1,162** | **992** | **268** | **333** | **0** | **278** | **81** | ***3,114*** |

(*) The fixed remuneration of the director José María Aldecoa includes 80,000 euros as fixed remuneration for membership on the Board and 25,000 euros for remuneration corresponding to its function as Coordinating Director, as established in the Board of Directors' Remuneration Policy.

At the same meeting of the Board of Directors on 20 December 2023, adopted a resolution to change the model from an executive chairmanship to a non-executive chairmanship, effective from 1 January 2024, including the appointment of a Chief Executive Officer.

Consequently:

- José Domingo de Ampuero y Osma, with effect from 1 January 2024, ceases to hold his executive functions in the Company and the Group, continuing his tenure as non-executive Chair of the Board of Directors and, consequently, moving to the category of “other external directors”.

- José Antonio Canales García, current Director-Managing Director, has been appointed CEO of Viscofan, also with effect from 1 January 2024.

José María Aldecoa Sagastasoloa reached a total of 12 uninterrupted years as a director of Viscofan during the 2024 financial year. To ensure that independent directors continue to account for at least 50% of the composition of the Board, Mr Aldecoa, preceded by a letter dated 25 January 2024 addressed to the Chair and the entire Board of Directors, tendered his resignation, effective from the date of the 2024 Annual General Meeting as a director and member of the various committees on which he sat before the end of his bylaw-mandated term due to expire in 2026. The resignation became effective on 18 April 2024. The aforementioned General Meeting also resolved to reduce the number of directors from eleven to ten.

The Executive director, José Antonio Canales, earned a variable compensation totalling EUR 347 thousand in the short-term (2023: EUR 145 thousand euros in the short-term). This was calculated based on EBIDTA, net profit, sales, and share price values which were determined in accordance with the annual plan as well as personal performance.

The remuneration of the Long-Term Incentive Plan will amount to a total of EUR 2,224 thousand. For the Chief Executive Officer, this means the recognition and accrual (before tax withholding) of 14,054 shares and a cash amount of €336,048; for the Chairman of the Board, due to the recognition of the proportional part of the Long-Term Incentive Plan or Three-Year Bonus 2022-2024 which as executive director was recognised until he ceased his executive duties, the recognition and accrual of 12,147 shares and a cash amount: €290,434. The delivery of shares and the amount will be payable after the 2025 Annual General Meeting in the first six months of the year (EUR 661 thousand recognised as liabilities and equity at 31 December 2023).

“Other items” includes 57 thousand euros (81 thousand euros in 2023; in this year, with two executive directors) in respect of life and accident insurance premiums, health care policies and company cars.

Further, the Chairman of the Board of Directors, with effect from 1 January 2024, at the request of the Company, has ceased his executive duties, and agreement was reached to terminate the commercial contract for rendering of services between the Executive Chairman and the Company. In application of the provisions of the Policy and the aforementioned contract, the right to an indemnity equivalent to two annuities of the Chairman's salary, in the amount of EUR 1,312 thousand included in this item, which was paid in the financial year 2024.

The Company has arranged civil liability insurance for both executive and non-executive directors (D&O insurance), as well as for executives of the Company and the Group's subsidiaries. In this insurance, the directors will be considered as the insured parties, due to the liabilities that may arise as a consequence of the performance of their activities. During 2024, amounts were paid for insurance premiums covering the civil liability of its directors and executives for damage caused in the exercise of their functions, amounting to 96 thousand euros (63 thousand euros in 2023).

At 31 December 2024 and 2023, no advances or loans had been granted to the Viscofan Group, nor did the Group have any pension commitments or other non-current savings plans. Likewise, no type of guarantee was granted on behalf of any present or former members of the Board of Directors, related individuals or entities. In 2024 and 2023, the members of the Board of Directors and related individuals or entities did not perform any transactions with the Company or with Group companies other than in the ordinary course of business or on terms other than on an arms' length basis.

Viscofan's directors have communicated that insofar as article 229 of the Spanish Corporate Enterprises Act is concerned they do not have any conflicts of interest with the Company. With regard to the transactions entered into with Banca March S.A., consisting of the renewal of a credit line by Viscofan España SLU, the directors linked to the same, under the terms of article 231 of the Corporate Enterprises Act, and in accordance with the provisions of article 228 c) of the Corporate Enterprises Act, have abstained from participating in the deliberation and voting on the corresponding resolutions or decisions (meeting of the Audit Committee of 24 January 2024 and of the Board of Directors of 25 January 2024).

Viscofan Group has a contract with its executive director which includes golden parachute clauses. The termination of this contract in certain objective circumstances not attributable to these board members, may entitle them to indemnification worth twice their fixed remuneration, comprising two years of non-competition.

At the meeting of the Board of Directors of Viscofan S.A. held on 20 December 2023, Carmen de Pablo Redondo, independent external director, resigned as a member of the Company's Board of Directors and its Audit Committee.

To fill the vacancies left by Carmen de Pablo Redondo, and at the proposal of the Appointments, Remuneration and Sustainability Committee, the Board of Directors appointed Verónica Pascual Boé as an external independent director, a position she accepted, and Andrés Arizkorreta García as a member of the Audit Committee.

### 22.2. Senior management

The breakdown of parties holding executive positions during at 31 December 2024 is as follows:

| **Corporate governance at 31 December 2024** | |
|---|---|
| Luis Bertoli | SAM Geographical Area General Manager (South America) |
| Andrés Díaz | EMEA (Europe, Middle East and Africa) Geographical Area General Manager |
| Gabriel Larrea | NAM Geographical Area General Manager (North America) |
| Juan Negri | General Manager Geographical Area Asia Pacific |
| Oscar Ponz | General Manager New Business Division |
| María Carmen Peña | Chief Financial Officer |
| Jesús Calavia | Chief Operating Officer |
| Ignacio Goñi | Chief Commercial Officer |
| José Angel Arrarás | Director General for R&D and Quality |
| Armando Ares | Director of Investor Relations, Communication and Sustainability |
| Borja López | Head of Digital Transformation |
| Alejandro Bergaz | Head of Internal Audit |
| José Antonio Cortajarena | Secretary to the Board of Directors and Head of Legal |
| José Ignacio Recalde | Head of Diversification and Technology |
| Domingo González | Head of Strategy |
| Beatriz Sesma | Human Resources Director |

In 2024, Domingo González was appointed Head of Strategy of the Viscofan Group, with the aim of driving the strategic transformation in the second phase of the Beyond25 strategic plan.

Also in 2024, Armando Ares was appointed Head of Sustainability to meet the growing demand for sustainability rendering it necessary to promote projects and ensure coordination on this key matter throughout the Group. He combines this position with his duties as Head of Investor Relations and Communication of the Viscofan Group.

In July 2024, Borja López joined the Viscofan Group as Head of Digital Transformation.

In 2024, remuneration received by key management personnel totalled 11,842 thousand euros. In 2023 remuneration amounted to 4,021 thousand euros.

This amount at 31 December 2024 includes the remuneration of the Long-term Incentive Plan, amounting to EUR 6,954 thousand, EUR 1,959 thousand in cash and 81,892 shares valued at the closing price of the share at 31 December 2024, which must be paid after it has been approved by the General Shareholders' Meeting (EUR 1,186 thousand recognised as equity and liabilities at 31 December 2023).

This amount does not include the abovementioned payments made to José Antonio Canales García and José Domingo de Ampuero y Osma, which is reflected further on.

The Company has arranged civil liability insurance for both executive and non-executive directors, as well as for executives of the Company and the Group's subsidiaries, as mentioned in point 23.1.

### 22.3. Long-term Incentive Plan

The Board of Directors of Viscofan, in a meeting held on 24 February 2022, at the proposal of the Appointments, Remuneration and Sustainability Committee, approved a Long-Term Incentive Plan for 2022-2024 intended for the Company's executive directors, managers and other key staff of the Viscofan Group which, subject to compliance with its objectives, will result in a cash payment and a payment in Company shares. In accordance with article 219 of the consolidated Spanish Corporate Enterprises Act approved by Legislative Royal Decree 1/2010, of 2 July, and article 29.2 of Viscofan's Articles of Association, the Plan will be submitted, with regard to the Company's executive directors, for approval by the Annual General Meeting, under the terms provided for in the current legislation and in the Directors' Remuneration Policy.

The Plan consists of an extraordinary, multi-year and mixed incentive, payable in cash and in Company shares which, after the application of certain ratios, based on the degree of attainment of certain targets in the evaluation period (2022-2024), determines in favour of the beneficiaries: (i) the payment of a cash amount and, (ii) on the basis of an initial number of assigned shares, the effective delivery of shares in Viscofan S.A. on the scheduled payment date.

The parameters to be taken into account during the measurement period were:

- Total shareholder return
- Creating sustainable environmental value
- Creating sustainable social value

Based on 152 initial beneficiaries, due to the new recruits and employment mobility, the final number of Plan beneficiaries was 147, with respect to the maximum authorised limit both in terms of cash and shares.

Upon the proposal of the Appointments, Remunerations and Sustainability Committee, at its meeting of 13 February 2025, the Company's Board of Directors determined a degree of attainment of the Triennial Plan 2022-2024, global for the whole of the parameters and metrics of 105.4% (total shareholder return, accident reduction, environmental sustainability; social sustainability).

In line with the terms of the Plan, the delivery of the shares and the payment of the consolidated amount is expected to take place following the holding of the 2025 General Shareholders' Meeting.

Hence, the Plan will represent a total amount of 19,551 thousand for the Group in the consolidated accounts, including 232,527 shares. At 31 December, the recognised liability amounted to 16,396 thousand, of which 6,508 thousand were recognised under Equity.

The amounts and number of shares for the executive directives are as follows:

- For the Executive Chairman, EUR 290 thousand and 12,147 shares
- For the Chief Executive Officer, EUR 336 thousand and 14,054 shares

## 23. Transactions and balances with related parties

The operations with directors and members of senior management are detailed in Note 22. No material transactions have been carried out with the Company or its group of companies that were outside the ordinary course of business of the company or were not carried out under normal market conditions.

Pursuant to article 231 of the Corporate Enterprises Act, none of the companies forming part of the Viscofan Group have performed transactions with related parties.

However, in 2024, the Group had dealings with Banca March, S.A., a financial institution linked to Corporación Financiera Alba, S.A., which held 14.25% of the Company's shares at 31 December 2024 (14.25% at 31 December 2023). In January 2024, the credit account opened in 2023 with a limit of EUR 10 million was rolled over. The account may be rolled over annually until January 2026. In addition, in 2023, the company signed a gas hedging contract for 100,000 MWh, of which nothing remained open at year-end. During 2024 and 2023, no additional services were provided by companies related to the shareholder: All transactions took place in normal market conditions.

## 24. Environmental information

In the double materiality assessment of the Viscofan Group described in the Consolidated Statement of Non-Financial Information and Sustainability Information (section 1.1.4.), which forms an integral part of the Consolidated Management Report, the following have been identified as material aspects in relation to the Environment, climate change, pollution, resource use and the circular economy.

For the proper management and mitigation of risks within the framework of the general sustainability policy and in line with the Sustainable Development Goals of the United Nations, Viscofan has an environmental policy that addresses, among others, these aspects, supplemented by specific climate change policies, and a pollution control and reduction policy.

Viscofan's climate change policy focuses on the adoption of measures that enable reduction of greenhouse gas emissions, as well as the promotion of practices that favour energy efficiency and the use of renewable energies. Further, the pollution control and reduction policy advocates the implementation of clean technologies and the adoption of industrial practices that minimise polluting emissions. The environmental policy, for its part, encompasses a series of guidelines, the most important of which are those aimed at promoting the minimisation of waste generation.

These policies, in conjunction with the 2022-2025 Sustainability Action Plan and the Net Zero Plan approved in December 2024, form the basis for the implementation of specific response plans, aimed at anticipating or mitigating potential future financial impacts. This action plan is structured around a series of specific and measurable objectives, which allow Viscofan to periodically evaluate the degree of compliance with its sustainability commitments.

In accordance with this strategy and the tolerance analysis of possible expected financial effects, no impairment was identified on the current assets and no significant investments were envisaged to meet these risks and the commitments established in the plan.

For further details, see the Consolidated Statement of Non-Financial Information and Sustainability Information for a description of the policies, risks and actions undertaken by Viscofan in these areas.

The cost of PP&E related to the Group's environmental projects maintained at 31 December 2024 was 112,303 thousand euros (December 2023: 94,323 thousand euros), with an accumulated depreciation of 35,815 thousand euros (December 2023: 34,185 thousand euros).

The main investment projects, amounting to EUR 17,980 thousand, have been carried out in installations for the treatment of gases generated in the production process. Investments in environmental management in 2023 amounted to 16,299 thousand euros.

In 2024, the Group incurred in environmental protection and improvement costs amounting to 10,758 thousand euros. In 2023 this amount totalled 10,553 thousand euros.

The Group arranged civil liability insurance coverage for damages to third parties caused by accidental and unintentional contamination; the insurance coverage refers to any possible risk involved and to date no significant claims in environmental matters have been filed.

The Parent's Directors do not deem it necessary to make any provisions to cover environmental contingencies and expenses.

In 2024 and 2023, Viscofan Group had not received any significant environmental penalties.

## 25. Audit fees

In the years ended 31 December 2024 and 2023, the auditors of the Group's consolidated Financial Statements, PricewaterhouseCoopers Auditores, S.L. and other companies with which the company has one of the links defined in the fourteenth additional disposition of the Law on Measures to Reform the Financial System, have accrued net fees for professional services, with the exception of "Other Services", which are based on their billing date, as follows:

| | Thousands of euros | | |
|---|---|---|---|
| **FY 2024** | **In the parent company** | **In the rest of the companies** | ***Total*** |
| PwC Auditores, S.L. | 131 | 156 | *287* |
| PwC Network | 0 | 499 | *499* |
| **Audit services** | **131** | **655** | ***786*** |
| PwC Auditores, S.L. | 124 | 8 | *132* |
| PwC Network | 0 | 39 | *39* |
| **Other audit-related services** | **124** | **47** | ***171*** |
| **Total as at 31 December 2024** | **255** | **702** | ***957*** |

| FY 2023 | Thousands of euros | | |
|---|---|---|---|
| | In the parent company | In the rest of the companies | *Total* |
| PwC Auditores, S.L. | 127 | 151 | *278* |
| PwC Network | 0 | 548 | *548* |
| **Audit services** | **127** | **699** | ***826*** |
| PwC Auditores, S.L. | 4 | 11 | *15* |
| PwC Network | 0 | 38 | *38* |
| **Other audit-related services** | **4** | **49** | ***53*** |
| **Total as at 31 December 2023** | **131** | **748** | ***879*** |

The amount of the audit fees with firms other than the main auditor totalled 135 thousand euros (130 thousand euros in 2023).

## 26. Events after the balance sheet date

On 27 February 2025, the Board of Directors of Viscofan, S.A. resolved to implement a share buyback programme (the “Buyback Programme”) in accordance with the powers granted by the Annual General Meeting of held on 27 April 2023 under item eleven of the agenda.

The Buyback Programme is conducted under the provisions of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (“Regulation 596/2014”) and the Commission's Delegated Regulation (EU) 2016/1052 of 8 March 2016, supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council as regards regulatory technical standards on conditions for buyback programmes and stabilisation measures (“Regulation 2016/1052”).

The Buyback Program will be carried out under the terms indicated below:

Purpose of the Buyback Program. The purpose of the Buyback Programme is to reduce the Company's share capital through the redemption of treasury shares.

The Buyback Programme is approved and launched according to the proposal that the Board of Directors intends to submit for approval at the next Annual General Meeting regarding the establishment of a flexible remuneration programme that will allow shareholders to choose between receiving their remuneration in cash (in the payment of the corresponding dividend) or in newly issued bonus shares of the Company (through the corresponding bonus share capital increases to be submitted for approval at the aforementioned General Meeting) (the “Flexible Remuneration Programme”).

The Board of Directors also plans to reduce the Company's share capital by redeeming treasury shares, thus avoiding any dilution for shareholders who choose to receive their dividend in cash.

In the event that in the exercise of the Buyback Programme the Company acquires more shares than those needed to avoid the aforementioned dilution, excess shares would remain as treasury shares on a transitory basis and would be redeemed in the next window of the Flexible Remuneration Programme. Should the Annual General Meeting not approve the Flexible Remuneration Programme, the shares acquired under the Buyback Programme would be redeemed in accordance with the terms set forth in the regulations in force.

Maximum monetary amount and maximum number of shares to be acquired. Up to 50 million euros. In no event may the number of shares to be acquired under the Buyback Programme exceed 820,000, or approximately 1.76% of the Company's share capital as at today's date.

Pricing and volume conditions of the Buyback Programme. Shares will be acquired at market price, in accordance with the conditions set out in article 3 of Delegated Regulation (EU) 2016/1052. In particular, Viscofan will not acquire shares at a price higher than the highest of the following: (a) the price of the last independent transaction; or (b) the highest independent bid at that time on the trading venue where the purchase is made. With regard to trading volume, the Company will not purchase more than 25% of the average daily volume of Viscofan shares on the floor of the trading venue where the purchase takes place, this limit applying to the entire Buyback Programme. The average daily volume of the Company's shares for the purposes of the above calculation will be based on the average daily volume traded in the twenty (20) business days prior to the date of each purchase.

Duration of the Buyback Program. the Buyback Program will begin on 28 February 2025 and will remain in effect until 30 June 2025 (both included). However, Viscofan reserves the right to terminate the Buyback Programme if, prior to its expiry date, it has acquired shares under the Programme for an acquisition price that reaches the maximum investment amount or the maximum number of shares authorised, or if other circumstances make it advisable to do so.

The interruption, termination or modification of the Buyback Program, as well as the share purchase operations carried out under it, will be communicated to the Spanish National Securities Market Commission in accordance with the provisions of Regulation 596/2014 and Regulation 2016/ 1052. Said operations will also be published on the Company's website in accordance with said regulations.

The main administrator of the Buyback Programme will be Kutxabank Investment, S.V., S.A., which will carry out the share acquisitions on behalf of Viscofan and will make all purchase decisions independently and without being influenced by Viscofan, always within the parameters described above. Purchases under the Buyback Programme may be made on the Spanish Continuous Market (BME), as well as on other trading venues where securities are traded.

The Board of Directors, at its meeting of 27 February 2025, has resolved to propose to the Annual General Meeting a gross Final Dividend of 1,653 euros per share. Consequently, taking into consideration the amount of the 2024 Interim Dividend of 1,437 euros per share and the 0.01 euros per share bonus for attendance to the Annual General Meeting, the total remuneration for shareholders is 3.10 euros per share. Out of the aforementioned estimated amount of EUR 3.10 per share, EUR 2.10 correspond to the increasing ordinary remuneration that the Board of Directors has been proposing to the Annual General Meeting in recent years (EUR 2,006 euros per share charged to financial year 2023), while the EUR 1.00 per share above this amount is extraordinary in light of the current market and Company conditions.

The proposed total and ordinary distribution exceeds by 4.7% the previous year's remuneration of EUR 2,006 per share.

The Final Dividend is expected to be paid in June 2025.

In February 2025 Viscofan do Brasil Sociedade Comercial e Industrial Ltda. acquired 51% of Pet Mania Comércio Internacional Ltda, a Brazilian company in the business of producing and marketing pet treats, for BRL 34 million in cash.

There are no significant events other than those mentioned above, from year-end to the date of preparation of these financial statements.

# Consolidated Management Report **2024**

Viscofan

*Reshaping food and wellbeing.*
*For many, for long.*



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# Letters from the Chairman and CEO

## JOSE DOMINGO DE AMPUERO Y OSMA, CHAIRMAN



We have concluded the 2024 financial year with the best results in our history. Our business model successfully adapted to an adverse and infrequent scenario such as the inventory adjustment process carried out by customers around the world in the second half of 2023 and the early months of 2024 as a result of the imbalances that occurred in an economic environment of great volatility, the narrowing of supply chains and rising prices in production inputs that occurred in previous years.

These changes in the environment have not diverted us from our long-term growth and transformation objective, which are the basis of our Beyond25 strategic plan, by means of which Viscofan aims to have a greater impact on the food and well-being of millions of people around the world.

In this regard, in 2024 we successfully completed a multitude of projects, of which I would like to highlight the inauguration of the new production plant in Thailand, which strengthens our presence in Southeast Asia, and the acquisition of Brasfibra's companies in Brazil, which will provide new opportunities for growth in New Business.

This transformation has been accompanied by growth, profitability and cash generation that we have shared with our shareholders by increasing dividend remuneration. New this year is the "Viscofan flexible dividend" scheme, which allows shareholders to choose between receiving cash or new shares in the company. This has been accompanied by share buyback programmes and the corresponding capital reduction that prevents dilution of the stake of shareholders who have opted for cash.

Shareholders received ordinary remuneration equivalent to €2.01 per share, to which an additional €1.00 has been added as an extraordinary dividend, placing the total remuneration charged to the results of the year at €3.01 per share. This is 54% more than in the previous year, to which is added the performance of the share price, which grew by 14% in the year.

After an exceptional financial year such as the one presented in these financial statements, the Board of Directors has proposed for approval at the General Shareholders' Meeting the distribution of an higher ordinary dividend, estimated at the equivalent of €2.10 per share and the distribution once again of an extraordinary dividend equivalent to €1.00 per share. This will place total remuneration at €3.10, marking a new all-time high in the distribution of results, without compromising the usual strength of our balance sheet. In addition, we will continue with the flexible dividend scheme, including share buybacks and capital reductions to prevent dilution for our shareholders.

On the verge of our 50th anniversary as a company, I believe that we are at the best moment in our history. I would like to thank the excellent team that makes Viscofan's extraordinary work as a company possible, and you, the shareholders, for your support and trust.

Thank you very much

## JOSÉ ANTONIO CANALES,

## CEO



This year has been a one of special significance. We have returned to the path of growth, particularly in the second half of the year, and we have done so with sufficient commercial and operational discipline to recover part of the margins we lost in the years of high cost inflation while protecting, if not improving, the market share in our main casing families. All this in a year that has not been easy, whether due to the competitive environment or the operational challenges that have led us to make adjustments to continue improving our competitiveness.

We have attained historic economic results: growth in volumes has been accompanied by increases of 6% in EBITDA and 11% in net profit, with operating margins that are close to the medium-term profitability objectives set out in our Beyond25 strategic plan.

A company that has improved not only in its economic results, but also in its competitive, operational and sustainability positioning.

Our commercial proposition and competitive positioning improved this year with the opening of the production plant in Thailand. This plant is our first in the region, with the capacity to carry out the finishing phase of cellulose and collagen casings and it has, from the start, the most advanced digital solutions. With Thailand we offer an unparalleled geographical positioning in the entire industry. Not only will we boost our service and growth in Southeast Asia, but we will expand our own industrial and commercial presence to 21 countries on four continents from which we serve customers in more than 100 countries around the world.

In the field of New Business, I would like to highlight the acquisition of Brasfibra and Master Couros in Brazil. A company that offers a range of collagen-derived products that offer very attractive solutions with significant growth potential.

This 2024 was also a year in which we sharpened our focus on our own organisation. As investment needs have diminished, we have allocated resources to operational and efficiency improvements, which have positioned the plants with great production potential. Here, I would like to highlight the results of the plants in the United States following the technological renovation of recent years. It will allow us to service our American customers from their own country at a competitive cost.

I cannot fail to highlight the progress we have made in sustainability, where we are pursuing a consistent path in line with our commitment as signatories of the United Nations Global Compact. In particular, quite significant progress in decarbonisation, efficient use of resources and improvement of the social pillar is being made. This is happening not only in our own operations, but we are also being stricter in our demands on the value chain. In this regard, noteworthy is the transformation of our largest production plant in Cáseda (Spain) to a more diversified and decarbonised energy model, which includes the use of biomass, renewable electricity and even green hydrogen when available as an energy source.

For 2025, the final year of our Beyond25 strategic plan, the priorities are clear: lead growth in the market, especially the transition from animal to collagen casings; make a qualitative and quantitative leap in New Business; and maintain the spirit of continuous improvement, efficiency and profitability, with the aim of reaching new all-time highs in revenue, EBITDA and net profit.

There is no better company than Viscofan to successfully tackle these challenges. These are the achievements of an exceptional team, with more than five thousand people with whom I share the enthusiasm and commitment to transform an industry that is the basis of the well-being and nutrition of millions of people and that is ready to pursue new goals with daring and total confidence in our potential.

Thank you very much for your support and trust.

# Financial and management results

## Business performance

In 2024, the recovery of the casing market of the Traditional Business was confirmed. With an estimated growth of 3% in volumes, the inventory adjustment process that began in 2023 came to a close. The main casing technologies ended the year with growth in volumes, particularly collagen casings, whose growth has been in the high range of its historical average, reflecting the good timing of the replacement of animal casings being led by Viscofan.

For its part, the New Business division has been influenced by lower revenues in plastics technology against a backdrop of increased competition where the decrease in raw material costs has been quickly passed on to market prices. Nevertheless, is worth highlighting the good performance of spice transfer products and the recovery in the second half of the year of collagen hydrolysates and vegetable casings, where we are still far from the potential productive capacity.

The recovery in the Traditional Business and in the New Business contrasts with the weakness of revenues from the sales of co-generation energy in a context of lower prices and electricity production.

The pressure on prices in the main production inputs that occurred in 2023, together with lower sales volumes, led to operational activity focusing on improving production efficiencies, on costs control and on reducing inventories. In this way, Viscofan has been prepared to improve operating profitability in the context of the moderation in the price of raw materials and energy in Spain that occurred in 2024.

One of the catalysts for this improvement has been the greater production efficiencies achieved in North America with the new cellulose casing technology at the Danville plant and in collagen casings at the New Jersey plant, thereby reversing the trend of diminishing competitiveness that these plants were showing in recent years.

In operations, also worth highlighting are the activities aimed meeting the objective of inventory reduction implemented throughout the year, with a focus on the optimisation of production capacity, strategic allocation of inventories from the EMEA region to other geographical areas and specific projects in spare parts. Thus, the ratio of inventories at the end of December 2024 to revenue for the year decreased by 3.0 p.p. compared to the previous year. Together with the higher operating profit, this allowed for considerable increase in cash generation.

In the field of investment, Viscofan made satisfactory progress in the Beyond25 plans set for the 2024 financial year. The most significant was the construction and commissioning of a new converting plant for cellulose and collagen casings in Rayong, Thailand. This new plant allows us to gain greater proximity to and improve the service to Southeast Asia, one of the markets with the best growth prospects, encompassing a population of more than 650 million people.

As part of the organic growth plans of the New Business division, work is progressing at the San Luis de Potosi plant in Mexico on the installation of production capacity of bags for meat products to serve the North American market, the largest of this type of application.

This division also improved its capabilities in collagen-related products thanks to the acquisition in September 2024 of Brasfibra and Master Couros in Brazil, thereby reinforcing our hydrolysate proposition, the use of collagen as a food ingredient and the development of collagen products in pet food. These Companies were incorporated into the consolidation perimeter by global integration in the fourth quarter of 2024 and contributed €2.4 million to revenue and €0.9 million to EBITDA in this period.

Viscofan also made progress in the sustainability action plan, where the initiatives implemented have allowed the Group to meet by 2024 the targets set for 2030 of a 30% reduction in the intensity of scope 1 and 2 GHG emissions on extruded metres, a 10% reduction in the intensity of water withdrawal on extruded metres, and a 50% reduction in the severity index, while the other targets are on track to being fulfilled.

Thus, Viscofan has raised its ambition in the fight against Thus, Viscofan has raised its ambition in the fight against climate change, and in December 2024 the Board of Directors approved a Net Zero Plan for scope 1 and 2 GHG emissions by 2050. This plan has an intermediate target in 2030 of absolute emission reductions in a range of 45% to 50%.

Despite the lower consolidated revenue in 2024 (-1.8%) due to the decline in co-generation electricity sales in Spain, the Group's operational strength has allowed it to reach new all-time highs in the year in EBITDA and Net Profit with growth of 6.3% and 11.4%, respectively.

With the completion of the main organic transformation projects foreseen in the Beyond25 plan, the results have exceeded the achievement of the initially planned operating cash flows. Thus, and taking into account the financial strength and the expected expansion of future cash flows, the Board of Directors has approved submitting to the General Shareholders' Meeting a total remuneration of €3.10 per share for the 2024 financial year, an increase of 3.1% in shareholder remuneration compared to the previous year, consisting of an extraordinary remuneration of €1.00 per share, and an ordinary remuneration of €2.10 per share, equivalent to a distribution of 62% of the net profit attributable to controlling entity.

### Summary of financial results Viscofan Group. ('000 €)

| | Jan-Dec' 24 | Jan-Dec' 23 | Change |
|---|---|---|---|
| **Revenue** | **1,203,994** | **1,225,787** | **-1.8%** |
| **EBITDA** | **285,334** | **268,400** | **6.3%** |
| **EBITDA margin** | **23.7%** | **21.9%** | **1,8 p.p.** |
| **Operating profit** | **201,540** | **184,686** | **9.1%** |
| **Net Profit** | **157,019** | **140,962** | **11.4%** |

### Breakdown of net turnover (€000's)

| | Jan-Dec' 24 | Jan-Dec' 23 | Change |
|---|---|---|---|
| Traditional Business | 996,610 | 985,305 | 1.1% |
| New Business | 147,326 | 151,521 | -2.8% |
| Other energy income | 60,058 | 88,961 | -32.5% |
| **Revenue** | **1,203,994** | **1,225,787** | **-1.8%** |

| By geographic area | Jan-Dec' 24 | Jan-Dec' 23 | Change |
|---|---|---|---|
| Europe, Middle East and Africa (EMEA) | 508,482 | 531,317 | -4.3% |
| Asia Pacific (APAC) | 163,005 | 158,467 | 2.9% |
| North America | 373,742 | 369,323 | 1.2% |
| South America | 158,765 | 166,680 | -4.7% |
| **Revenue** | **1,203,994** | **1,225,787** | **-1.8%** |

## Revenue:

In the cumulative figure up to December 2024, revenue came to €1,204.0 million, 1.8% lower than in the same period of the previous year due to the sharp 32.5% decline in energy sales, which with €60.1 million are impacted by lower electricity sales prices (an impact of €-16 million) and lower production (an impact of €-13 million).

In the Traditional Business, revenue grew by 1.1% vs. 2023 to €996.6 million, driven by the increase in volumes, and in New Business, revenue decreased by -2.8% vs. 2023, to €147.3 million.

In the year 2024, the fluctuation in exchange rates eroded the growth in the consolidated revenue by -0.3 p.p. and the changes in the scope of consolidation contributed +0.2 p.p.

The geographical breakdown of revenue in 2024 was as follows:

- EMEA (42.3% of the total): Reported revenue of €508.5 million, -4.3% lower than 2023, strongly influenced by sales of co-generation electricity in Spain, which fell by -35.6%. In like-for-like terms, revenue in the region decreased by -4.3% while,

excluding revenues from co-generation electricity, revenue grew by 1.3%.

- APAC: (13.5% of the total): Reported revenue was €163.0 million, +2.9% higher than in 2023 and +3.7% on a like-for-like basis.

- North America (31.0% of the total): Revenue amounted to €373.7 million, showing an increase of 1.2% and of 1.6% in like-for-like terms.

- South America (13.2% of the total): Revenue came to €158.8 million, a decrease of -4.7% compared to 2023 and of -6.2% in like-for-like terms.

## Operating expenses

Consumption costs[(2)] fell by -7.3% compared to 2023 to €390.4 million thanks to savings from production enhancements in new technologies, operational efficiencies, the decrease in the cost of natural gas in Spain and the lower price of raw materials. All this allowed for a widening of the gross margin[4] by +1.9 p.p. vs. 2023 to 67.6%.

Personnel expenses for the whole of 2024 grew by 1.6% to €274.3 million. The higher costs due to wage inflation were offset by the -3.4% decrease in the average workforce to 5,163 people. The lower staffing requirements compared to the same period of the previous year related to the new technology installed in the United States, the adjustment of production levels, particularly in Europe, and the measures implemented throughout the Group have enabled this workforce reduction.

Aggregate Other operating expenses in 2024 were €267.4 million, a decrease of -4.8% compared to 2023. Of this, energy supply costs fell by -11.8% and transport costs by 5.2% compared to 2023.

## Operating profit

The 2024 financial year was characterised by an improvement in operating profitability. The strategy of commercial discipline, the increase in production efficiencies, the decrease in energy and raw material costs and the favourable trends in currencies combined with the recovery of casing volumes in the second half of the year were reflected in the margin. Thus, the EBITDA margin for 2024 amounted to 23.7%, an improvement of 1.8 p.p. compared to the previous year.

Thus, EBITDA for 2024 grew by +6.3% to €285.3 million.

In like-for-like terms, i.e. excluding the impact of exchange rate fluctuations and changes in the scope of consolidation, EBITDA for 2024 grew by +3.6%.

Depreciation and amortization expense in 2024 remained virtually unchanged at €83.8 million (+0.1% vs. 2023). As a result, the cumulative Operating Profit up to December came to €201.5 million, 9.1% above 2023.

## Financial position

In cumulative terms, the net financial result was positive at + €4.9 million with positive exchange differences of +€13.0 million and financial expenses of €10.4 million. This compares with a negative net financial result in 2023 of -€15.8 million, a period in which exchange differences were negative at -€9.7 million and financial expenses amounted to €6.9 million.

Net profit

Profit before tax in 2024 was €206.4 million and the corporate income tax expense was €49.1 million, bringing the effective tax rate to 23.8%, higher than the 16.5% of 2023, a period with special tax deductions associated with the impact of COVID19 in China and the tax change in Brazil, which provided tax benefits for exporting companies.

All in all, the Net Profit attributable to the controlling entity for 2024 amounted to €157.0 million, growth of +11.4% compared to 2023.

## Net profit

Profit before tax in 2024 was €206.4 million and the corporate income tax expense was €49.1 million, bringing the effective tax rate to 23.8%, higher than the 16.5% of 2023, a period with special tax deductions associated with the impact of COVID19 in China and the tax change in Brazil, which provided tax benefits for exporting companies.

All in all, the Net Profit attributable to the controlling entity for 2024 amounted to €157.0 million, growth of +11.4% compared to 2023.

Investment

Investment in 2024 amounted to €71.0 million (€77.5 million in 2023), where the construction of the new cellulose and collagen casing converting plant in Thailand stands out. This plant was opened and commissioned on time and at budgeted cost in the fourth quarter of 2024. The figure for investments for the year also includes the installation of production capacity of plastic bags for meat products at the San Luis Potosí plant in Mexico, energy equipment as part of the decarbonization strategy and consumption efficiency, and recurring plant projects.

The breakdown by type of investment in 2024 is as follows:

- 34% of the investment was earmarked for investments in capacity and machinery.
- 35% of the investment was earmarked for improvements in sustainability, including energy equipment and the optimisation of the installations in terms of security, hygiene, and protecting the environment.
- 14% of the investment was earmarked for process improvements and new technology.
- The remaining 17% was spent on ordinary investments.

At year-end 2024, the investment commitments are €13.5 million compared to €28.9 million at year-end 2023.

## Dividends and Shareholder remuneration

The Board of Directors of the Viscofan Group has resolved to propose to the General Shareholders' Meeting a profit distribution equivalent to a remuneration of €3.10 per share. Of which, €2.10 per share - equivalent to the distribution of 62% of net profit attributed to the controlling entity- is of an ordinary nature, and €1.00 per share is of an extraordinary nature arising from the generation of operating cash flows that were higher than envisaged in the Beyond25 strategic plan.

In this way, shareholder remuneration consists of:

- An interim dividend of €1,437 per share (paid on 19 December, 2024).
- The proposed ordinary final dividend of €0,653 per share and extraordinary final dividend of €1.00 per share under the optional dividend system in cash or shares "Viscofan Flexible Remuneration" in a lump sum payment expected in June 2025.
- A bonus of €0.01 per share for attending the General Shareholders' Meeting.

The proposed total and ordinary distribution is 3.1% higher than the previous year's total remuneration of €3.01 per share, and 4.7% higher than the proposed ordinary distribution of the previous year.

In turn, the Board of Directors has approved submitting to the General Shareholders' Meeting the possibility of flexible remuneration with which shareholders can decide whether they prefer to obtain new shares in a paid-up capital increase or cash remuneration. Furthermore, in order to avoid dilution of shareholders who do not participate in the capital increase, the Board plans to redeem the treasury shares necessary to keep the number of outstanding shares stable.

## Equity

The Group's equity at 2024 year-end amounted to €938.9 million, down 2.0% on the end of the previous year, due to the increased negative translation differences originating from the consolidation of the subsidiaries whose currencies depreciated significantly against the euro in 2024 (mainly Brazil) and the distribution of an extraordinary dividend in the year.

## Treasury shares

At 31 December 2024, the company had 690,795 treasury shares representing 1.49% of the voting rights valued at €35.0 million.

During this period, the Company acquired, in use of the powers vested in it by the General Shareholders' Meeting, a total of 1,560,966 treasury shares.

Subsequently, within the framework of the first edition of the flexible remuneration programme approved by the General Shareholders' Meeting, the Company received 37,138 own shares. Under this programme, all shares were delivered by means of a share capital increase involving 675,954 shares, and a capital reduction was carried out through the redemption of 675,954 treasury shares in order to avoid share dilution among those shareholders who did not take part in the capital increase.

Subsequently, within the framework of the second edition of the flexible remuneration programme approved by the General Shareholders' Meeting, the Company received a total of 24,659 own shares. Under this programme, all shares were delivered by means of a share capital increase involving 662,369 shares, and a capital reduction was carried out through the redemption of 662,369 treasury shares in order to avoid share dilution among those shareholders who did not take part in the capital increase.

Moreover, in 2024, a total of 12,740 treasury shares were delivered to Viscofan personnel within the framework of the company's variable remuneration plans.

At 31 December 2023, Viscofan, S.A. held a total of 419,095 treasury shares representing 0.90% of its voting rights, for a value of €21.7 million.

## Financial liabilities

Net bank debt [(3)] at the end of the 2024 financial year was €146.9 million, higher than the €138.0 million at the end of the previous year 2023 due to the increase in shareholder remuneration that includes the payment of €60.1 million in June and December to shareholders who have chosen to receive the cash dividend, and the share buyback of €90.7 million carried out within the framework of the flexible shareholder remuneration programme.

In addition, Viscofan also made the payment of €7.2 million within the framework of the agreement to acquire 60% of the share capital of the companies Brasfibra and Master Couros.

In addition, based on IFRS 16, which requires most non-cancellable operating leases to be recorded on the balance sheet as an asset for the right of use and a liability for the future amounts payable, the breakdown of net financial debt is as follows:

| | Dec 2024 | Dec 2023 | Change |
|---|---|---|---|
| **Net Bank Debt *** | **146,854** | **137,963** | **6.4%** |
| Liabilities for right-of-use assets | 11,849 | 11,541 | 2.7% |
| Other net financial liabilities** | 35,063 | 31,157 | 12.5% |
| **Net Financial Debt** | **193,766** | **180,661** | **7.3%** |

** Net bank debt = Non-current bank borrowings + Current bank borrowings - Cash and cash equivalents.*
** Other net financial liabilities consisting mainly of loans with an interest rate subsidised by entities like the CDTI and the Ministry of Economy, as well as debt with netted fixed asset providers for other current financial assets.*

The net financial debt is the equivalent of 20.6% of the equity, with a leverage level that is sufficient to be able to attend to all Viscofan's liquidity needs.

## Changes in the scope of consolidation

Details on the changes in the scope of consolidation carried out during the year are available in Note 2 of the Consolidated Financial Statements of the Viscofan Group.

## Outlook for 2025

Viscofan expects to continue to achieve record results with growth in the main financial figures of revenues, EBITDA and net profit.

In this context, Viscofan expects to grow in revenue by between 5% and 8%, between 8% and 12% in EBITDA, and between 6% and 10% in Net Profit in 2025, with investments totalling approximately €75 million and a €-USD exchange rate of 1.05.

## Hechos posteriores

The Board of Directors, at its meeting held on 27 February 2025, agreed to propose to the Shareholders' Meeting a gross amount of the Supplementary Dividend of €1.653 per share. Consequently, considering the amount of the 2024 Interim Dividend of €1.437 per share and bonus for attendance at the General Shareholders' Meeting of €0.01 per share, the total remuneration for shareholders to be received will be €3.10 per share. Of the aforementioned estimated amount of €3.10 per share, €2.10 corresponds to the increasing ordinary remuneration that the Board of Directors has been proposing to the General Shareholders' Meeting in recent years (€2.006 per share charged to the 2023 financial year), while the additional euro per share to reach the total estimated amount would be extraordinary in view of the current market and Company conditions.

The ordinary distribution proposal is 4.7% higher than the previous year's remuneration of €2.006 per share.

The payment of the Complementary Dividend is expected to be made in June 2025.

Likewise, on February 27, 2025, the Board of Directors of Viscofan, S.A. has agreed to launch a buy-back program for treasury shares (the "Buy-back Program") in use of the powers granted by the General Shareholders' Meeting held on April 27, 2023 under item eleventh on the agenda.

In this regard, the Buy-Back Programme is approved and implemented in the context of the proposal that the Board of Directors intends to submit for approval at the next meeting of the Company's General Shareholders' Meeting in relation to the establishment of a flexible remuneration programme that allows shareholders to be offered the possibility of receiving their remuneration in cash (through the receipt of the corresponding dividend) or in shares released from a new issue by the Company (through the corresponding paid-up capital increases that will be submitted for approval by the aforementioned General Meeting) (the "Flexible Remuneration Program").

In order to avoid the dilution of shareholders who do not participate in the capital increase, the Board plans to redeem the treasury shares necessary to keep the number of shares outstanding stable.

In addition, in February 2025 Viscofan do Brasil Sociedade Comercial e Industrial Ltda. acquired 51% of Pet Mania Comércio Internacional Ltda, a Brazilian company dedicated to the production and marketing of pet treats for a cash value of R$34 million.

## Alternative Performance Measures

The Viscofan Group has included in this report various Alternative Performance Measures (hereinafter APMs), as established in APM Guidelines published by the European Securities and Markets Authority on 5 October 2015 (ESMA/2015/1415es) and adopted by the National Securities Market Commission (the CNMV).

This involves a series of measures designed using the financial information of Viscofan S.A., and its subsidiary companies, and they are complementary to the financial information drawn up in agreement with International Financial Reporting Standards (IFRS). Under no circumstance should they be assessed separately or considered a substitute.

They are measures used internally in decision making processes and which the Board of Directors decides to report externally as it considers they provide additional information that is useful in the analysis and assessment of the Viscofan Group's results and its financial situation.

The APMs included in this report are as follows:

The EBITDA, or operating profit before depreciation and amortization, is calculated excluding depreciation and amortization costs from the operating profit. The EBITDA is a measure that is commonly reported and widespread among analysts, investors, and other stakeholders in the casing industry. The Viscofan Group uses this measure to monitor the business' development and to establish operational and strategic objectives in Group companies. However, it is not a defined indicator in IFRS and, therefore, it may not be compared with other similar indicators employed by other companies in their reports.

Cost of consumption: This is calculated as the net amount of supplies plus the change in finished and unfinished products. Management monitors cost of consumption as one of the main cost components for Viscofan. The weight of net revenue for this cost component on revenue or gross margin is also analyzed to study the operating margin's development. However, it is not a defined indicator in IFRS, and cost of consumption must not be considered a substitute for the different items in the profit and loss account that comprise them. Furthermore, it may not be compared with other similar indicators employed by other companies in their reports.

Net bank debt: This is calculated as non-current borrowings plus current borrowings netted from cash and cash equivalents. Management considers net bank debt to be relevant to shareholders and other stakeholders as it provides an analysis of the Group's solvency. However, net bank debt should not be considered a substitute for gross bank debt in the consolidated balance sheet, nor other liability or asset items that may affect the Group's solvency.

Like-for-like revenue and EBITDA: This measure excludes the impact of exchange rate variations on the comparable previous period and the non-recurring impacts of the business to present a homogeneous comparison of the Viscofan Group's development. However, like-for-like revenue and EBITDA are not defined indicators in IFRS and, therefore, they may not be compared with other similar indicators employed by other companies in their reports, nor may they be considered a substitute for the business development indicators defined in IFRS.



*[1] Revenue by origin of sales: EMEA (Spain, Germany, Czech Republic, United Kingdom, Belgium, France, Serbia), North America (Canada, Costa Rica, Mexico and the United States), APAC (Australia, China, Japan, New Zealand, Thailand), Latin America (Brazil and Uruguay)*
*.[2] Like-for-like: Like-for-like growth excludes the impact of exchange rate fluctuations in 2024 and the non-recurring operating profit expense of €1.9m due to production stoppages in the US in 3Q23 as a result of power outages caused by the utility company.*
*[3] Consumption costs = Consumables +/- Changes in inventory of finished goods and work in progress.*
*[4] Gross margin = (Revenue - Consumption costs)/Revenue.*
*[5] Net bank debt = Non-current bank borrowings + Current bank borrowings – Cash and equivalents.*

# Stock market performance

## Stock markets and Viscofan's performance

In the 2024 financial year, global GDP growth was 3.2% and is expected to be 3.3% in 2025 and 2026, according to the forecasts of the International[1] Monetary Fund, rates that are below the historical average of 3.7% (2000-2019).

A year in which the backdrop continues to be marked by war and geopolitical tensions, the process of moderation in inflation, although with some resilience in food prices, the relaxation of the monetary policies of the main central banks with decreases in interest rates and the effect of the disruption of artificial intelligence on the economy and stock markets.

An economic situation that is leading to divergent performance in the main regions. In the United States, growth in the second half of the year stands out, driven by strong consumer spending on the back of rising household disposable income, in a context of less restrictive monetary policy and favourable financial conditions. In addition, in China the situation is impacted by the slowdown in domestic consumption amid the stabilisation of the real estate market. In Europe the situation remains weak, weighed down by the slowdown in industrial activity, an environment of political uncertainty, despite the recovery of consumer spending after the improvement in real incomes.

In exchange rates, noteworthy was the appreciation of the US dollar against the euro in the closing months of the year driven by the political change in the United States, expectations of new tariffs and higher interest rates.

The lower interest rate environment has favoured the main stock market indices, which have closed the year with gains. In the United States, the S&P 500 index gained 23.3% in 2024, and in Europe the Euro Stoxx 600 gained 6.0%, the German DAX gained 18.8%, and in Spain the Ibex 35 gained 14.8%.

In contrast, the food sector, of which Viscofan is a member in Europe (Euro Stoxx Food and Beverage), has fallen by 12.3%, partly impacted by persistent food price inflation, while the year saw the drawing to a close of the inventory adjustment process seen in the previous year.

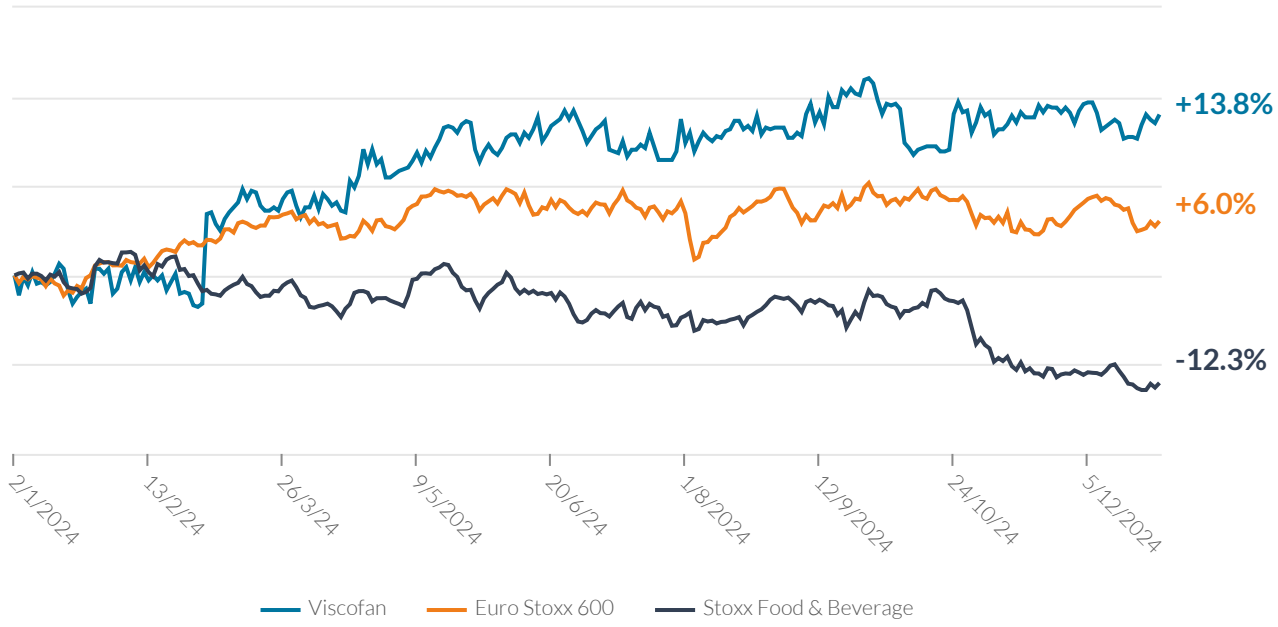
In this context, global demand for casings has recovered and Viscofan, as the market leader, has capitalised on this situation in a year characterised by improved operating profitability and higher cash generation. Hence, Viscofan closed the year at €61.00 per share, an increase of +13.8% and +19.5% if the dividends paid in the year are taken into account.

The average daily market price in the year was €59.34 per share and Viscofan's market capitalisation stood at €2,837 million at the end of 2024.

In addition, 10.3 million Viscofan shares were traded on the Spanish continuous market during the year, with cash traded of €612 million, equivalent to a daily average of €2.4 million.

[1] *World Economic Outlook Update Report published in January 2025*

## Euro Stoxx600, Stoxx Food & Beverage and Viscofan in 2024




**Graph on a baseline of 100 since 29 December 2023*

## Viscofan shares

Viscofan's share capital consisted of 46,500,000 shares of €0.70 par value each, of the same class and fully paid-in.

Viscofan's shares are admitted to trading on the Spanish stock markets, listed on the continuous market, since the company's exit from the stock market in December 1986.

It is listed on the Madrid Stock Exchange General Index (IGBM) and forms part of the Consumer Goods segment, within the Food subsector, the Ibex Mid Cap and at European level to the Euro Stoxx Food and Beverage index and the Stoxx Europe 600 index.

Also, Viscofan is part of the IBEX ESG, created by the BME (Spanish Stock Exchanges and Markets) to promote sustainability.

## Dividend

Throughout the different strategic plans, the Viscofan Group has built a sound and flexible business model. This characteristic entails the creation of cash flows that allow investment projects to be carried out in order to improve value creation, which is shared with shareholders in cash and at the same time maintaining a sound balance sheet structure.

Accordingly, the Board of Directors of the Viscofan Group has resolved to propose to the General Shareholders' Meeting a profit distribution equivalent to a remuneration of €3.10 per share. Of which, €2.10 per share - equivalent to the distribution of 62% of net profit attributed to the controlling entity- is of an ordinary nature, and €1.00 per share is of an extraordinary nature arising from the generation of operating cash flows that were higher than envisaged in the Beyond25 strategic plan.

In this way, shareholder remuneration consists of:

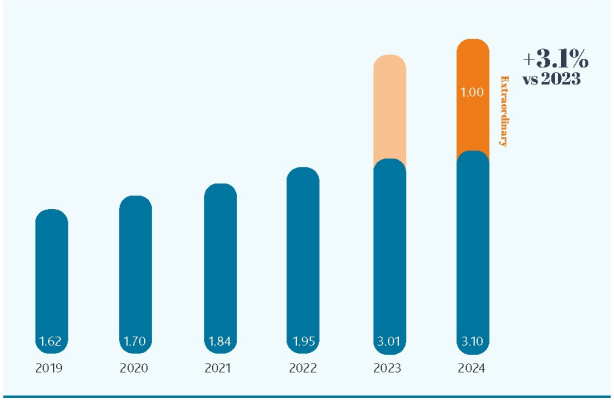
- An interim dividend of €1,437 per share (paid on 19 December, 2024).
- The proposed ordinary final dividend of €0,653 per share and extraordinary final dividend of €1.00 per share under the optional dividend system in cash or shares "Viscofan Flexible Remuneration" in a lump sum payment expected in June 2025.
- A bonus of €0.01 per share for attending the General Shareholders' Meeting.

The proposed total and ordinary distribution is 3.1% higher than the previous year's total remuneration of €3.01 per share, and 4.7% higher than the proposed ordinary distribution of the previous year.

In turn, the Board of Directors has approved submitting to the General Shareholders' Meeting the possibility of flexible remuneration with which shareholders can decide whether they prefer to obtain new shares in a paid-up capital increase or cash remuneration.

Furthermore, in order to avoid dilution of shareholders who do not participate in the capital increase, the Board plans to redeem the treasury shares necessary to keep the number of outstanding shares stable.

The trend in dividend per share in recent years is as follows




## Viscofan, its shareholders and investors

One of Viscofan's objectives, through its Department of Investor and Shareholder Relations, Communication and Sustainability is to create value for the investor community by improving accessibility, the transparency of information and providing shareholders with relevant information of a financial and non-financial nature, on its strategy and on its operations to gain a better understanding of the company.

To ensure this information flow and to grant certainty to shareholders, markets and other stakeholders on the transparency and access to information, Viscofan has a Communication policy with shareholders, institutional investors, advisors on voting and economic-financial, non-financial and corporate information, defined in conformity with the good governance practices and recommendations applicable to listed companies.

### Communication channels

Viscofan provides the investment community with a multitude of communication channels: presentations at seminars and events organised by the financial community, roadshows with institutional investors promoted by the company or by brokers, earnings presentations, the General Shareholders' Meeting, organised visits to Viscofan's head office, telephone calls to a dedicated investor and shareholder helpline, a special e-mail address, notifications and regular public information submitted to the CNMV (Spanish National Securities Market Commission).

Also, the information published on the website www.viscofan.com:

- In the Investor Relations section in which Viscofan makes the latest news, reports and quarterly presentations of results, annual report, share price performance and other information of interest, etc., available to the public.
- The Sustainability section details information on Viscofan's main commitments to the Sustainable Development Goals, sustainability indicators and the 2030 commitments set out in the Group's Sustainability Action Plan.
- Viscofan's Corporate Governance section publishes the information relating to the Board of Directors, committees, policies and regulations and other related information of interest.

Viscofan also maintains fluid communication with the financial markets, so that at the end of 2024 a total of 15 analysis companies, both national and international, are covering the company.

Bidirectional communication is important, since the questions and concerns of the financial community are taken into account and transmitted within the company, such as financial, strategy, sustainability and corporate governance matters.

In 2024, the most frequently asked questions were related to the following: the recovery of casing demand and the completion of the inventory adjustment process; the evolution of co-generation electricity revenues and New Business; the acquisition of the companies Brasfibra and Master Couros in Brazil; the performance of operating profitability and raw material and energy prices; sustainability projects at Viscofan and shareholder remuneration, among others.

## Key stock market data developments

| | Period Beyond25 | | | Period MORE TO BE | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Share price €** | **2024** | **2023** | **2022** | **2021** | **2020** | **2019** | **2018** | **2017** | **2016** |
| Year-end price | 61.00 | 53.60 | 60.20 | 56.90 | 58.05 | 47.10 | 48.12 | 55.01 | 46.85 |
| Maximum in the year | 64.40 | 68.85 | 63.65 | 61.45 | 64.35 | 56.55 | 66.20 | 56.33 | 56.06 |
| Minimum in the year | 51.70 | 51.60 | 48.92 | 53.25 | 43.28 | 40.12 | 46.20 | 46.75 | 41.84 |

| **Viscofan's performance on the continuous market** | **Year-end 2024** | **Year-end 2023** | **Year-end 2022** | **Year-end 2021** | **Year-end 2020** | **Year-end 2019** | **Year-end 2018** | **Year-end 2017** | **Year-end 2016** |
|---|---|---|---|---|---|---|---|---|---|
| % ann. change Viscofan | 13.8% | -11.0% | 5.8% | -2.0% | 23.2% | -2.1% | -12.5% | 17.4% | -15.8% |
| % annual change IGBM | 14.1% | 21.6% | -4.8% | 7.1% | -15.4% | 10.2% | -15.0% | 7.6% | -2.2% |
| % annual change IBEX 35 | 14.8% | 22.8% | -5.6% | 7.9% | -15.5% | 11.8% | -15.0% | 7.4% | -2.0% |
| % Annual Change Euro STOXX 600 | 6.0% | 12.7% | -12.9% | 22.2% | -4.0% | 23.2% | -13.2% | 7.7% | -1.2% |
| % Annual change IBEX Medium Cap | 11.7% | 5.9% | -7.4% | 8.6% | -9.7% | 8.4% | -13.7% | 4.0% | -6.6% |
| % annual change Food and Beverages IGBM sub-sector | 11.4% | -3.2% | -0.7% | -1.6% | 10.6% | 1.8% | -8.4% | 5.2% | -5.4% |

| **Stock exchange trading data** | **2024** | **2023** | **2022** | **2021** | **2020** | **2019** | **2018** | **2017** | **2016** |
|---|---|---|---|---|---|---|---|---|---|
| Capitalisation at year-end (Mn €) | 2,836.5 | 2,492.4 | 2,799.3 | 2,645.9 | 2,699.3 | 2,190.2 | 2,242.6 | 2,563.7 | 2,183.4 |
| Continuous market traded cash (Mn €) | 611.6 | 663.0 | 763.3 | 1,135.8 | 1,561.8 | 1,230.5 | 1,669.1 | 1,995.2 | 2,707.1 |
| Average per session (€Mn) | 2.4 | 2.6 | 3.0 | 4.4 | 6.1 | 4.8 | 6.5 | 7.8 | 10.5 |
| Traded shares | 10,347,687 | 10,946,556 | 13,893,544 | 19,626,412 | 28,338,888 | 25,815,115 | 29,807,220 | 38,658,041 | 54,701,597 |
| Daily average of traded shares | 40,739 | 42,760 | 54,060 | 76,666 | 110,268 | 101,236 | 116,891 | 151,600 | 212,022 |

| **Ratios per share** | **Year-end 2024** | **Year-end 2023** | **Year-end 2022** | **Year-end 2021** | **Year-end 2020** | **Year-end 2019** | **Year-end 2018** | **Year-end 2017** | **Year-end 2016** |
|---|---|---|---|---|---|---|---|---|---|
| Shares admitted to trading | 46,500,000 | 46,500,000 | 46,500,000 | 46,500,000 | 46,500,000 | 46,500,000 | 46,603,682 | 46,603,682 | 46,603,682 |
| Basic earnings per share (1) | 3.45 | 3.05 | 3.02 | 2.87 | 2.63 | 2.27 | 2.66 | 2.62 | 2.68 |
| Proposed ordinary remuneration per share (2) | 2.10 | 2.01 | 1.95 | 1.84 | 1.70 | 1.62 | 1.60 | 1.55 | 1.45 |



# Consolidated Statement of Non-Financial Information and Sustainability Information

# 1

# General disclosures



# 1.1.1. Basis of presentation

**This report explains the relevant aspects identified in the double materiality assessment based on the Viscofan Group strategy called Beyond25 and the new Sustainability Action Plan for the 2022-2025 period, and with a longer time horizon based on the 2030 commitments related to the United Nations Sustainable Development Goals, and on the goals set out in the European Green Pact to overcome the challenges of climate change and environmental degradation which, among others, seeks to achieve climate neutrality in the European Union by 2050.**

## General basis for the preparation of the sustainability statement and structure

### ESRS 2 BP-1

The purpose of this Consolidated Statement of Non-Financial Information and Sustainability Information (referred to interchangeably as the report, sustainability report or sustainability statement) is to provide materially important sustainability information that may substantially influence the decision-making of stakeholders on the Viscofan Group (indistinctly referred to as "Viscofan Group" or "Viscofan"); Viscofan S.A., parent company of the Viscofan Group, (hereinafter referred to as the "Company") measures, monitors and manages the Group's performance, positive and negative impacts on the environment and people and the risks and opportunities that the latter may pose to Viscofan.

It is structured into four specific parts:

- General information
- Environmental information
- Social Information
- Governance information

This report covers the period corresponding to the Viscofan Group's fiscal year from January 1 to December 31, 2024. It was prepared by the Board of Directors of Viscofan S.A. on February 27, 2025.

This document has been prepared in accordance with Delegated Regulation (EU) 2023/2772 supplementing Directive 2013/34/EU of the European Parliament and of the Council with regard to sustainability reporting standards.

Viscofan has not availed itself of any exemption from disclosure of imminent events or matters under negotiation, in accordance with Articles 19a(3) and 29a(3) of Directive 2013/34/EU.

## Scope. Reporting company and value chain

### ESRS 1 section 5.1

The scope of this report covers all the companies that are part of the Viscofan Group as at 31 December 2024, detailed in note 2 of the consolidated annual report, with the exception of the companies Brasfibra Industria e Comercio de Derivados do Couro Ltda. and Master Couros Industria e Comercio de Derivados do Couro Ltda, which were acquired in September 2024 with a 60% stake. It is a family business that is in the process of being integrated into the Viscofan Group's sustainability information and reporting systems and with a non-material contribution to the Viscofan Group's total (see note 2.1 of the Viscofan Group's consolidated annual report).

In addition, the materiality assessment detailed in section 1.1.4 of this ESRS and consequently the information in this report covers the materiality impacts, risks and opportunities related to the company through its business relationships upstream and downstream of the value chain. See description of the value chain in section 1.1.3.

Viscofan does not have any significant associates or joint ventures accounted for using the equity method that are part of the value chain.

## Classified and sensitive information

### ESRS 1 section 7.7

Viscofan has classified certain information as sensitive because it is considered secret, has a commercial value due to this nature and is subject to reasonable measures to keep it secret. On this basis, Viscofan competes globally with companies around the world that are not subject to sustainability reporting standards. Hence, the publication of such information could damage Viscofan's competitiveness and consequently the creation of value in a sustainable manner. The following is considered classified and sensitive information:

- ESRS E5. Exact breakdown of raw material consumption.

# Disclosures in relation to specific circumstances

### SRS 2 BP-2

## Time horizons

### ESRS 1 section 6.4

The time horizons used in the report, especially for the identification and quantification of incidents, risks and opportunities, coincide with those detailed in ESRS 1 section 6.4.

1) Short term: Reference period in the financial and sustainability statements

2) Medium term: From the end of the short-term reference period to five years later

3) Long term: More than five years

## Estimation of value chain and sources of estimation and uncertainty of the result

### ESRS 1 section 7.2

The preparation of the report in accordance with Delegated Regulation (EU) 2023/2772 requires the making of judgments, estimates and assumptions in the process of preparing quantitative information.

This section describes the main assumptions advanced about the future and other key sources of uncertainty in estimations made at the reporting date that have a risk of requiring adjustments within the following years. The Viscofan Group has based its assumptions and estimates on the parameters available when the report was prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are duly reflected in assumptions when and as they occur.

### Scope 3 emissions

In the case of the calculation of Scope 3 emissions of Viscofan that affect upstream and downstream stages of the value chain, Viscofan has used emission factors from third-party databases in line with the provisions of the GHG Protocol in its estimation, which may undergo future modifications based on the updating of the analysis by the third parties. See description of these sources in ESRS E1 Climate Change, section 2.1.5.

### Pollutants

For the quantification of the pollutants reported in the ESRS E2. Point 2.2.2. Viscofan has not used a direct measurement method due to the complexity and variability of industrial processes. As a result, it is difficult to make precise direct measurements at all times in a continuous process such as that of casings.
Importantly, as they rely on estimates, there is an inherent degree of uncertainty in the calculations. This uncertainty can arise from multiple sources, such as variability in operating conditions, model accuracy and the precision of historical data.

## Information derived from other legislation

### ESRS 1 section 8.2

In addition to Delegated Regulation (EU) 2023/2772 supplementing Directive 2013/34/EU of the European Parliament and of the Council, Viscofan has used the following sustainability regulations or standards in preparing this Sustainability Statement:

Law 11/2018, of 28 December, on non-financial information and diversity.

The United Nations Global Compact, of which Viscofan is a partner, has also been used as a reference. In this regard, it is also a progress report on the measures taken by the Group to implement the 10 Principles of the Global Compact, in line with the Global Compact reporting policy.

To contribute to improved climate change reporting, Viscofan has used the Task Force on Climate related Financial Disclosure (TCFD) as a reference, which recommends general elements on which the organisations must focus to manage climate change risks and opportunities, and the Carbon Disclosure Project questionnaire, which includes the TCFD recommendations.

Additionally, section 2.4 of this report complies with the information obligations established by Article 8 of Regulation 852/2020 of the European Union regarding the establishment of a framework to facilitate sustainable investments. This regulation is implemented by Delegated

Regulation 2139/2021, which establishes the technical selection criteria to determine under what conditions an activity will be considered to make a substantial contribution to climate change mitigation and adaptation objectives and Delegated Regulation (EU) 2023/2486 in the case of sustainable use objectives and to the protection of water and marine resources, to the transition to a circular economy, to the prevention and control of pollution or to the protection and recovery of biodiversity and ecosystems.

All of this, in accordance with Delegated Regulation 2178/2021, which implements the reporting methodology.

## Incorporation by reference

### ESRS 1 section 9.1

The following table shows which report disclosure requirements are incorporated by reference. These documents are part of the consolidated management report of the Viscofan Group and comply with the requirements established in ESRS 1 point 120.

| ESRS number | Section | Document |
|---|---|---|
| ESRS 2 GOV-1 | The role of administrative, management and supervisory bodies | Annual Corporate Governance Report |
| ESRS 2 GOV-3 | Integration of sustainability-related performance in incentive schemes | Annual Remuneration Report of the Board of Directors |
| ESRS 2 GOV-5 | Risk management | Annual Corporate Governance Report |



# 1.1.2. Governance

**Viscofan adds a strategic value to its good corporate governance to provide a high level of trust to make its business goals and structure compatible with the protection of the rights of all stakeholders.**

## Good governance, due diligence statement and business conduct policies

### ESRS 2 GOV-4, ESRS 1 section 4

Good corporate governance and due diligence are key factors to generate value, improve economic efficiency, integrate Business and bolster the trust of its shareholders and other stakeholders, thanks to the appropriate division of functions, duties, and responsibilities, among all the Company's governing and management bodies.

a) Integration of due diligence into governance, strategy and business model

### ESRS 2 MDR-P

Viscofan's Business Conduct and Regulatory Compliance System is not only a matter of complying with the laws, but also a matter of values, an attitude that reflects a culture of shared values of tolerance and integrity that ranges from governance, management and oversight bodies to all the people who are part of Viscofan.

Viscofan aims for a continuous management process to identify, prevent, mitigate and respond to sustainability incidents and risks, both in the operations themselves and throughout the value chain. In the double materiality assessment reported in section 1.1.4 of this ESRS, the incidents and risks of relative importance have been identified, which in turn have been described in the corresponding thematic ESRSs.

This process arises from the establishment of Regulations and Policies, the basis being the Bylaws, the Regulations of the General Shareholders' Meeting, the Regulations of the Board of Directors and the Regulations of the Board Committees themselves.

Viscofan has general ethical principles and guidelines for action established in the Group's Code of Conduct and it sets out basic common guidelines on Human Rights that constitute the guiding principles of its activity in different areas of the organisation. Specifically, the policy of observance of Human Rights lays down basic commitments in:

a) Prohibition of forced labour.

b) Prohibition of child labour

c) Elimination of discrimination in the workplace

d) Respect for freedom of association and collective bargaining

e) Elimination and prevention of harassment and violence

f) Compliance with working conditions

g) Promotion of occupational health and safety

h) Environmental protection and pollution prevention

i) Safeguarding confidentiality and right to privacy of its employees and Stakeholders

j) Adopt appropriate measures as soon as possible in the event of detecting a violation of human rights in the facilities, centres or places where the companies of the Group or its business partners carry out their activities and inform the competent public authorities of this in the terms derived from the applicable regulations in this regard.

## Sustainability Policy

In addition, the commitment to good governance on the part of the Company's Board of Directors is expressed in its General Sustainability Policy, as amended and approved by the Board of Directors in December 2024 with the aim of adapting its content to regulatory changes in the field of sustainability in recent years.

The purpose of the policy is to establish the basic principles and commitments that must govern the Group's sustainable development strategy based on the following pillars:

- General Due Diligence Duties
- Respect for human and labour rights, diversity and non-discrimination
- Respect for the environment and the fight against climate change
- Ethical and compliance culture: observance of the law, tax responsibility and the fight against corruption and fraud
- Promotion of diversity, equal opportunities and non-discrimination
- Development of the communities in which it operates and of society as a whole
- Projection on the value chain
- Stakeholder engagement

Based on this policy, dialogue and communication are a key element and the Viscofan Group will strengthen the channels of communication and relations with the different stakeholders that interact with the Group, so that their needs and expectations can be met and the creation of shared value can be pursued.

Likewise, under this Policy, accountability to the different stakeholders will be ensured by issuing relevant, true, complete, reliable and rigorous information, which will allow for the monitoring of the commitments made in sustainability. It dictates that the Company will prepare and publish relevant information on sustainability issues annually in the management report or in a specific document on this subject.

In addition, the Company's corporate website is a fundamental instrument for communication with different stakeholders, which can be supplemented by direct relations by the personnel designated for this purpose, and in particular through the media, and relations with analysts where appropriate.

This policy takes the form of specific policies in the main areas of action in sustainability that have been described in the relevant thematic ESRS.

This Policy, which is available on the company's website, applies to all companies in the Viscofan Group and binds all its staff, regardless of the position and function they perform.

Additionally, the Policy sets forth that Viscofan will foster the application of the Policy's principles and bases with any natural and/or legal person linked to Viscofan by a relationship other than an employment relationship where it is possible and appropriate for them to follow principles and guidelines consistent with those set out in this Policy and other sustainable development policies.

Monitoring of the Policy is the responsibility of the Board of Directors, which will exercise it through the oversight by the Appointments, Remuneration and Sustainability Committee of the development and implementation of sustainability policies and strategies and by the Audit Committee in terms of the integrity of the non-financial information included in the management report, as well as in the supervision of non-financial risks arising from the Group's actions in relation to the Policy.

Likewise, the Group has an Executive Sustainability Committee whose tasks include promoting sustainability plans and programmes in the implementation of policies, and an Ethics and Regulatory Compliance Committee reporting to the Audit Committee which, in addition to ensuring compliance with the Code of Conduct, manages the channel for reporting any offences by employees and other people related to the Company.

Viscofan promotes the development of its Regulatory Compliance System to ensure actions to prevent misconduct, mitigate compliance risks and effectively protect people. See description of it in ESRS G1 Business conduct.

Likewise, the role of the administrative, management and supervisory bodies incorporates key governance elements in good governance also in sustainability issues such as the sustainability competencies of their members and the reporting to them of the incidents, risks and opportunities of relative importance, of the application of due diligence, as well as the integration of sustainability-related performance into an incentive system. These elements have been detailed below in the subsection on Sustainability management and governance of this ESRS.

## (b) Stakeholder engagement

The Viscofan Group understands sustainability as the ability to create value among its various stakeholders in the short, medium and long term without compromising the well-being of future generations. To achieve this commitment, appropriate communication channels have been identified and established to ensure an open dialogue and to be aware of their needs and expectations, allowing the identification and analysis of the most relevant aspects of value creation that inspire the Viscofan Group's success strategy. See more in detail in Interests and views of stakeholders within section 1.1.3.

## (c) Identification and evaluation of negative impacts on people and the environment

Based on the materiality assessment, the aspects where Viscofan has or may have both positive and negative effects on the environment and people have been identified. These correlate with the Viscofan Group's management of incidents, risks and opportunities detailed at a general level in section 1.1.4. of this ESRS and in particular for each topic in the corresponding sections.

## (d) Strategy, measures implemented and their effectiveness

For its part, the Beyond25 strategy and, in particular, the Viscofan Group's Sustainability Action Plan establishes certain measures in the material aspects identified to deal with incidents and monitors their effectiveness based on sustainability commitments and indicators. At a general level, the Group's strategy has been detailed in section 1.1.3. of this ESRS and in particular for each topic in the corresponding sections.

# The role of administrative, management and supervisory bodies

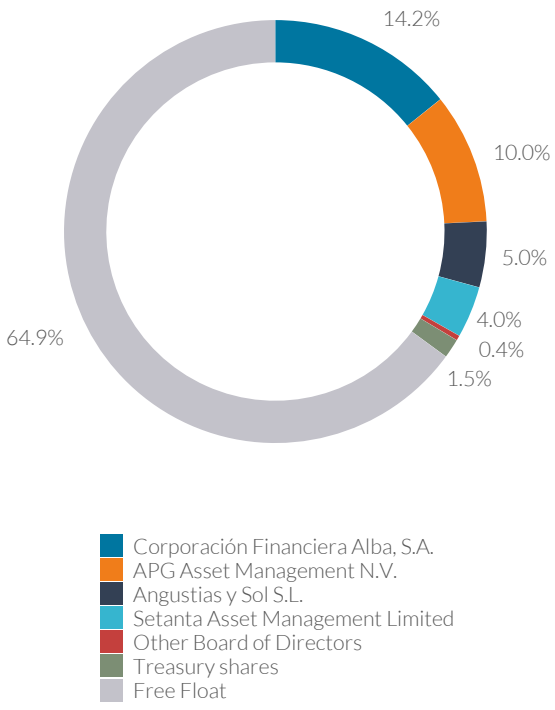
### ESRS 2 GOV-1, ESRS 2 GOV-2

The governance structure of Viscofan is based on two main bodies: the General Shareholders' Meeting and the Board of Directors.

Shareholders and the General Meeting

At 31 December 2024, the Parent Company is aware of the following significant interests:

| | % stake |
|---|---|
| | 2024 |
| Corporación Financiera Alba, S.A. | 14.25% |
| APG Asset Management N.V. | 9.99% |
| Angustias y Sol S.L. | 5.02% |
| Setanta Asset Management Limited | 3.96% |
| Other Board of Directors | 0.36% |
| Treasury shares | 1.49% |
| Free Float | 64.94% |



The General Shareholders' Meeting is the supreme governing body of the Company in which shareholders decide by a majority vote on the affairs within the scope of their authority.

Viscofan has established the principle of "one share, one vote" which promotes equality among all of the company's shareholders. There is only one class of shares, giving the same rights and obligations to all of the Company's shareholders. There are no restrictions to voting and no limit to the number of votes that can be cast by one single shareholder.

In recent years, Viscofan has been pursuing a series of initiatives to promote transparency, communication and shareholder participation at the General Meeting, including information on the items on the agenda, an attendance premium of €0.01 per share, facilitating remote voting, electronic voting, electronic forum and a questionnaire to answer the most common questions regarding the General Meeting.

As a result of all these measures, the 2024 General Shareholders' Meeting for the year was attended by 83.6% of the company's share capital, maintaining the high attendance percentage at the General Meetings of recent years, above the average for listed companies, which is especially significant taking into account the company's high floating capital.

The breakdown of data on attendance at General Meetings in recent years is as follows:

| Data on attendance at General Meetings | | | | |
|---|---|---|---|---|
| **General Meeting** | **2024** | 2023 | 2022 | 2021 |
| % present | 20.2% | 20.1% | 19.9% | 19.3% |
| % in representation by proxy and distance voting | 63.4% | 66.0% | 62.8% | 62.8% |
| **Total attendance** | **83.6%** | **86.1%** | **82.7%** | **82.1%** |

In addition, the General Meeting is broadcast live on the internet and can be accessed via the Company's website, although the connection to this broadcast is not considered to be telematic attendance at the General Meeting.

## Board of Directors

Is the body in charge of representing and managing the Company and it is governed by the Regulations of the Board of Directors. Its essential function is the approval of the strategy, the basic policies, the preparation of financial statements and, in short, the general supervision of all aspects forming part of Viscofan S.A. and, where appropriate, of the companies forming its group of companies guided by corporate interest. In particular, it is ultimately responsible for managing sustainability matters and establishing policies that ensure an adequate due diligence process.

### Composition at 31 December 2024

The Board of Directors is made up of ten directors, one of whom is executive, two are nominee, two are classified as other external directors and another five are independent, with no direct representation of employees and other workers. The Board is also composed of four women and six men.
In this way, the composition of Viscofan's Board of Directors complies with the CNMV's good governance recommendations for listed companies (hereinafter referred to as CBG):

- The number of members of the Board of Directors is within the established limits of the range of between five (5) and fifteen (15) members indicated in Recommendation 13 of the CBG and the number of directors is in line with that of other companies that are comparable to Viscofan.
- Non-executive directors continue to make up the vast majority of the Board of Directors (9 out of 10).
- 50% of the directors are independents.
- The percentage of nominee directors out of all non-executive directors (two out of nine) should be no greater than the proportion between the ownership stake of the shareholders they represent and the rest of the Company's capital.
- The percentage of female directors out of the total Board of Directors is 40%, reaching the target of female representation.

### Changes to the composition of the Board of Directors and its Committees in 2024

The Board of Directors of Viscofan resolved in 2023 to change the model from an executive chair to a non-executive chair, which includes the appointment of a First Executive. Based on this agreement, the President, José Domingo de Ampuero y Osma, with effect from 1 January 2024, ceases to hold his executive functions in the Company and the Group, continuing his tenure as non-executive Chair of the Board of Directors and, consequently, moving to the category of "other external directors". José Antonio Canales

García, Director-Managing Director, has been appointed First Executive of Viscofan, also with effect from 1 January 2024.

Twelve years after his first appointment, the Lead Director, José María Aldecoa, forfeited his independent status. In this sense and with the aim of making it easier for the composition of the Board to ensure that at least 50% of its members are independent, Mr. Aldecoa has tendered his resignation as a director and member of the different committees to which he belonged before concluding his bylaw-mandated term in 2026.

Likewise, at the meeting held by the Board of Directors of Viscofan S.A. on 18 April 2024 after the General Shareholders' Meeting, in accordance with the new composition of the Board derived from the re-election and appointments of directors, it was resolved to appoint Mr Jaime Real de Asúa Arteche as Lead Director of the Board of Directors.

At the level of Board Committees, as a result of the end of Ms Laura González Molero's term as Chairman of the Audit Committee on 24 April 2024, it has been resolved to appoint Mr. Andrés Arizkorreta as the new Chairman of the Audit Committee with effect from that date with a term of four years.

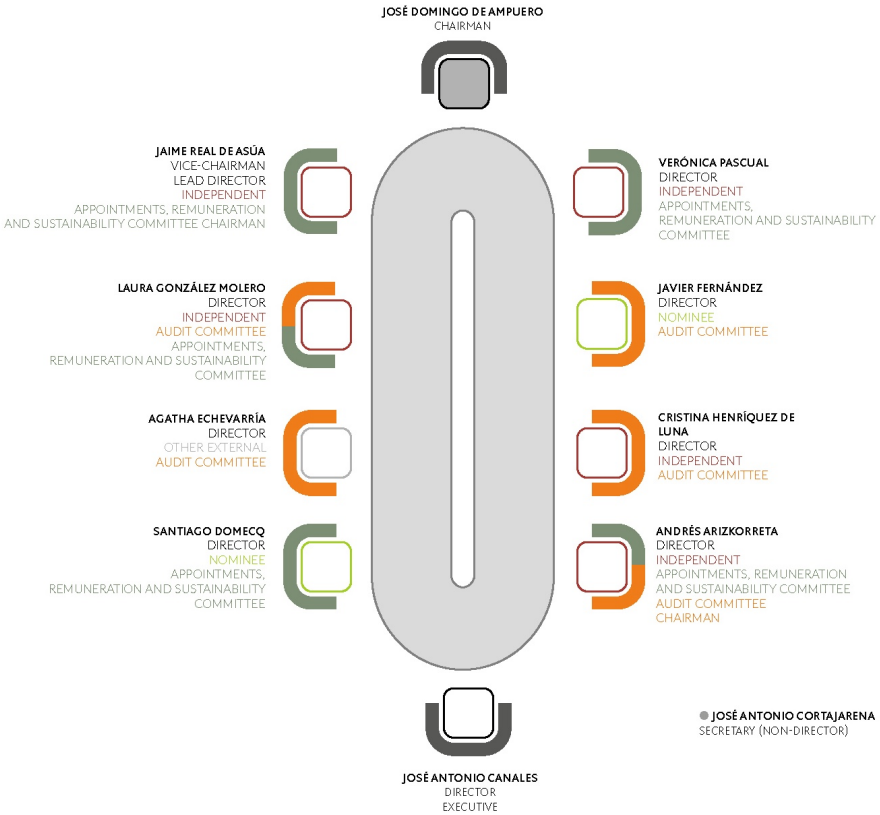
The Appointments, Remuneration and Sustainability Committee has proposed, and the Board of Directors has approved, setting of the number of members at five, which is within the provisions of the Regulations of the Board and the Regulations of the Committee itself, appointing Ms Laura González Molero and Ms Verónica Pascual, as members of said Committee.

Thus, the breakdown of the composition of the Board of Directors as at 31 December 2024 is as follows:

| Name and Surname | Category | Position on the Board | Date of last election | Audit Committee | Appointments, Remuneration and Sustainability Committee |
|---|---|---|---|---|---|
| MR. JOSÉ DOMINGO DE AMPUERO | Other External Directors | Chairman | 27/04/2023 | | |
| MR. JOSÉ ANTONIO CANALES | Executive | CEO | 29/04/2022 | | |
| MR. JAIME REAL DE ASÚA | Independent | Vice-chairman and Lead Director | 29/04/2022 | | Chairman |
| MR. ANDRÉS ARIZKORRETA | Independent | Director | 29/04/2022 | Chairman | Member |
| MS. LAURA GONZÁLEZ MOLERO | Independent | Director | 29/04/2022 | Member | Member |
| MS. AGATHA ECHEVARRÍA | Other External Directors | Director | 29/04/2022 | Member | |
| MR. SANTIAGO DOMECQ | Nominee | Director | 18/04/2024 | | Member |
| MR. CRISTINA HENRÍQUEZ DE LUNA | Independent | Director | 29/04/2022 | Member | |
| MR. JAVIER FERNÁNDEZ | Nominee | Director | 27/04/2023 | Member | |
| MS. VERÓNICA PASCUAL | Independent | Director | 18/04/2024 | | Member |
| MR. JOSÉ ANTONIO CORTAJARENA | Secretary | Non-Director | | Secretary | Secretary |

| | |
|---|---|
| Percentage of independent directors | 50% |
| Percentage of women on the Board of Directors | 40% |
| Ratio of women to men | 67% |

## Board of Directors




The Board has created two committees in support of its functions: the Audit Committee and the Appointments, Remuneration and Sustainability Committee.

## Audit Committee

The Committee is composed of five members, all non-executive and a majority independent, appointed by the Board of Directors at the proposal of or pursuant to a report by the Appointments, Remuneration and Sustainability Committee, bearing in mind accounting, auditing and financial and non-financial risk management knowledge, skills and experience. Its chairman since 24 April 2024 has been the independent director Mr Andrés Arizkorreta.

The composition, functions, rules of organisation and operation, as well as the responsibilities conferred upon the Committee are regulated in the Articles of Association, in the Regulations of the Board of Directors, and in the Regulations of the Committee itself.

The Committee is responsible for reviewing the effectiveness of the Group's internal control and financial and non-financial risk management systems, supervising the process of preparing and presenting the Group's sustainability information and the Group's Regulatory Compliance System.

The Committee functions are detailed in section C.2.1 of the Annual Corporate Governance Report of this Management Report.

### *Actions taken during the year:*

The Audit Committee met 13 times during the year. It has covered all its functions attributed with respect to the auditing of accounts, internal audits, financial and non-financial information, internal control and risk management systems, the Ethics and Regulatory Compliance Committee and related party transactions.

Specifically, within its functions on sustainability, the Committee has addressed aspects related to this matter, such as the supervision of the Non-Financial Information Control System, regulatory changes and, in particular, the monitoring of the preparation of this sustainability report, as well as the periodic review of the effectiveness of the internal control systems and management of financial and non-financial risks.

The procedures performed by the Committee in 2024 are detailed in section C.2.1 of the Annual Corporate Governance Report of this Management Report.

## Appointments, Remuneration and Sustainability Committee

This Committee is composed of five non-executive directors appointed by the Board of Directors: four independent and one nominee director. It is chaired by the independent director Mr Jaime Real de Asúa.
The composition, functions, rules of organisation and operation, as well as the responsibilities conferred upon the Committee are regulated in the Articles of Association, in the Regulations of the Board of Directors, and in the Regulations of the Committee itself.

The functions of the Committee include promoting and supervising compliance with sustainability policies, overseeing their improvement and that they take into account the legitimate interests of the stakeholders, setting goals and monitoring them.

The Committee functions are also detailed in section C.2.1 of the Annual Corporate Governance Report of this Management Report.

***Actions taken during the year:***

The Appointments, Remuneration and Sustainability Committee met on 9 occasions in 2024 and, whenever considered appropriate, the presence of the Chairman, Managing Director and senior management members was required.

The main matters dealt with and analysed by the Committee during the 2024 financial year and which have made up its main areas of supervision have been, among others, issues of Corporate Governance and on the composition of the Board, evaluation of the Board of Directors and the First Executive, succession plans, updating the organisational structure, the governance model and the governing bodies of the Group's subsidiaries and remuneration policy.

In particular, within its functions on sustainability, the Commission has monitored the sustainability strategy and indicators, the proposal for a Net Zero Plan, the proposal for new sustainability policies and updating of existing ones, review in the exercise of its functions in relation to the 2023 Non-Financial Information Statement, the reporting framework and preparation of the 2024 sustainability report.

The procedures performed by the Committee in 2024 are detailed in section C.2.1 of the Annual Corporate Governance Report of this Management Report.

## Selection of Directors

The Viscofan Group has a Diversity Policy in the Composition of the Board of Directors and the Selection of Directors approved by the Board itself in December 2024 is adequately complied with, with the aim of updating the previous Policy on the Selection of Directors and Diversity on the Board of Directors, approved and in force since December 2020, to bring it in line with regulatory changes and best corporate governance practices.

The objective of the Policy is to ensure that proposals for the appointment or re-election of directors are based on a prior analysis of the skills required by the Board of Directors and to encourage the diversity of knowledge, experience, age and gender always required on the Board, considering the vacancies to be covered and the structure and composition of the Board.

This policy establishes the principle of diversity. Based on this, the selection of directors should be guided by the aim of achieving a diverse and balanced composition of the Board of Directors which would contribute different points of view to the discussions it holds, thus enriching the decision-making process. With this in mind, in the selection of candidates for board members, consideration will be given to candidates whose appointment contributes to increasing the diversity of knowledge, skills, experience, origins, nationalities, age and gender. The selection process should avoid implicit biases that may imply discrimination and, in particular, the selection of female counsellors is actively promoted. To this end, when the Appointments, Remuneration and Sustainability Committee or the Board itself, as the case may be, has to propose the appointment or re-election of directors, without prejudice to respect for the competence matrix, the inclusion in the process of candidates who contribute to incorporating directors of the least represented gender is actively sought and, when faced with two similar professional profiles, the female candidate will be chosen.

Likewise, the Appointments, Remuneration and Sustainability Committee, in compliance with Recommendation 14 of the GGC, in relation to the prior analysis of the Company's needs and the competencies required by the Board of Directors on the composition of the Board for the 2024 General Shareholders' Meeting, issued a report on 15 February 2024 proposing that membership of the Board of Directors be reduced from eleven (11) to ten (10) members, considering that this would maintain a balanced and diverse composition and, in particular, that women account for 40% of the total number of members of the Board of Directors (compared to 36% as of 31 December 2023), thus reaching the target of female representation set out in Recommendation 15 of the GGC.

Following the General Shareholders' Meeting held in April 2024, this change was implemented and the percentage of female representation on the Board effectively reached this threshold.

## Experience, curricula and profiles of members of the Board of Directors

The Board of Directors has members with experience on sustainability issues at the level of strategy, and also risk management and sustainability information reporting, as well as business conduct. Given that this aspect is evolving very rapidly in recent years, the different Board Committees have received regular updates on the different sustainability trends and regulations and how they impact Viscofan, for which they have also had specific training from third parties. The curricula and profiles of the members of the Board of Directors at 31 December 2024, where details are provided on their experience and, in particular, in some cases in our sector, are detailed in section C.1.3 of the Annual Corporate Governance Report forming part of this Management Report. They are also available on the Company's website, in the Corporate Governance section.

## Performance of functions

In order to perform their duties with the required rigor and efficiency, the Company's Board of Directors prepares an annual schedule of meetings and the annual work plan of the Board itself and of its various committees, so that the directors can better plan and to facilitate their commitment to and attendance of meetings. Directors receive the information they need well in advance, including, as appropriate, the minutes or reports of the different Board Committees.

Actions are still being carried out to guarantee the participation of the directors, facilitating their dedication and attendance to the meetings, to provide them with tools to give more in-depth knowledge of specific aspects of the activity and specific environments of the different production centres, thus improving the monitoring of the strategy of the Group and of each of its companies.

In addition, the annual plan includes visits to some of the Group's production centres and the participation of executives to enable enhanced monitoring of the implementation of the Group's strategy and of the management of each of its companies.

Throughout 2024, the Board met 12 times. The Chairman attended 100% of the meetings, and the attendance rate was 100% among directors present at the meetings.

In addition, during the 2024 financial year, the Lead Director, as part of his duties set out in the Regulations of the Board of Directors, held two meetings with independent directors to voice their concerns, and was also available for dialogue with investors and shareholders who so requested.

## Assessment

The Board of Directors carries out an annual evaluation of the quality and efficiency of the operation, diversity and competencies of the Board itself and of the Committees - which is promoted by the Appointments, Remuneration and Sustainability Committee, and coordinated by the Lead Director in the case of the evaluation of the Chair.

Every three years, the Board of Directors is assisted by an external consultant in this evaluation process, whose independence is verified by the Appointments, Remuneration and Sustainability Committee. In 2022, Korn Ferry was consulted to facilitate this evaluation, three years having passed since the last external consultancy.

The assessment of performance in 2024 was made on the basis of a questionnaire whose purpose was to provide a specific view for each director with regard to both strong and weak points, the availability of specialist skills and knowledge in different areas, including sustainability, as well as any other suggestions they may have with a view to improving the efficiency of the Board and of the Committees.

The result of the questionnaire was analysed by the Appointments, Remuneration and Sustainability Committee of which the Lead Independent Director is a member, by the Audit Committee itself with regard to its own assessment, and the conclusions were presented to the Board of Directors, where the process was concluded and a plan of action approved to include the appropriate improvements.

## Remuneration. Integration of sustainability-related performance in incentive schemes.

### ESRS 2 GOV-3

Remuneration an important component of corporate governance used to encourage and guide the implementation of commitments and actions within Viscofan. In this context, the remuneration systems for members of the Board of Directors and employees are aligned with the Beyond25 strategy, and in particular with sustainability, given its importance as one of the four strategic pillars. Consequently, sustainability indicators are integrated into our short and long-term incentives.

The Board of Directors' Remuneration for 2024 is regulated in the directors' remuneration policy, approved at the General Shareholders' Meeting held on 27 April 2023 for a three-year period (2024, 2025 and 2026), and which is available on the company's website in the Corporate Governance section.

This policy establishes a remuneration system for directors based on (i) their capacity as such and (ii) specific executive or senior management functions. The model of an executive chairman is adapted to a Board of Directors led by a non-executive chairman while a CEO is appointed, and some

adjustments are introduced that adapt the remuneration structure to both the performance and improvement of the corporate governance, the Beyond25 strategy and the 2022-2025 Sustainability Action Plan of the Viscofan Group.

The policy in force in 2024 links the Annual Variable Remuneration of the directors with the executive qualification, which in 2024 corresponds to the CEO, to the achievement of a combination of economic-financial targets (e.g., Sales, EBITDA, BDI, Cash Flow, debt ratios), operational targets (e.g., stock/sales ratio or efficiency ratios) and sustainability targets (e.g., emission reduction, water management, waste reduction and accident rate reduction), which by 2024 account for 10% of the theoretical potential and are tied to the reduction of waste and accident rates in the Group.

This criterion has also been extended to the annual variable remuneration of Viscofan's Management and staff.

In addition, the General Shareholders' Meeting held in April 2022 approved a long-term incentive in shares and cash for executive directors, members of the management team and other employees of the Viscofan Group for the 2022-2024 period. This plan sets out the delivery of an amount in cash and shares in the Company based on the fulfilment of certain objectives for the creation of shareholder value and sustainability, including the reduction of the intensity of Scope 1 and 2 emissions, the improvement in accident rate indicators and the performance of audits of suppliers on compliance with the Viscofan Group's supplier code of conduct. These elements of sustainability account for 25% of it.

See details of the remuneration of the Board of Directors and Senior Management in note 22 of the Group's consolidated financial statements.

It should be noted that Article 16 of the Regulations of the Board of Directors and Article 8 of the Regulations of the Appointments, Remuneration and Sustainability Committee confer on the Committee itself the powers relating to remuneration of directors and senior management of the Company and its Group.

The remuneration of the Board of Directors in 2024 was €6,718 thousand (€3,114 thousand in 2023) including €2,224 thousand in relation to the Long-Term Incentive Plan and is detailed in the Annual Remuneration Report in this management report and is available separately on the company's website in the section on Corporate Governance - Corporate Governance Reports.



## Senior Management (31 December 2024)

It is the highest hierarchical level of the organisation, reporting directly to the Chief Executive Officer, and consists of regional general management (EMEA, APAC, NAM and SAM) which groups together the operations located in the countries belonging to that geographical region, the general management of New Business, and the general management of corporate services:

| ORGANISATIONAL CHART as at 31 December 2024 | |
|---|---|
| **Person** | **Position** |
| ANDRÉS DÍAZ | Managing Director EMEA (Europe, Middle East and Africa) |
| GABRIEL LARREA | Managing Director NAM (North America) |
| JUAN NEGRI | Director General APAC (Asia Pacific) |
| LUIS BERTOLI | General Manager SAM (South America) |
| ÓSCAR PONZ | General Manager New Business |
| MARÍA CARMEN PEÑA | Chief Financial Officer |
| JESÚS CALAVIA | Chief Operating Officer |
| IGNACIO GOÑI | Chief Commercial Officer |
| JOSÉ ÁNGEL ARRARÁS | Director General for R&D and Quality |
| JOSÉ ANTONIO CORTAJARENA | Secretary to the Board of Directors and Head of Legal |
| ARMANDO ARES | Director of Investor Relations, Communication and Sustainability |
| BEATRIZ SESMA | Human Resources Director |
| JOSÉ IGNACIO RECALDE | Head of Diversification and Technology |
| ALEJANDRO BERGAZ | Head of Internal Audit |
| DOMINGO GONZÁLEZ | Head of Strategy |
| BORJA LÓPEZ | Head of Digital Transformation |

In 2024, Domingo González was appointed Head of Strategy of the Viscofan Group, with the aim of driving the strategic transformation in the second phase of the Beyond25 strategic plan.

Also in 2024, Armando Ares was appointed Head of Sustainability to meet the growing demand for sustainability rendering it necessary to promote projects and ensure coordination on this key matter throughout the Group. He combines this position with his duties as Head of Investor Relations and Communication of the Viscofan Group.

In July 2024, Borja López joined the Viscofan Group as Head of Digital Transformation.

During the 2024 financial year, the remuneration received by key management personnel amounted to €11,842 thousand (€4,021 thousand in 2023), including €6,954 thousand under the Long-Term Incentive Plan.

These amounts do not include the remuneration of the two executive directors, José Antonio Canales García and José Domingo de Ampuero y Osma (up to 31 December 2023), which are detailed in the annual Board remuneration report that forms part of this management report.

## Sustainability governance and management

As the head of Viscofan's activities, the CEO is the first executive head of sustainability and also leads the Sustainability Executive Committee made up of directors from different areas where sustainability is relevant and is responsible for coordinating and supervising the objectives, initiatives and long-term work plans established by it in the field of sustainability and, in particular, the environmental ones. In 2024, this Committee met four times to monitor sustainability indicators, the establishment of the Net Zero Plan, adaptation to the new sustainability reporting regulations, among others.

Viscofan has a Head of Sustainability, who is responsible for coordinating all the Group's Sustainability issues, strategy, goal setting, specific analysis of incidents, risks and opportunities, sustainability information reporting and contact with stakeholders in relation to this matter. He is also responsible for reporting to the Board of Directors and the different Committees of the Board on the elements of sustainability that concern them.

During the year, reports were presented three times to the AR&SC and four times to the Audit Committee. Noteworthy was the establishment of the Net Zero goal, the Non-Financial Information Control System and the adaptation work for the basic regulations of this Sustainability Report. Reports have also been provided on the incidents and risks of relative importance in terms of sustainability.

In addition, in 2024 an executive sustainability subcommittee has been created, made up of people from departments in areas where sustainability is relevant, having focused its work in the year on the analysis and preparation of this report in accordance with the new reporting requirements.

For its part, the management of the different material aspects of sustainability is under the responsibility of different areas:

- Environmental and safety matters at Group level is the responsibility of the Corporate Operational Sustainability Department, reporting to the Operations Department, which is in charge of coordinating and supervising this matter in all the Group's production plants.
- The management of the specific social aspects of the company's own staff is the responsibility of the Corporate Human Resources Department,
- Regulatory Compliance is the responsibility of the Legal Department,
- Food Safety is the responsibility of the Quality Management and Regulatory Affairs Departments under the R+D and Quality Division.
- Customer relations is the responsibility of the Commercial Department
- The relationship with suppliers is the responsibility of Supply Chain, reporting to the Operations Department.

### Setting sustainability goals

Within all areas covered by sustainability, the establishment of goals related to incidents, risks and opportunities is a key element of the Sustainability Action Plan. These goals are established by the Executive Sustainability Committee based on the material aspects identified and where Viscofan can make the greatest contribution.

Once established, these are reviewed and approved by the Board of Directors within the framework of the current Sustainability Action Plan.

Subsequently, their performance is monitored on a quarterly basis in the Executive Sustainability Committee and the Appointments, Remuneration and Sustainability Committee, as well as the Board of Directors, are informed periodically.

## Risk management and internal controls over sustainability reporting

ESRS 2 GOV-5

Viscofan has a sustainability information control system implemented in 2023 with the scope of all the companies of the Viscofan Group and which have an impact on the processes and sub-processes related to sustainability reporting.

It is based on the policy of the internal control system for financial and non-financial information approved by the Board of Directors in 2020, which requires that internal control systems provide reasonable assurance of the reliability of financial and non-financial information.

This system is based on best practices and international standards, based on those established in the COSO report, as well as compliance with legal requirements.

The system comprises five components:

1. The control environment
2. Information risk assessment
3. Control activities
4. Information and communication
5. Review and monitoring

Information risks are associated with processes and sub-processes, which include non-financial information of a material nature based on the Viscofan Group's Sustainability Action Plan and established prior to the approval in Europe of the reporting regulations for this Sustainability Statement.

- Environmental issues: Energy consumption, Scope 1 and 2 emissions, water catchment, waste disposal.
- People: breakdown of average workforce by category, remuneration, wage gap and training.
- Safety: information that supports the calculation of the indicators in this area.

The identification of risks is coordinated by the Corporate Sustainability Department in collaboration with those responsible for Human Resources, Environment and Safety information, as well as with the Internal Audit Department. In each process and sub-process detailed above, the Group identifies the risks that may materialise by analysing the following requirements:

- Description of the existing control objectives to meet the business targets defined by the Company and guarantee the reliability of the sustainability information.

- Possibility of occurrence of the risk of error with the following criteria:

  a) Validity: all transactions generated in the period are valid.

  b) Integrity: all transactions have been recorded correctly.

  c) Registry: all transactions have been recorded accurately.

  d) Cut-off: all transactions recorded represent events that occurred during the period in question; transactions are recorded in the corresponding period.

The risks identified based on these criteria comprise the non-financial information risk matrix. Of these, the most relevant are those that directly affect the Group's sustainability objectives, such as CO2 emissions, waste eliminated, water catchment, accident rates and women in management positions. Depending on the risk, the strategy to mitigate them is different, although controls have been implemented at the subsidiary level that mainly seek the review and correct registration of the information reported to the corporate for its subsequent consolidation.

The non-financial information control system has been integrated together with the financial information control system into SAP GRC, a unique environment that allows the automation and computerization of the assurance of information processes.

As noted in Article 8 of the Audit Committee's Regulations, one of the main functions of the Committee is to supervise and evaluate the process of preparation, presentation and integrity of non-financial information relating to the Company and its consolidated Group, reviewing the correct design of the internal control systems of information and compliance with regulatory requirements.

Reporting directly to the Audit Committee is the Viscofan Group's Internal Audit Department, whose scope of work is to determine whether the Viscofan Group's risk management and control processes, designed and operated by the Management, are adequate and operate in such a way as to ensure, among other things, that the information is accurate and is available in a timely manner.

In this sense, once the SCIINF was implemented, in 2024, on the one hand, the execution and supervision of the implemented controls has been continuously monitored; and on the other hand, Internal Audit has carried out the review of two reporting sub-processes for all the Group's subsidiaries, proposing improvements and corrective actions.

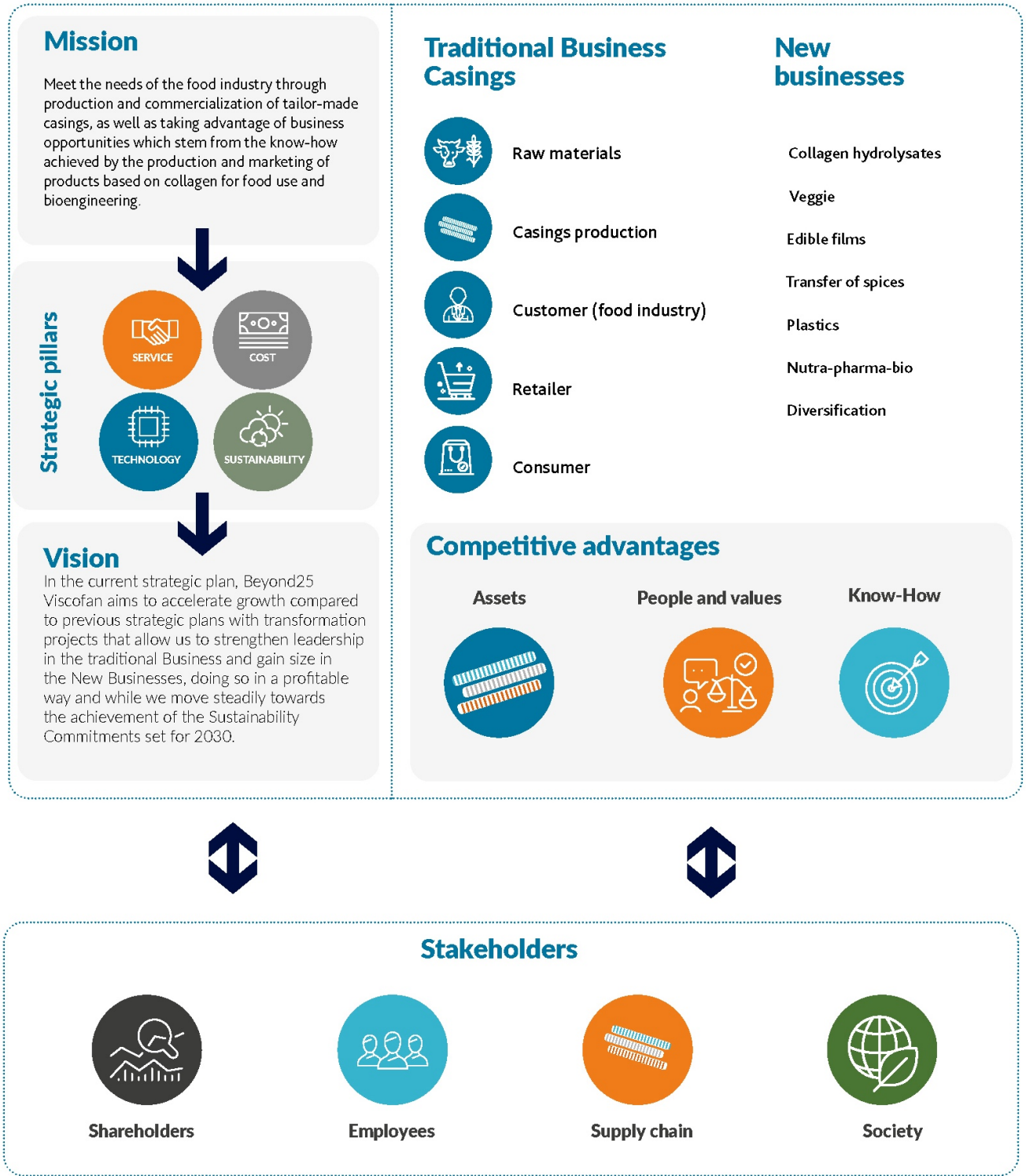
Given that this Sustainability Report involves the reporting of additional information to that envisaged in the Sustainability Action Plan, Viscofan plans to standardise the process for reporting new information in the coming years for the subsequent analysis of processes and sub-processes, identification of information risks and their inclusion in the implemented for the non-financial information internal control system.



# 1.1.3. Strategy

**The Viscofan Group has a business model with a technological and geographical proposal that is unique in the market, based on the solid shared values of a team, aimed at creating value in a sustainable manner for all our stakeholders. As a result of this model, Viscofan is a leader in the casing market and offers growth propositions in the food and health sectors outside the traditional business.**

## Our business model outline:



# Strategy, business model and value chain

**ESRS 2 SBM-1**

## Our purpose and mission

### Purpose

From 2022, Viscofan has a new purpose with which it wants to go beyond traditional boundaries "Reshaping food and wellbeing. For many, for long", seeking to help to provide access to food and nutrition throughout the world, and to improve the well-being and health of people.
**"Reshaping food and wellbeing" means that:** our technology and our global presence enables us to be in a condition to forge a better world. We contribute to improve access to food throughout the world and we can also help, through nutrition and our knowledge, the well-being of human beings.

**"For many" means that:** if something characterises us, it is that we have always wanted to be important, to generate an impact; hence, our scope of action in the world is, "for many" - the more people that can enjoy our products, services or solutions, the better it is for our purpose.

**"For long" means that:** we generate an impact that remains, a future project, a project that intends to be forever, "for a long time". It is an impact for everyone, for life, for the well-being of everybody. It is our sustainable proposal.

### Mission

Meet food industry needs through the production and sale of artificial casings, and to seize the business opportunities that arise from know-how achieved by the company through the production and sales of collagen-based products for food use.

## Beyond25 Strategy

The current strategic plan, called Beyond25, maintains the ambition to transform the Company in the same way as in the previous strategic plans. To this end, Viscofan expanded its business scope with a new purpose "Reshaping food and wellbeing. For many, for long".

This means redefining our business model with a new approach to the market that combines our strong competitive advantages: the combination of the world's largest geographical presence, both productive and commercial, with a wide and unique catalogue of products, developed on the basis of its own technology and know-how, which continue to develop continuously thanks to a culture of excellence and continuous improvement, based on solid values and ethical principles shared by a highly committed team.

This strategic plan has four leading management regions to have greater market proximity and flexibility: Europe, Middle East and Africa (EMEA), North America (NAM), Asia Pacific (APAC) and South America (SAM), completed with a cross-cutting "New Business" division.

In addition, the strategy is based on an approach to the market that distinguishes between the Traditional Business (which includes cellulosic, collagen and fibrous) where Viscofan is in a privileged position to continue to take advantage of growth opportunities; and the New Business (which includes tubular plastics, packaging and third parties, edible casings, functional solutions, nutra-medical-pharma products, as well as diversification activities), where Viscofan wants to leverage its know-how as a catalyst for innovation to expand into new markets with attractive growth trends in the food, wellness and health sectors.

The strategy is based on four cross-cutting pillars: service, cost, technology and sustainability, with the ambition to lead the market in each of these areas.

Also, to drive change, the Digitalisation and People lever has been introduced, with people management and digital transformation initiatives to help streamline processes, boost career development and improve work-life balance.

In accordance with this strategic plan, Viscofan has its 2022-2025 Sustainability Action Plan with specific projects to combat climate change, measures to reduce water consumption and improvements to transform our processes into a more circular economy and reinforce our commitments to the Sustainable Development Goals of the United Nations 2030 Agenda.

Viscofan now has six essential commitments to our sustainability. Of these, although without setting a specific goal, it has two in which we can make a contribution through our products and services:

SDG 2. Zero hunger: belonging to the food market carries with it a great responsibility: that of providing millions of people worldwide with access to basic nutrition. As a global leader in artificial casings, the Viscofan Group contributes to the development of products that help to avoid food waste and it invests in R&D&i that enables more efficient and sustainable processes to manufacture cold meats. It also seeks to work with NGOs whose business nucleus is based on reducing hunger and to develop specific products that combat malnutrition.

SDG 3. Good health and well-being. Viscofan undertakes to transform the ample knowledge developed in the processing, use and transformation of raw materials, especially collagen, in products and solutions that contribute to improve the health and well-being of people. Collagen is the most abundant protein of the human body and of animals but, in turn, it is a singular versatile material and, therefore, is used in various areas that are beneficial for people, such as regenerative medicine, nutrition, health and life sciences.

For their part, the main strategic projects carried out in the 2024 financial year are detailed below:

- Construction and commissioning of a cellulosic and collagen casing converting plant in Rayong, Thailand.
- Acquisition of a 60% stake in the companies Brasfibra and Master Couros in Brazil, promoting collagen applications within the New Business division.
- Progress in investments and projects for the decarbonisation and diversification of energy sources at the Cáseda plant in Spain (biomass, electric boilers, solar park, green hydrogen).
- Implementation and approval by the Board of Directors of a Net Zero Plan for the Viscofan Group.

In addition, the strategy, the resilience of the business model and the specific action measures have been detailed in each ESRS.

## Our markets

With the Beyond25 strategic plan, commercial and operational strategies have been reoriented, distinguishing between the sales of what has been called Traditional Business, which includes casings based on collagen, cellulosic and fibrous technology, and sales of New Business, which includes plastic casings and the rest of the products and services. These two divisions are not identified within the categories of the sectors of the ESRS, so they are considered as "Other".

In addition, to a lesser extent, 5% of the Group's revenue comes from energy sales. They include the cogeneration activity, which in the Viscofan Group consists of the sale to third parties of the electricity (€51.2 million in 2024) that the Group does not use in the production process of its main activity, and which is included in Annexes 1 and 2 of the EU Taxonomy Regulation as an eligible activity with respect to the objectives of climate change mitigation and adaptation to climate change. The rest of the energy sales correspond to income from the sale of electricity transformed at the Zacapu facilities (Mexico), an activity that is not eligible according to the taxonomy.

Viscofan has not availed itself of the exemption from disclosure of information referred to in Article 18(1)(a) of Directive 2013/34/EU on the breakdown of business volume by category of activity, as well as by geographic markets, to the extent that those categories and markets differ significantly from each other, taking into account the way in which the sale of products and the provision of services is organised.

Therefore, the revenues obtained by the Viscofan Group can be grouped by nature into Traditional Business, New Business and Energy, which are significant for Viscofan based on the provisions of point AR 13 of ESRS 2 and account for 100% of revenue. Its breakdown is as follows:

| In thousands of euros | 2024 | % |
|---|---|---|
| Traditional Business | 996,611 | 82.8% |
| New Business | 147,326 | 12.2% |
| Other energy income | 60,057 | 5.0% |
| **Revenue** | **1,203,994** | **100.0%** |

However, from a management information point of view, the activity is considered a mono-segment, being mainly the sale of casings as stated in Note 18 of the Consolidated Financial Statements according to IFRS 8.

At Viscofan, sustainability incidents, risks and opportunities are considered both in our operations and throughout the value chain. In particular, in the double materiality assessment detailed in section 1.1.4. Management of incidents, risks and opportunities, environmental aspects have been considered and evaluated, such as emissions, pollution, circular economy and dependence on natural resources, as well as social aspects, with greater relevance in the personnel of our operations and in the end consumer since our products are a part that facilitates the feeding of millions of people in all the same areas. The thematic ESRS sections describe the specific IROs identified, the policies established, resources allocated, parameters and goals.

Within the framework of the Sustainability Action Plan, there are no specific sustainability-related targets set in terms of significant product and service groups, customer categories, geographical areas or stakeholder relationships.

### Traditional Business - Casings

In sausage production, food companies can use animal casings or casings made from natural primary materials. These are soft, cylindrical containers that give sausages and cured meats their distinctive shape and are of great importance to our customers in their quest for greater efficiency, increased production speed, reduced waste, and quality assurance.

The casings are characterised by their ease of use and appearance, which contrasts with the high technological component underlying the manufacturing process and which only a few companies worldwide have developed.

In particular, collagen casings provide specific characteristics and benefits for the meat industry compared to traditional sausage production methods using animal casings.

The advantages of collagen casings include their uniformity and consistency, which allows for more efficient, standardized production and better utilization of raw materials. They are also easier to handle and do not require prior preparation, unlike animal casings.

In addition, since food safety is a key aspect in food production, collagen casings are manufactured under highly controlled and standardized conditions, which reduces the possibility of contamination with pathogenic microorganisms, while also providing a longer and more stable shelf life. They do not require prior cleaning, eliminating the risk of cross-contamination that could occur during the cleaning process.

Finally, the production of collagen casings, and specifically at Viscofan's production plants, is subject to rigorous health and quality regulations. See details in the NEIS S4 Consumers and End Users section.

There are different types of casings depending on the main raw material used.

- **Cellulose casings:** The main raw material is cellulose, a linear polymer composed of glucose units found in the wall of cells in plants, wood and natural fibres, usually combined with other substances such as lignin, hemicelluloses, and other components. To produce casings, the cellulose chain must be broken to obtain a polymer with the appropriate length for its extrusion in the form of a casing and with very specific elastic properties. This process requires cellulose with a high level of purity, also called "premium cellulose" or "special cellulose" by our approved suppliers.

- **Collagen casings:** Collagen is a very common long fibrous protein with remarkable chemical and mechanical properties. In addition to its application for sausage casings, it includes uses in the fields of biomedicine, cosmetics and the food industry, as a basic material used in the broader gelatin industry. The corium, or inner part of the skin of cattle, is mainly used to produce collagen casings, since it is very rich in collagen.

- **Fibrous casings:** A combination of cellulose and abaca paper, the latter is obtained from a herbaceous plant called Musa textilis. Paper made from its fibres has a high mechanical and moisture resistance and is used at Viscofan to produce fibrous casings. Abaca fibre is also used by other industries to produce high quality paper and non-woven textiles for various uses such as tea bags, paper money and filters.

- **Casings, film and plastic bags:** obtained by treating different plastic polymers widely used in different industries. The most commonly used polymers are polyethylene, polypropylene and polyamides.

In addition, Viscofan also uses the following inputs for the production process:

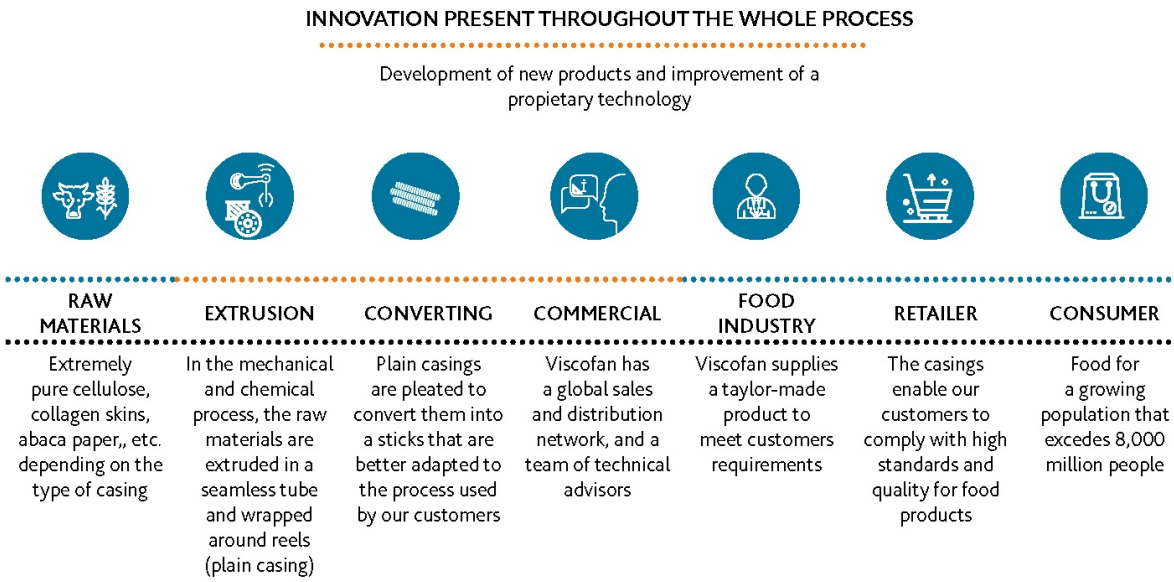
- **Chemicals** used as **auxiliaries** in the production of different types of casings, the most relevant are caustic soda and glycerine.

- **Water:** Viscofan's production plants require water collection for different phases of the process, such as the washing of casings, refrigeration, steam production and the moistening of said casings. At Viscofan's production plants, in 2024, 14% of the water captured evaporated, was incorporated into the product or was consumed, while the remaining 86% was taken to purification plants installed at Viscofan's production plants to be processed before being returned to freshwater surfaces or municipal processing plants.

- **Energy:** casing production is a continuous and energy-intensive process, mainly due to its drying phase. Based on the current state of technology, the most efficient form of energy generation for the production of casings is based on the combustion of natural gas. This is the main energy input used by Viscofan in its plants and it is supported, in turn, by electricity consumption.

To ensure the supply of key raw materials, Viscofan works with a series of certified suppliers and based on solid and long-lasting relationships. Additionally, within the procurement strategy, the search for supplier diversification is key, both by type of material and by geography. In this sense, one of the pillars of action of the R+D department is to carry out research aimed at expanding the range of suitable materials for the manufacture of casings and their performance, also taking into account sustainability criteria such as their biodegradable or recyclable nature.

## Diagram of the casing production process and value chain




The food industry and, more specifically, the cold meat production sector, increasingly demands more products with greater features, more sustainable and at highly competitive costs, in order to enable their large-scale manufacture. Responding to this demand involves a huge technological and development challenge that Viscofan has successfully met as the largest casing producer, being the only one in the industry to provide solutions in the main casing families.

Casings are an essential element in the production of food, allowing access to protein for millions of consumers. They are sold by Viscofan directly or through distributors to the meat industry for the production of sausages. Viscofan has the largest production presence in the industry and sells its products in more than 100 countries. They are transported mainly by truck or ship, depending on logistics needs.

Sausages are generally sold by the meat industry to supermarkets and restaurants, although, in the vast majority of the casings with which they have been produced are not perceived by the consumer, especially in the case of cellulosic and fibrous sausages, they are peeled by meat companies in most cases before being sold.

An increasingly conscious consumer when making purchasing decisions, which requires more transparency about the environmental and social impact of products, functional performance, the safety classification and traceability of production throughout the value chain.

Belonging to the food market carries with it a great responsibility: that of providing millions of people worldwide with access to basic nutrition. A population that is continuing to grow and whose expectations in terms of taste, preparation and consumer experience also continue to change and diversify, demanding a maximum food quality and safety guarantee.

The custom casing market has a historical growth range of around 2-4% in volumes thanks to solid foundations based on:

| Category | Trend |
|---|---|
| Population growth | An average annual rate of 1%, with emerging areas driving this expansion. |
| Eating habits | Increased per capita demand for meat led by emerging areas thanks to the increased purchasing power of the middle classes, globalisation of eating habits and the growth of the population in cities. In developed areas, nutritional trends are evolving towards the search for chicken protein, greater convenience, and products with higher nutritional quality and food safety standards. |
| Greater sophistication of meat processors | Increased search for productivity, food safety and hygiene, and the development of new products drives the replacement of animal casings with artificial casings (mainly collagen), as well as the development of new products. |

In 2024, it is estimated that the casing market has grown by 3% in volumes once the inventory adjustment process seen in the previous year has been completed. The strong growth in collagen casings, driven by the market recovery, is noteworthy, together with the trend of replacing animal gut.

Thus, in 2024 the casings market has an estimated value of €5 billion. In order to meet stuffing requirements, a meat processor must choose from among the different market alternatives, either with animal gut (44% of the market) or artificial casings (56% of the market), which, in turn, can be produced with different materials, depending on the desired production and product characteristics, combining a better range of casings with production savings.

## New Business

The know-how and experience acquired in diversification with the use of collagen as an ingredient in different applications not related to the world of casings, our continuous dialogue with the market allowing us to identify needs not always associated with casings, together with the experience we have gained in our own production processes, have given rise to product solutions framed within the New Business division.

With this division, Viscofan goes beyond the traditional casing market and enters a market with a potential of more than €5 billion in which Viscofan has a small size, but it is undoubtedly a great opportunity for its products and innovations that seek to provide solutions to trends in the areas of food and health that are becoming increasingly relevant.

The main growth catalysts identified are:

| Category | Trend |
|---|---|
| Population | • Growing population<br>• Population ageing |
| Eating habits | • Increased protein intake<br>• More vegans and vegetarians<br>• Convenience and variety<br>• Healthy and sustainable food |
| Food industry | • Circular Economy |
| Health | • Search for wellness and personal care<br>• Development of biomedicine |

## Diversification

Within the New Business division, Viscofan has a diversification-driven unit that actively pursues and develops growth opportunities and cutting-edge innovation in materials and new Business beyond casings.
These opportunities are explored and developed directly by internal teams and through partnership agreements with third parties that stand out in specific areas (technological, industrial, medical, etc.)

Food, health and sustainability activities are the main pillars of diversification activities.

Of these, Viscofan's ample knowledge in the processing, use and transformation of raw materials of a biopolymeric nature constitutes an investment opportunity and, hence, a growth opportunity for Viscofan. A good example are the new solutions based on the technological knowledge of collagen.

Collagen is the most abundant protein in the human and animal body, but at the same time it is a unique and versatile material, and therefore finds applications in various fields beneficial to people's health such as regenerative medicine,

nutrition, health, life sciences, etc. Viscofan applies technologies and extraction methods to process bovine skin collagen for the development and production on an industrial scale of new collagen biomatrices in the medical, nutraceutical and dietary fields.

In 2024, Viscofan promoted the diversification of collagen-based products with the acquisition of a 60% stake in Brasfibra and Master Couros in Brazil, companies with their own collagen treatment technology that is allowing Viscofan to strengthen its knowledge and product portfolio in collagen hydrolysates and expand its use as a food ingredient or solutions for the pet food market.

In addition, Viscofan explores new business avenues by taking minority stakes in several disruptive start-ups, providing financing, and in some cases knowledge, resources and access to markets to facilitate their growth. The investee companies are (ODS Protein, Feltwood, MOA Biotech, Insekt Label Biotech, Cocoon Bioscience and Inmedical Therapeutics).

Viscofan also participates in alliances in which it shares knowledge for the development of innovative solutions in different fields. In this regard, the following stand out: The TriAnkle project, a consortium of companies led by Viscofan and funded by the EU to manufacture personalised 3D implants based on collagen and gelatin for the regeneration of injured tendons and cartilage; the European consortium Accelerating Research and Innovation for Advanced Therapies (ARDAT) for the development of advanced therapy medicines; and the European consortium projects "Brave" on cardiac regeneration and "Unloc" on 3D solutions for the field of "Organ on a Chip".

Finally, with the "Protection" and "Probonewfood" projects that seek to research new sources of protein and their impact on the immune system, and which are funded by the CDTI in Spain.

## Our competitive advantages

Viscofan's progress is understood from achieving sustainable competitive advantages, which are the result of the work and commitment of an exceptional team that has been offering the best of each one of them for nearly 50 years, to turn Viscofan into the leading company in the casing sector and to expand its frontiers towards new Business in the fields of food and wellness.

### People and values

People are the differential value on which the future of Viscofan is being built. Our team is made up of 5,163 people, of which 2,788 are in the EMEA region, 1,289 in North America, 602 in South America and 484 in Asia Pacific.

A team distributed throughout the world but based on shared values:

- We are resolute: we strive for excellence in quality, we are customer and results oriented, we are committed to our work and we carry it out in an agile manner.
- We work as a team: we perform our work with passion, we value know-how, agility and excellence. We like to work as a team with a common purpose.
- We are pioneers: we look for new ways of doing things, taking the risk of going further, diversifying, innovating and contributing to a better future.
- We enjoy our work: we are excited about life, we are eager to do things, make decisions and seize opportunities. We value responsibility and commitment to work.

In parallel, these values are based on irrevocable ethical principles (integrity, loyalty, respect and human rights).

The Viscofan Group understands that the creation of long-term sustainable value for all stakeholders can only be achieved through ethical behaviour that favours the development of a culture of best practice in social responsibility within the Group and by contributing to improving people's well-being through the economic, environmental and social development of the communities in which the Viscofan Group is present.

## R&D and Innovation. Technology and know-how

Viscofan's position in the constantly-evolving, highly competitive world market is sustained by its constant cutting-edge efforts in research, development and innovation (R&D&i), both in technology and products. Only this philosophy enables the company to advance the leadership of innovations in the casing industry worldwide and to drive and develop new business, thus benefiting the various stakeholders.

This activity is possible thanks to an innovation network and culture that extends to the whole organisation, and the corporate research and development centre in Spain coordinates, directs and supports the specific research and development activities and tasks conducted at each production plant and coordinates the multidisciplinary work teams. The corporate centre seeks to share the best practices, technological knowledge and the ideas between the different production centres.

Constant innovation required by our globalised world must be taken into account. Our products must be compatible and adapt to the food habits and uses of millions of world consumers, their preferences and evolution over time. Viscofan accompanies its growth as a company with the development of its innovative capacity to access, assimilate and improve the best technologies available in the market, as well as to develop its own technologies that provide competitive advantages, while promoting continuous improvement, seeking greater efficiency and greater sustainability in the improvement of processes and products.

In this regard, Viscofan adapts a proactive approach in the search for sustainable solutions at technology and product level, boosting relevant aspects, such as the circular economy, the search for energy efficiency, the reduction of GHG emissions, pollutants and the lesser need for water.

Progress in the field of digitalisation represents a new innovation opportunity that Viscofan wants to take advantage of to lead the industry's digital transformation. In collaboration with third parties, Viscofan's Digital Transformation team wishes to apply the solutions offered by new IT technologies to our operations. We are seeking to improve the quality of our products, to obtain the best information possible to improve our production process and to perform predictive maintenance, etc., through solutions based on artificial vision, the development of technological solutions with the digitalisation of the movement of materials within the facilities, and the development and implementation of a smart 4.0 industry management system.

Innovation is an on-going process with strategic product and technological development projects in all casing families (cellulose, collagen, fibrous, plastic and vegetable), and in its final product applications, also including other diversification products. Our innovation boosts the innovation of the food sector, enabling applications to be developed aimed at providing Viscofan with the range of products required to reinforce its presence on the global market.



## Action projects

With this, the main current projects are mainly oriented towards the following areas:

- The development of new products according to the target markets as defined in the expansion plan, and those required by our customers, and also new generation executions, designed and oriented towards offering tubular alternatives with differential performance and features.
- The development of films and casings that are able to confer functionalities to the product they contain, gaining in efficiency and preventing food waste.
- The development of production alternatives and technological solutions that involve a radical leap, through modernisation, streamlining and simplification, allow an increase in added value and efficiency levels and significantly reduced production costs for meat casings, thus improving the competitiveness of our products and processes.
- A boost in the search for technological solutions that allow us to improve the sustainability of our operations in energy efficiency and water consumption, efficiency in the use of raw materials and waste and pollutant reduction and improvements in safety.
- Research aimed at extending the range of adequate materials to manufacture casings and their features, while also taking into account sustainability criteria such as their biodegradability or recyclability.
- Technological support for improving existing products and processes, and for the Company's international expansion, all this adhering to Viscofan's technological and quality standards and current regulations, as well as the optimisation of production costs.
- Digitalisation: Within the Digital Transformation Department, Viscofan has an Advanced Data Analytics area, whose actions during the year included the implementation and development of a demand prediction model in collaboration with a third party.

## Our assets. Wide product offer

Viscofan is the only company in the casing industry with the main technologies available, and offers its customers a wide portfolio of casings that allows them to choose the one that best suits their needs in a context of globalisation in food habits and the need to adapt to changing consumer demands where the focus on health, convenience, experience, variety and sustainability awareness are more relevant.

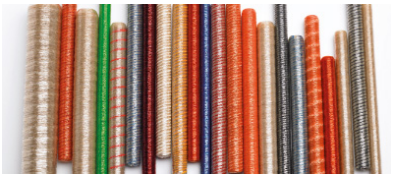
Our casings facilitate access to basic food for a growing world population, especially in emerging areas whose consumption habits increasingly demand more protein, whether of animal or vegetable origin.

Our broad casing product portfolio, the largest in the industry, allows the customer to choose the casing that best suits their needs, while with the new Beyond25 vision and Strategic Plan we expand frontiers with innovative New Business solutions that go beyond traditional casings.

During the year, the most significant changes in the product portfolio were the incorporation of Brasfibra's collagen products in collagen hydrolysates, as an ingredient in food and pet food.

Our product categories are as follows:

## Traditional Business



### Cellulose casings

They are made using natural cellulose as a raw material. They are primarily used for the production of industrially cooked sausages.

"Casing  that provides competitiveness in an inflationary environment, and sustainability due to its plant-based and biodegradable origin."



### Collagen casings

They are made using collagen as a raw material, ideal for fresh or precooked, or raw/cured sausages.

"An attractive alternative to animal casings, supporting customers with their automation and cost-saving challenges."



### Fibrous casings

Made with a blend of cellulose and abaca paper, a plant-based paper that gives the casing high strength and consistency for the production of large-caliber sausages.

"The best solution for today's industrial processes, which increasingly demand speed, productivity, and efficiency."

## New Business



### Plastics

Casings, films, and bags obtained through the treatment of plastic polymers, also promoting the use of renewable and bio-based raw materials. A wide variety of types is available, allowing us to offer the most suitable product for each type of application.

"Focus of growth on sustainability and added value."



### Vegetable casings

Plant-based and specially developed for vegetarian and vegan recipes. Suitable for fresh and cooked applications, with excellent frying results and a tender bite.

"Viscofan has been a pioneer in developing a tubular product."



### Transfer of spices

Functional spice transfer solution applicable to a wide range of foods such as fresh produce, processed meats, cheeses, and ready-to-eat products.

"New generation of solutions to help customers in their search for new products."



### Edible films

A transparent, edible, and soluble film made from plant-based polysaccharides that serves as a carrier for a wide variety of herbs, spices, sauces, and marinades.

"Disruptive innovation to reach more markets."



### Hydrolyzed, satiating and other collagen-based products

Collagen plays an important role in our bodies. It supports tendons, skin, and cartilage, thus supporting the integrity, firmness, and elasticity of the musculoskeletal system, soft tissues, and skin.

"A premium product leveraged on Viscofan's experience with this raw material and reinforced in 2024 with the acquisition of Brasfibra."



### Nutra-pharma-bio

Processed bovine skin collagen products for the development and industrial-scale production of novel medical and research-grade collagen biomatrices.

"Leveraging our collagen know-how in the medical field."

For more information on Viscofan's products, please consult the Products and Markets section of the corporate website.

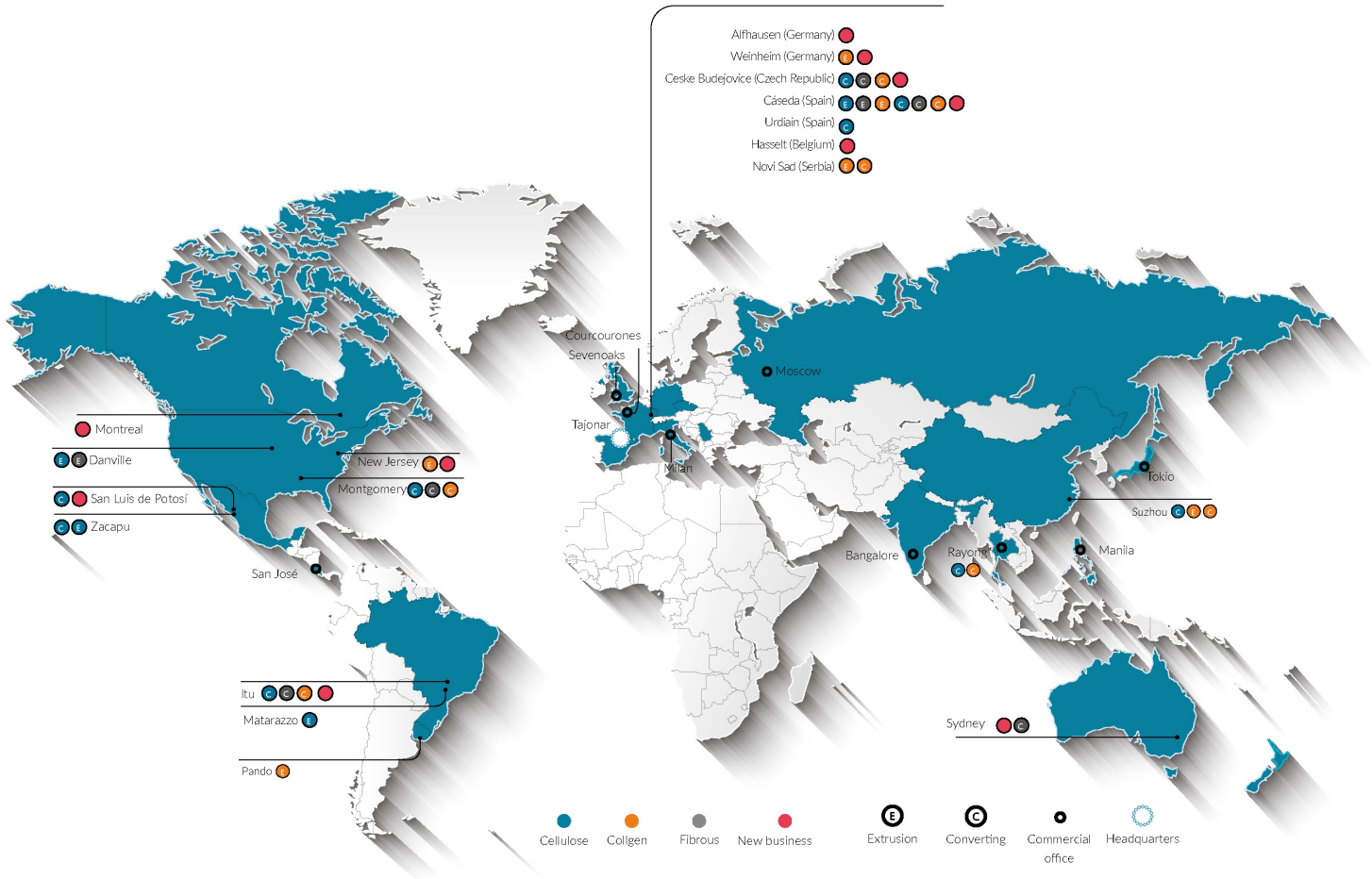
## Our assets. Geographical presence

The casing market is global. Our customers are located in more than 100 countries around the world, so providing a quick response adapted to their needs is often a differential element of their purchase decision. To improve this response capacity we have the largest production and sales network in the market, with a presence in 21 countries and 24 production plants.

Geographical expansion is a constant at the Viscofan Group. In 2024, the construction and commissioning of a converting plant for collagen and cellulosic casings in Thailand was completed with the aim of improving service in Southeast Asia, one of the casing markets with the best growth prospects.

Also in 2024, Viscofan acquired the companies Brasfibra and Master Couros, which have implemented production of collagen-based products in Brazil.

In addition, between 2021 and 2023, the company Viscofan Japan GK was set up with the aim of having its own commercial presence in Japan, one of the world's main casing markets and the opening of representative offices in Italy and the Philippines with the aim of improving service in these significant markets and enhancing our knowledge of them.



# Generated and distributed value

## ESRS 2 SBM-1 paragraph 42.b)

The results in terms of benefits of Viscofan's products and services and activity for the main stakeholders are described below.

### Customers and end consumer

Our casings facilitate access to basic food to the world's population, achieve greater efficiency in production, following strict quality and food safety controls, and clarity in labelling. Listening to the customer is key to meeting these demands in order to offer them the most suitable product and to promote them in order to achieve a more sustainable industry.

At the same time, we can also help improve the well-being of human beings through nutrition and our knowledge, mainly through products that derive from the know-how we have achieved by producing and marketing collagen-based products for food and health uses.

### Raw material and service suppliers

Viscofan makes a global commitment to its suppliers and establishes relationships with them based on respect and trust, and on the quality of products and services. On this basis, it works closely with its suppliers to understand their specific needs and challenges. This collaboration allows for developing tailor-made solutions that benefit both parties and create long-lasting and successful business relationships.

Likewise, Viscofan, based on its commercial relationship and trust with suppliers, seeks in all the companies of the Group the payment of invoices in a timely manner, regardless of their size and category.

### Employees

Ensure decent working conditions for all company employees, with non-discriminative hiring. Likewise Viscofan maintains its commitment to create ongoing employment.

We back the promotion and professional development of our teams, especially among young people. We inform employees of the opportunities and processes that arise at the company so that they can opt for new goals and challenges.

Guaranteeing freedom of association and collective bargaining.

Creating a stable working environment, supporting full-time permanent contracts, in a climate of respect and non-discrimination. 93% of our workforce have permanent contracts.

Encouraging youth employment through recruitment and internship programmes.

Having occupational health and safety management systems at all the company's factories.

### Shareholders

Throughout the different strategic plans, the Viscofan Group has built a sound and flexible business model. This characteristic entails the creation of cash flows that allow investment projects to be carried out in order to improve value creation, which is shared with shareholders in cash and at the same time maintaining a sound balance sheet structure. Accordingly, against the results of the 2023 financial year, Viscofan distributed to shareholders a dividend of €3.01 per share, which includes an extraordinary dividend per share of €1.00. In addition, against the results of the 2024 financial year, the Board of Directors has proposed a total dividend of €3.10 per share, includes an extraordinary dividend per share of €1.00.

### Company

In its Sustainability policy, the Viscofan Group has a firm commitment to Human Rights, undertaking to carry out its activities in a responsible manner and to generate positive impacts on the communities in which it operates. In this regard, in 2023, Viscofan implemented different social initiatives through the help of different bodies and institutions in the communities in which it is present, while collaborating with institutions or research centres.

Viscofan is aware of the social impact its activity generates: from direct or indirect employment generated by its implementations, to the financial benefit it obtains from its activity in each of the different companies in which it operates for which it contributes through taxes. In 2024, accrued income tax amounted to €49.1 million as a result of the Group's business activities in different countries.

## Vision and strategic goals

In the current strategic plan Beyond25 Viscofan aims to accelerate growth compared to previous strategic plans with transformation projects that allow us to strengthen leadership in the Traditional Business and gain size in the New Business, doing so in a profitable way and while we move steadily towards the achievement of the Sustainability Commitments set for 2030.
The targets set are:

- Our financial targets for the 2025 period are as follows:
    - Revenue: Grow between 5% and 8% compared to fiscal year 2024.
    - EBITDA: Grow between 8% and 12%.
    - Net profit attributable to the parent company: Growth between 6% and 10%.
    - Investment of 75 million euros.
- Our sustainability commitments are as follows:
    - Climate change: Net Zero Plan 2050 approved in 2024 by the Board of Directors with an intermediate target of absolute reduction of GHG emissions in the range of 45% to 50% by 2030 compared to 2018.
    - Circular economy: 30% reduction in tonnes of waste disposed/million metres extruded in 2030 compared to 2018.
    - Water: 10% reduction in water abstraction in $m^3$/million extruded metres in 2030 compared to 2018.
    - Accident rate: 50% reduction in the severity rate at work compared to 2018.
    - Diversity: 30% of women in executive posts by 2030.
    - Supply chain: verification of 100% of suppliers of the main raw materials committed to the code of ethics in 2030.

# Interests and views of stakeholders

### ESRS 2 SBM-2

The Viscofan Group understands sustainability as the ability to create value among its various stakeholders in the short, medium and long term without compromising the well-being of future generations. In this sense, the challenges of Viscofan's global sustainability and its value chain require a collaborative approach in order to design common solutions.

Participating in a dialogue means respecting all stakeholders, contributing to Viscofan's value proposition and taking the opportunity to learn from their points of view. It is key to promote transparency in information and communication.

To achieve this commitment, appropriate communication channels have been identified and established to ensure an open dialogue and to be aware of their needs and expectations, allowing the identification and analysis of the most relevant aspects of value creation that inspire the Viscofan Group's success strategy.

In this regard, in 2024 Viscofan has developed a double impact materiality assessment taking into account the opinions of stakeholders and which in turn translates into the identification of materially important incidents, risks and opportunities. This assessment was coordinated by the Investor Relations, Communication and Sustainability Department and in which the Executive Sustainability Committee has also participated and the results have been reported to the Board's Audit Committee within the framework of the preliminary work to adapt to the regulations governing this report.

In addition, in the year Viscofan has developed and the Board of Directors approved a Net Zero Greenhouse Gas Emissions Plan within its commitment to SDG 13 Climate Action and to respond to the interests of society in general, shareholders and agents in the value chain. This plan will serve as a catalyst to minimise Viscofan's impact on Climate Change, the risks associated with it and, at the same time, represent an opportunity to improve Viscofan's reputation and an additional competitive advantage over competitors that do not have a similar strategy. See detailed description of the plan in ESRS E1 – Climate Change.

## Details of stakeholders and communication channels:

| Stakeholder | Specific communication channels | Sustainability issues | Value proposal |
|---|---|---|---|
| Shareholders | General Shareholders' Meeting, roadshows, conferences, telephone contact, electronic communication platforms, and via email, corporate website, shareholder services branch, etc. | Financial and reputational impact of issues | Sustainable economic growth |
| Employees | Intranet, global opinion poll, meetings and presentations, training sessions, direct relationship with managers, internal magazine, whistleblowing channel, bulletin boards and information screens | Accident rate at work<br>Respect for human rights | Developing talent and skills by promoting a safe and diverse work environment |
| Customers | Customer satisfaction surveys, seminars and events organised by Viscofan, telephone and email technical assistance and continuous service, end-to-end claims and complaints system, active presence in trade fairs, visits to and from customers, local presence through agents and distributors, access to an extranet for customers accessible at the Viscofan Group's corporate website. | Food security crisis | Preferred option in line with its needs to improve process efficiency and sustainability.<br><br>With these new businesses, Viscofan offers products that improve people's health and well-being, with end-use applications ranging from food and nutrition to biomedical and cosmetic uses. |
| Suppliers | Direct contact, collaboration agreements, training, assessments and audits | They face environmental and social sustainability challenges that are similar to those of Viscofan. | Alliance and respect in the search for the best solutions in our activity. |
| Company | Contact with the local community, civil society actors, partnership agreements, sponsorships, etc. | Greenhouse gas emissions<br>Air and water surface pollution<br>Impact on the environment due to the increase in waste disposed of | Sustainable economic growth, information transparency, territorial integration and community development |
| | Contact with governmental institutions, associations | | |
| | Collaboration with research centres and institutes in different countries | | |

## Alliances

One form of collaboration with stakeholders is to establish alliances with different entities. Viscofan has a long history of collaborating with institutions or research centres in different countries and it is part of and promotes various associations and groups that, among other things, are seeking to find ways for industry to collaborate in increasing its contribution to the material aspects of sustainability. These institutions include:

- Comité International de la Peliculle Cellulosique (CIPCEL). Based in Brussels, CIPCEL comprises the leading producers of regenerated cellulose film products.
- Collagen Casing Trade Association (CCTA). An association of leading producers of collagen casings worldwide that provides a forum for its members to discuss the development of legislation and actively promote the use of collagen casings.
- Centro Español de Plásticos (CEP). This is the Spanish association of entities relating to the manufacture and processing of plastics.
- European Association Plastic Converters (EUPC). European association that groups together national plastic converter companies and associations.
- Working group of the Gelatine and Collagen Lebensmittelverband (Germany). An organisation of German gelatin and collagen manufacturers.

- AINIA. Food technological centre based in Spain that supports the R&D tasks of its partners, especially in the areas of quality, food safety, sustainability, environment, design and industrial production.
- ANICE. The Spanish National Association of the Meat Sector is the biggest meat association in Spain to provide advice, represent and defend the sector's interests.
- National Centre for Technology and Food Safety (CNTA), the purpose of which is to provide advanced technological services to improve competitiveness in the food sector through quality and innovation and under the principle of food safety.
- CEO for Alliance for Diversity. An alliance whose mission is to uniting companies around a common and innovative vision of diversity, equity and inclusion, and accelerating the development of strategies that contribute to business excellence, the competitiveness of talent in Spain and the reduction of inequality and exclusion in Spanish society.
- AIMPLAS. The Plastics Technology Centre offers integral solutions to companies within the plastics sector through the technical implementation of R&D&i projects.
- NAITEC. Multidisciplinary Technology Centre for the Industry.
- National Centre for Renewable Energy (CENER). A prestigious technology centre recognised for its activity, both in Spain and in other countries, which carries out applied research in renewable energies and provides technological support to energy companies and institutions in five areas: wind, solar thermal, solar photovoltaic and biomass energy, energy transition in cities, grid integration, and electrical and hydrogen storage.
- Project "Development of Advanced Technologies and asset management tools for the Efficient Production of Green Hydrogen for use in the decarbonisation of Industrial Processes".
- European Business and Innovation Centre of Navarra (CEIN). A centre committed to entrepreneurship, innovation, growth and business collaboration in Navarra.
- IndesIA. An association promoting the use of artificial intelligence and big data to make Spanish industry a global benchmark.
- The Consejo España – EE. UU Foundation. A civil society initiative that promotes dialogue and aims to strengthen the ties between Spain and the United States to heighten mutual understanding.

Viscofan also collaborates with different universities and research centres:

- University of Navarre (Spain)
- Public University of Navarre (Spain)
- CIDAUT Foundation for Research and Development in Transport and Energy (Valladolid, Spain)
- MORE Institute Research (Germany)
- Hochschule Manheim Fraunhofer Institute (Germany)
- Tübingen University (Germany)
- Sao Paulo University (Brazil)
- Suzhou University (China)
- Technology University of Uruguay (UTEC)
- University of the Basque Country (Spain)

Moreover, Viscofan is importantly supported by the different administrations of the countries where it develops R&D activities, for example: the Centre for Technical Industrial Development (CDTI) and the Ministry of Economy and Competitiveness (MINECO) in Spain, the Federal Ministry of Education Research in Germany, the National Science and Technology Council (CONACYT) in Mexico, the Institute for Technological Research (IPT) in Brazil and the Federal, Illinois and New Jersey R&D Credit of the US Federal Government, the State of Illinois and the State of New Jersey.

# 1.1.4. Management of impacts, risks and opportunities

## Information on the materiality assessment process

**ESRS 2 IRO-1, ESRS 2 IRO-2**

### Basis and scope

The analysis of the materiality assessment is based on the Implementation Guide "materiality assessment" of the European Financial Reporting Advisory Group (EFRAG) and the Institute of Accounting and Auditing (ICAC). To do so, Viscofan engaged an external consultant expert in sustainability.

Until the current year, Viscofan has based the information to be reported in its Statement of Non-Financial Information on a materiality assessment, taking into account a double perspective reflected in Directive 2014/95/EU on the disclosure of non-financial information. However, for the purpose of this sustainability report based on the new reporting regulations, Viscofan has carried out a new materiality assessment that is detailed below.

Viscofan's incidents, risks and opportunities (IROs) in its own operations and in the value chain can be dynamic and vary over time, and this applies to both the material IROs identified in the current double materiality assessment and the non-material ones. This changing nature is due to multiple factors, such as market fluctuations, regulatory changes, technological advancements, etc. For this reason, Viscofan plans to carry out periodic reviews of the assessment and materiality through a proactive approach that ensures effective adaptation to changes in the operational context and the value chain, so as to maintain resilience and responsiveness to new challenges and opportunities. A reasonable and foreseeable timeframe for these reviews can be two years, which could allow for capturing and adjusting to a possible new reality in an ever-evolving environment.

We have identified our impacts on the environment and people based on the importance to stakeholders (impact materiality assessment). On the other hand, we have identified the sustainability-related risks and opportunities to which we are exposed according to their strategic importance represented by the impact of the outside world on our business (financial materiality assessment). Tools have been used for the risk assessment in the case of climate change. See the description of these in the sub-section "Material impacts, risks and opportunities, their interaction with the strategy and business model and current and anticipated financial effects" in 2.1.3 of the ESRS E1 Climate Change.

For our own operations, we identify and assess impacts on people and the environment, as well as potential risks to our business from sustainability issues. In addition, we assess the impacts and risks of the entire value chain, especially on our raw materials, the use and consumption of our products and their waste. Value chain assessments have been based on internal knowledge and primarily on our top-tier suppliers.

### Methodology of double materiality assessment

#### 1. Identification

***a) Understanding of the internal and external context.***

With this scope and with the aim of establishing a baseline, an understanding of the context in which Viscofan's activities and commercial relationships take place has been carried out and, at the same time, an understanding of the main stakeholders affected.

In this phase, use has been made of Viscofan's current strategic plan called Beyond25, the external information made available to the public of both a financial and non-financial nature, policies, the materiality assessments of different comparable companies and the sustainability frameworks, the sustainability requirements of the different stakeholders, regulators, analysts, ESG indices and sector studies.

With this analysis of the context, environmental, social and governance issues have been identified in the operations themselves and upstream and downstream in the value chain that are relevant in the context of Viscofan.

### *b. Identification of actual and potential impacts, risks and opportunities related to sustainability issues*

With the analysis of the internal and external context, a review has been carried out of the list of topics and their alignment with the list of sustainability issues included in the thematic ESRS established in ESRS 1, paragraph AR. 16 and in parallel also the Global Reporting Initiative standard.

An identification of internal and external stakeholders has also been carried out through the understanding of the value chain and taking into consideration the knowledge of the internal managers of the different areas with influence and affected by the potentially material aspects identified.

In this phase, stakeholder views have been taken into account indirectly, by way of the knowledge of internal managers who have continuous dialogue with them and therefore good insight into their interests and points of view. In addition, our ongoing engagement activities in the communities and associations in which we are present are a solid basis for assessing the impacts and risks that are most important to us.

See details of the stakeholders and communication channels established in the sub-section Interests and views of stakeholders of point 1.1.3.

## 2. Materiality assessment. Analysis and determination of material IROs related to sustainability issues

### *a. Identification of impacts, risks and opportunities*

Of the potentially material topics, positive and negative impacts (with an inside-out approach) and risks and opportunities (outside-in approach) were identified.

### *b. Assessment of impacts, risks and opportunities identified and Scoring*

For this phase, the criteria of managers from different areas of Viscofan with extensive experience in sustainability issues, as well as members of the board of directors and, in parallel, the opinions of stakeholders have been considered for the preparation of the double materiality matrix.

### Impact materiality

In the materiality of impacts, a scale of 0 (no impact) to 5 (critical) has been established generate the severity score. The following parameters have been taken into account:

- Magnitude: We evaluate the dimension of the impact on the environment, people or any human rights
- Scope: We assess the extent of the impact from a geographical point of view, whether be local or global, and which stakeholders it affects.
- Irreversibility: We assess how difficult it is to reverse the damage in terms of cost and time horizon.

In addition, with respect to the possible impacts, an additional parameter of probability and time horizon has been added.

On this basis, for the actual negative impacts, each of the three above dimensions of severity has been scored and weighted equally in terms of their severity. Then, for the potential negative impacts, severity and probability have been weighted at 60/40.

For actual positive impacts, scale and scope have been scored and weighted equally in terms of severity. Then, for the potential positive impacts, severity and probability have been weighted at 50/50.

### Financial materiality

For risks, using the scale from 0 (no impact) to 5 (critical), in assessing the potential magnitude, the score is based on four equally weighted parameters: Whether the risk may cause interruptions or difficulties in operations, how it would affect the growth of the business and the financial statements (Balance Sheet, P&L and Cash Flows) and if it does so materially, how it would affect access to financing or the cost of capital and how it would affect the perception and reputation of Viscofan among stakeholders. Then, the probability of occurrence of risks combined with the time horizon accounts for the other half of the score.

With respect to opportunities, the evaluation of potential magnitude is scored based on three equally weighted scales: how it would affect the growth of the business and the financial statements (Balance Sheet, P&L and Cash Flows) and if it does so materially, how it would affect access to financing or the cost of capital and how it would affect the perception and reputation of Viscofan among stakeholders. Then, the probability of occurrence of opportunities combined with the time horizon accounts for the other half of the score.

### *c. Threshold*

Lastly, IROs are defined as material if they exceed the score threshold of 3.5. That is, those whose duality of severity and probability reflect their critical and significant nature for the Viscofan Group for one of the two material matters, both of impact and financial.

### Result of the double materiality assessment

Subsequently, the results of the impact and financial material matters, including their interaction, have been consolidated, grouping the IROs based on their classification in all ESRS topics and by extension in the relevant sub-topics. Hence, according to the thresholds established and detailed above, 35 impacts, risks and opportunities have been chosen

that were evaluated as material and that are grouped in the ESRS reported in this sustainability statement.

This consolidation has been reviewed and approved by the Viscofan Group's Executive Sustainability Committee and has subsequently been presented to the Audit Committee of the Board of Directors.

In the environmental category, environmental impacts, risks and opportunities of relative importance are grouped into the topics E1-Climate Change, E2-Pollution and E5-Resource use and circular economy and are related to our vision of facilitating the feeding of millions of people thanks to our casings, which requires an energy-intensive production process that we are seeking to decarbonise, the use of raw materials and resources of natural origin, dependence on these, as well as the generation of waste in the production process.

In the social category, the material impacts, risks and opportunities are grouped into the topics S1-Own workforce and S4-Consumers and end-users. Our business model also mainly affects the people who work at Viscofan and the Consumers of the food products manufactured with our casings and other products in the new business division. We focus our efforts on achieving a safe, fair and inclusive working environment and on producing casings with excellence in food quality.

Lastly, according to the double materiality assessment, the ESRS G1-Business conduct is a material issue and is related to the essential basis that all the people of the Group act in accordance with the principles established in the Code of Conduct and in the policies of the Regulatory Compliance System.

All assessed IROs have been mapped to their relevant ESRS standard. The impact or risk with the highest score within a topic determines the location in the matrix. With this, six of the ten ESRS topics are material for Viscofan. Each material topic of ESRS is presented in the following table, where we specify the sub-topics to which they are related. In addition, we indicate in the table whether the IROs are in our own operations or in the value chain and whether our impacts are positive or negative.

Brief descriptions of IROs detailing more information on how we respond to the effects of our impacts and risks are included in the thematic sections "Environment", "Social" and "Governance".

See below the detailed table of the Viscofan Group's IROs:

**ESRS E1. Climate change**

| ID | Type | Location in value chain | Time horizon | Description |
|---|---|---|---|---|
| | Climate change mitigation | | | |
| 1 | Negative impact | Own operations | Short term | Impact on climate change. Greenhouse gas emissions |
| 2 | Risk | Own operations | Short term | Regulatory changes. Transition risk – Policy and Legislation |
| | Climate change adaptation | | | |
| 3 | Risk | Upstream | Long term | Shortage of collagen skins. Physical risk – Temperature-related |
| 4 | Risk | Upstream | Long term | Water scarcity. Physical risk – Water-related |
| 5 | Opportunity | Downstream | Long term | Products with a lower carbon footprint |
| | Energy | | | |
| 6 | Risk | Own operations | Long term | Cost of transition to low-emission technologies. Transition risk – Policy and Legislation |
| 7 | Opportunity | Own operations | Short term | Promotion of renewable and sustainable energies |
| 8 | Opportunity | Own operations | Medium term | Efficiency of production processes |

**ESRS E2. Pollution**

| ID | Type | Location in value chain | Time horizon | Description |
|---|---|---|---|---|
| | Pollution | | | |
| 9 | Negative impact | Own and downstream operations | Short term | Air and water pollution and the generation of microplastics in production processes. |
| 10 | Positive impact | Own operations | Short term | Investment in available technologies for the filtering and washing of emissions and the treatment and discharge of water that mitigate the risk of water pollution. |
| 11 | Risk | Own operations | Short term | Imposition of fines and penalties and implementation of corrective actions as a result of litigation arising from non-compliance in matters of pollution. |

**ESRS E5. Resource use and circular economy**

| ID | Type | Location in value chain | Time horizon | Description |
|---|---|---|---|---|
| | Resource inflows, including resource use | | | |
| 12 | Risk | Upstream | Long term | Unavailability of raw materials of natural origin |
| | Resource outflow related to products and services | | | |
| 13 | Risk | Own operations | Short term | Plastic products. Taxation |
| 14 | Risk | Downstream | Long term | Plastic products. Decrease in demand |
| 15 | Opportunity | Downstream | Long term | Customer and consumer preference for casings of natural or biodegradable origin |
| 16 | Opportunity | Downstream | Long term | Development with the customer of products that allow a better use of resources |
| 17 | Negative impact | Downstream | Medium term | Impact on the environment due to the increase in waste disposed of |
| | Waste | | | |
| 18 | Opportunity | Downstream | Medium term | Recovery of cellulose casing waste at the customer. |
| 19 | Opportunity | Own operations | Long term | Waste recovery. Reduction of the cost in management and use as a source of energy mainly |
| 20 | Risk | Own operations | Long term | Waste disposal. Increased restrictions from the administrations and the cost of managing them |

**ESRS S1. Own workforce**

| ID | Type | Location in value chain | Time horizon | Description |
|---|---|---|---|---|
| | Working conditions | | | |
| 21 | Negative impact | Own operations | Short term | Illnesses and accidents in the workplace |
| 22 | Opportunity | Own operations | Short term | Increased knowledge, continuous improvement and productivity |
| 23 | Opportunity | Own operations | Short term | Long-term loyalty and commitment |
| 24 | Risk | Own operations | Short term | Failure to comply with working conditions |
| 25 | Risk | Own operations | Short term | Deterioration of the work environment, labour conflicts |
| | Equal treatment and opportunities for all | | | |
| 26 | Positiveimpact | Own operations | Short term | Capacity building, diversity and professional talent |
| 27 | Negative impact | Own operations | Short term | Inadequate working conditions and remuneration structures |
| | Other labour rights | | | |
| 28 | Opportunity | Own operations | Short term | Protección social, estabilidad económica y equilibrio personal |

**ESRS S4. Consumers and end-users**

| ID | Type | Location in value chain | Time horizon | Description |
|---|---|---|---|---|
| | Personal safety of consumers. Health and safety | | | |
| 29 | Negative impact | Downstream | Short term | Food security crisis |
| 30 | Risk | Own operations | Short term | Failure to meet quality standards or a food safety crisis can lead to lawsuits and reputational damage. |
| 31 | Risk | Downstream | Medium term | Losing market position due to regulatory requirements in terms of food safety. |
| 32 | Opportunity | Downstream | Medium term | To make it easier to feed an affordable protein to millions of households around the world. |
| 33 | Opportunity | Own operations | Medium term | Product safety and quality as a competitive advantage to lead the casing market. |

**ESRS G1 Business Conduct**

| ID | Type | Location in value chain | Time horizon | Description |
|---|---|---|---|---|
| | Corporate culture | | | |
| 34 | Opportunity | Own operations | Short term | Compliance through a culture of shared values |
| 35 | Opportunity | Own operations | Short term | Maintaining a good corporate reputation |
| 36 | Risk | Downstream | Short term | Loss of customers and business partners |
| 37 | Risk | Own operations | Medium term | Decrease in the Viscofan share price |
| | Corruption and bribery | | | |
| 38 | Risk | Own operations | Short term | No cumplimiento de las normativas, reglamentos y leyes. Sanciones de carácter económico |

## List of disclosure requirements under ESRS

| Standard | Cross-cutting/ Topic | RDs | Description of RDs | DP | Section |
|---|---|---|---|---|---|
| ESRS 2 | General Disclosures | BP-1 | General basis for preparation of sustainability statements | 3; 4; 5 (a); 5 (b) i.; 5 (b) ii.; 5 (c); 5 (d); 5 (e) | 1.1.1.Bases of presentation |
| ESRS 2 | General Disclosures | BP-2 | General basis for preparation of the sustainability statements | 6; 7; 8; 9 (a); 9 (b); 10 (a); 10 (b); 10 (c); 10 (d); 11 (a); 11 (b) i.; 11 (b) ii.; 12; 13 (a); 13 (b); 13 (c); 14 (a); 14 (b); 14 (c); 15; 16; 17 (a); 17 (b); 17 (c); 17 (d); 17 (e) | 1.1.1.Bases of presentation |
| | | | Disclosures in relation to specific circumstances | | |
| | | | Disclosures in relation to specific circumstances – Time horizons | | |
| | | | Disclosures in relation to specific circumstances | | |
| | | | - Value chain estimation | | |
| | | | Disclosures in relation to specific circumstances | | |
| | | | - Sources of estimation and uncertainty of the result | | |
| | | | Disclosures in relation to specific circumstances | | |
| | | | - Changes in preparation or presentation of sustainability information | | |
| | | | Disclosures in relation to specific circumstances | | |
| | | | - Reporting errors in prior periods | | |
| | | | Disclosures in relation to specific circumstances | | |
| | | | - Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements | | |
| | | | - Disclosures in relation to specific circumstances – Incorporation by reference | | |
| | | | - Disclosures in relation to specific circumstances – Use of phase-in provisions under Appendix C of ESRS 1. | | |
| ESRS 2 | General Disclosures | GOV-1 | The role of administrative, management and supervisory bodies | 19; 20 (a); 20 (b); 20 (c); 21 (a); 21 (b); 21 (c); 21 (d); 21 (e); 22 (a); 22 (b); 22 (c) i.; 22 (c) ii.; 22 (c) iii.; 22 (d); 23 (a); 23 (b) | 1.1.2.Governance<br>The role of administrative, management and supervisory bodies |
| ESRS 2 | General Disclosures | GOV-2 | Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies | 24; 25; 26 (a); 26 (b); 26 (c) | 1.1.4.Management of impacts, risks and opportunities |
| ESRS 2 | General Disclosures | GOV-3 | Integration of sustainability-related performance in incentive schemes | 27; 28; 29 (a); 29 (b); 29 (c); 29 (d); 29 (e) | remuneration. Integration of sustainability-related performance in incentive schemes. |
| ESRS 2 | General Disclosures | GOV-4 | Due diligence statement | 30; 31; 32; 33 | Good governance, due diligence statement and business conduct policies. |
| ESRS 2 | General Disclosures | GOV-5 | Risk management and internal controls over sustainability reporting | 34; 35; 36 (a); 36 (b); 36 (c); 36 (d); 36 (e) | Risk management and internal controls over sustainability reporting. |
| ESRS 2 | General Disclosures | SBM-1 | Strategy, business model and value chain | 38; 39; 40 (a) i.; 40 (a) ii.; 40 (a) iii.; 40 (a) iv.; 40 (b); 40 (c); 40 (d) i.; 40 (d) ii.; 40 (d) iii.; 40 (d) iv.; 40 (e); 40 (f); 40 (g); 41; 42 (a) ; 42 (b); 42 (c) | Strategy, business model and value chain. |
| ESRS 2 | General Disclosures | SBM-2 | Interests and views of stakeholders | 43; 44; 45 (a) i.; 45 (a) ii.; 45 (a) iii.; 45 (a) iv.; 45 (a) v.; 45 (b); 45 (c) i.; 45 (c) ii.; 45 (c) iii.; 45 (d) | Interests and views of stakeholders. |
| ESRS 2 | General Disclosures | SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | 46; 47; 48 (a); 48 (b); 48 (c) i.; 48 (c) ii.; 48 (c) iii.; 48 (c) iv.; 48 (d); 48 (e) i.; 48 (e) ii.; 48 (f); 48 (g); 48 (h); 49 | Materially important incidents, risks and opportunities, their interaction with the strategy and business model and current and expected financial effects. |
| ESRS 2 | General Disclosures | IRO-1 | Description of the processes to identify and assess material impacts, risks and opportunities | 51; 52; 53 (a); 53 (b) i.; 53 (b) ii.; 53 (b) iii.; 53 (b) iv.; 53 (c) i.; 53 (c) ii.; 53 (c) iii.; 53 (d); 53 (e); 53 (f); 53 (g); 53 (h) | Information on the materiality assessment process. |
| ESRS 2 | General Disclosures | IRO-2 | Disclosure requirements set out in the ESRS covered by the company's sustainability statement | 54; 55; 56; 57; 58; 59 | Result of the double materiality assessment. |

| | | | | | |
|---|---|---|---|---|---|
| ESRS 2 | General Disclosures | MDR-P | Policies adopted to manage materially important sustainability issues | 63; 64; 65 (a); 65 (b); 65 (c); 65 (d); 65 (e); 65 (f) | Policies related to each of the material issues. |
| | | | | | Climate change |
| | | | | | Pollution. |
| | | | | | Resource use and circular economy. |
| | | | | | Own workforce. |
| ESRS 2 | General Disclosures | MDR-A | Actions and resources in relation to material sustainability matters | 66; 67; 68 (a); 68 (b); 68 (c); 68 (d); 68 (e); 69 (a); 69 (b); 69 (c) | Actions and resources in relation to each of the material matters. Climate change |
| | | | | | Pollution |
| | | | | | Resource use and circular economy |
| | | | | | Own workforce |
| | | | | | Consumers and end-users. |
| ESRS 2 | General Disclosures | MDR-M | Metrics for material sustainability matters | 73; 74; 75; 76; 77 (a); 77 (b); 77 (c); 77 (d) | Metrics for each of the material matters. |
| | | | | | Climate change |
| | | | | | Pollution |
| | | | | | Resource use and circular economy |
| | | | | | Own workforce |
| ESRS 2 | General Disclosures | MDR-T | Monitoring the effectiveness of policies and actions through targets | 78; 79 (a); 79 (b); 79 (c); 79 (d); 79 (e); 80 (a); 80 (b); 80 (c); 80 (d); 80 (e); 80 (f); 80 (g); 80 (h); 80 (i); 80 (j); 81 (a) ; 81 (b) i.; 81 (b) ii. | Consumers and end-users. |
| ESRS E1 | Climate change | GOV-3 | Integration of sustainability-related performance in incentive schemes | 13 | 2.1.2. Governance |
| ESRS E1 | Climate change | E1-1 | Transition plan for climate change mitigation | 14; 15; 16 (a); 16 (b); 16 (c); 16 (d); 16 (e); 16 (f); 16 (g); 16 (h); 16 (i); 16 (j); 17 | 2.1.3. Strategy |
| | | | | | Plan de transición para la mitigación del cambio climático. |
| ESRS E1 | Climate change | SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | 18; 19 (a); 19 (b); 19 (c) | 2.2.1. Management of impacts, risks and opportunities |
| ESRS E1 | Climate change | IRO-1 | Description of the processes to identify and assess material climate-related impacts, risks and opportunities | 20 (a); 20 (b) i.; 20 (b) ii.; 20 (c) i.; 20 (c) ii.; 21 | 2.1.4. Management of impacts, risks and opportunities |
| ESRS E1 | Climate change | E1-2 | Policies related to climate change mitigation and adaptation | 22; 23; 24; 25 (a); 25 (b); 25 (c); 25 (d); 25 (e) | 2.1.4. Management of impacts, risks and opportunities |
| ESRS E1 | Climate change | E1-3 | Actions and resources in relation to climate change policies | 26; 27; 28; 29 (a); 29 (b); 29 (c) i.; 29 (c) ii.; 29 (c) iii. | 2.1.4. Management of impacts, risks and opportunities |
| ESRS E1 | Climate change | E1-4 | Targets related to climate change mitigation and adaptation | 30; 31; 32; 33; 34 (a); 34 (b); 34 (c); 34 (d); 34 (e); 34 (f) | 2.1.5. Metrics and targets |
| ESRS E1 | Climate change | E1-5 | Energy consumption and mix | 35; 36; 37 (a); 37 (b); 37 (c) i.; 37 (c) ii.; 37 (c) iii.; 38 (a); 38 (b); 38 (c); 38 (d); 38 (e); 39; 40; 41; 42; 43 | 2.1.5. Metrics and targets |
| | | | Energy consumption and mix - Energy intensity based on net revenue | | |
| ESRS E1 | Climate change | E1-6 | Gross Scope 1, 2 and 3 GHG emissions and total GHG emissions | 44 (a); 44 (b); 44 (c); 44 (d); 45 (a); 45 (b); 45 (c); 45 (d); 46; 47; 48 (a); 48 (b); 49 (a); 49 (b); 50 (a); 50 (b); 51; 52 (a); 52 (b); 53; 54; 55 | 2.1.5. Metrics and targets |
| | | | GHG intensity based on net revenue | | |
| ESRS E1 | Climate change | E1-7 | GHG removals and GHG mitigation projects financed through carbon credits | 56 (a); 56 (b); 57 (a); 57 (b); 58 (a); 58 (b); 59 (a); 59 (b); 60; 61 (a); 61 (b); 61 (c) | 2.1.5. Metrics and targets |
| ESRS E1 | Climate change | E1-8 | Internal carbon pricing | 62; 63 (a); 63 (b); 63 (c); 63 (d) | 2.1.5. Metrics and targets |
| ESRS E1 | Climate change | E1-9 | Anticipated financial effects from material physical and transition risks and potential climate-related opportunities | 64 (a); 64 (b); 64 (c); 65 (a); 65 (b); 66 (a); 66 (b); 66 (c); 66 (d); 67 (a); 67 (b); 67 (c); 67 (d); 67 (e); 68 (a); 68 (b); 69 (a); 69 (b); 70 | 2.2.2. Metrics and targets |
| ESRS E2 | Pollution | IRO-1 | Description of the processes to identify and assess material pollution-related impacts, risks and opportunities | 11 (a); 11 (b) | 2.2.1. Management of impacts, risks and opportunities |
| ESRS E2 | Pollution | E2-1 | Pollution-related policies | 12; 13; 14; 15 (a); 15 (b); 15 (c) | 2.2.1. Management of impacts, risks and opportunities |
| ESRS E2 | Pollution | E2-2 | Pollution-related actions and resources | 16; 17; 18; 19 (a); 19 (b); 19 (c) | 2.2.1. Management of impacts, risks and opportunities |

| | | | | | |
|---|---|---|---|---|---|
| ESRS E2 | Pollution | E2-3 | Targets related to pollution | 20; 21; 22; 23 (a); 23 (b); 23 (c); 23 (d); 24 (a); 24 (b); 24 (c); 25 | 2.2.2. Metrics and targets |
| ESRS E2 | Pollution | E2-4 | Pollution of air, water and soil | 26; 27; 28 (a); 28 (b); 29; 30 (a); 30 (b); 30 (c); 31 | 2.2.2. Metrics and targets |
| ESRS E2 | Pollution | E2-5 | Substances of concern and substances of very high concern | 32; 33; 34; 35 | 2.2.2. Metrics and targets |
| ESRS E2 | Pollution | E2-6 | Anticipated financial effects from material pollution-related risks and opportunities | 36; 37; 38 (a); 38 (b); 39 (a); 39 (b); 39 (c); 40 (a); 40 (b); 40 (c); 41 | 2.2.2. Metrics and targets |
| ESRS E5 | Circular economy | IRO-1 | Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities | 11 (a); 11 (b) | 2.3.1.Management of impacts, risks and opportunities |
| ESRS E5 | Circular economy | E5-1 | Policies related to resource use and circular economy | 12; 13; 14; 15 (a); 15 (b); 16 | 2.3.1.Management of impacts, risks and opportunities |
| ESRS E5 | Circular economy | E5-2 | Actions and resources related to resource use and circular economy | 17; 18; 19; 20 (a); 20 (b); 20 (c); 20 (d); 20 (e); 20 (f) | 2.3.1.Management of impacts, risks and opportunities |
| ESRS E5 | Circular economy | E5-3 | Targets related to resource use and the circular economy | 21; 22; 23; 24 (a); 24 (b); 24 (c); 24 (d); 24 (e); 24 (f); 25; 26 (a); 26 (b); 26 (c); 27 | 2.3.2. Parámetros y metas |
| ESRS E5 | Circular economy | E5-4 | Resource inflows | 28; 29; 30; 31 (a); 31 (b); 31 (c); 32 | 2.3.2. Metrics and targets |
| ESRS E5 | Circular economy | E5-5 | Resource outflows | 33; 34 (a); 34 (b); 35; 36 (a); 36 (b); 36 (c); 37 (a); 37 (b) i; 37 (b) ii; 37 (b) iii; 37 (c) i; 37 (c) ii; 37 (c) iii; 37 (d); 38 (a); 38 (b); 39; 40 | 2.3.2. Metrics and targets |
| | | | Resource outflows - Products & Materials | | |
| | | | Resource outflows - Waste | | |
| ESRS E5 | Circular economy | E5-6 | Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities | 41; 42 (a); 42 (b); 43 (a); 43 (b); 43 (c) | 2.3.1.Management of impacts, risks and opportunities |
| ESRS S1 | Own workforce | SBM-2 | Interests and views of stakeholders | 12 | 3.1.2. Management of impacts, risks and opportunities |
| ESRS S1 | Own workforce | SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | 13 (a); 13 (b); 14 (a); 14 (b); 14 (c); 14 (d); 14 (e); 14 (f) i.; 14 (f) ii.; 14 (g) i.; 14 (g) ii.; 15; 16 | 3.1.1. Strategy |
| ESRS S1 | Own workforce | S1-1 | Policies related to own workforce | 17; 18; 19; 20 (a); 20 (b); 20 (c); 21; 22; 23; 24 (a); 24 (b); 24 (c); 24 (d) | 3.1.2. Management of impacts, risks and opportunities |
| ESRS S1 | Own workforce | S1-2 | Processes for engaging with own workforce and workers' representatives about impacts | 25; 26; 27 (a); 27 (b); 27 (c); 27 (d); 27 (e); 28; 29 | 3.1.2. Management of impacts, risks and opportunities |
| ESRS S1 | Own workforce | S1-3 | Processes to remediate negative impacts and channels for own workers to raise concerns | 30; 31; 32 (a); 32 (b); 32 (c); 32 (d); 32 (e); 33; 34 | 3.1.2. Management of impacts, risks and opportunities |
| ESRS S1 | Own workforce | S1-4 | Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions | 35; 36 (a); 36 (b); 37; 38 (a); 38 (b); 38 (c); 38 (d); 39; 40 (a); 40 (b); 41; 42; 43 | 3.1.2. Management of impacts, risks and opportunities |
| ESRS S1 | Own workforce | S1-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | 44 (a); 44 (b); 44 (c); 45; 46; 47 (a); 47 (b); 47 (c) | 3.1.3. Metrics and targets |
| ESRS S1 | Own workforce | S1-6 | Characteristics of the undertaking's employees | 48; 49; 50 (a); 50 (b) i.; 50 (b) ii.; 50 (b) iii.; 50 (c); 50 (d) i.; 50 (d) ii.; 50 (e); 50 (f); 51; 52 (a); 52 (b) | 3.1.3. Metrics and targets |
| ESRS S1 | Own workforce | S1-7 | Characteristics of non-employee workers in the undertaking's own workforce | 53; 54; 55 (a); 55 (b) i.; 55 (b) ii.; 55 (c); 56; 57 | 3.1.3. Metrics and targets |
| ESRS S1 | Own workforce | S1-8 | Collective bargaining coverage and social dialogue | 58; 59; 60 (a); 60 (b); 60 (c); 61; 62; 63 (a); 63 (b) | 3.1.3. Metrics and targets |
| ESRS S1 | Own workforce | S1-9 | Diversity metrics | 64; 65; 66 (a); 66 (b) | 3.1.3. Metrics and targets |
| ESRS S1 | Own workforce | S1-10 | Adequate wages | 67; 68; 69; 70; 71 | 3.1.3. Metrics and targets |
| ESRS S1 | Own workforce | S1-11 | Social protection | 72; 73; 74 (a); 74 (b); 74 (c); 74 (d); 74 (e); 75; 76 | 3.1.3. Metrics and targets |
| ESRS S1 | Own workforce | S1-12 | Persons with disabilities | 77; 78; 79; 80 | 3.1.3. Metrics and targets |
| ESRS S1 | Own workforce | S1-13 | Training and skills development metrics | 81; 82; 83 (a); 83 (b); 84; 85 | 3.1.3. Metrics and targets |
| ESRS S1 | Own workforce | S1-14 | Health and safety metrics | 86; 87; 88 (a); 88 (b); 88 (c); 88 (d); 88 (e); 89; 90 | 3.1.3. Metrics and targets |
| ESRS S1 | Own workforce | S1-15 | Work-life balance metrics | 91; 92; 93 (a); 93 (b); 94 | 3.1.3. Metrics and targets |
| ESRS S1 | Own workforce | S1-16 | Compensation metrics (pay gap and total compensation) | 95; 96; 97 (a); 97 (b); 97 (c); 98; 99 | 3.1.3. Metrics and targets |

| | | | | | |
|---|---|---|---|---|---|
| ESRS S1 | Own workforce | S1-17 | Incidents, complaints and severe human rights impacts | 100; 101; 102; 103 (a); 103 (b); 103 (c); 103 (d); 104 (a); 104 (b) | 3.1.3. Metrics and targets |
| ESRS S4 | Consumers and end-users | SBM-2 | Interests and views of stakeholders | 8 | 3.2.1. Strategy |
| ESRS S4 | Consumers and end-users | SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | 9 (a); 9 (b); 10 (a) i.; 10 (a) ii.; 10 (a) iii.; 10 (a) iv.; 10 (b); 10 (c); 10 (d); 11; 12 | 3.2.1. Strategy |
| ESRS S4 | Consumers and end-users | S4-1 | Policies related to consumers and end-users | 13; 14; 15; 16 (a); 16 (b); 16 (c); 17 | 3.2.2. Management of impacts, risks and opportunities |
| ESRS S4 | Consumers and end-users | S4-2 | Processes for engaging with consumers and end-users about impacts | 18; 19; 20 (a); 20 (b); 20 (c); 20 (d); 21; 22 | 3.2.2. Management of impacts, risks and opportunities |
| ESRS S4 | Consumers and end-users | S4-3 | Processes to remediate negative impacts and channels for consumers and end-users to raise concerns | 23; 24; 25 (a); 25 (b); 25 (c); 25 (d); 26; 27 | 3.2.2. Management of impacts, risks and opportunities |
| ESRS S4 | Consumers and end-users | S4-4 | Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions | 28; 29 (a); 29 (b); 30; 31 (a); 31 (b); 31 (c); 31 (d); 32 (a); 32 (b); 32 (c); 33 (a); 33 (b); 34; 35; 36; 37 | 3.2.2. Management of impacts, risks and opportunities |
| ESRS S4 | Consumers and end-users | S4-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | 38 (a); 38 (b); 38 (c); 39; 40; 41 (a); 41 (b); 41 (c) | 3.2.3. Metrics and targets |
| ESRS G1 | Business conduct | GOV-1 | The role of administrative, management and supervisory bodies | 5 (a); 5 (b) | 1.1.2. Governance |
| ESRS G1 | Business conduct | IRO-1 | Description of the processes to identify and assess material impacts, risks and opportunities | 6 | 4.1.2. Management of impacts, risks and opportunities |
| ESRS G1 | Business conduct | G1-1 | Corporate culture and business conduct policies | 7; 8; 9; 10 (a); 10 (b); 10 (c) i.; 10 (c) ii.; 10 (d); 10 (e); 10 (f); 10 (g); 10 (h); 11 | 4.1.2. Management of impacts, risks and opportunities |
| ESRS G1 | Business conduct | G1-2 | Management of relationships with suppliers | 12; 13; 14; 15 (a); 15 (b) | 4.1.2. Management of impacts, risks and opportunities |
| ESRS G1 | Business conduct | G1-3 | Prevention and detection of corruption and bribery | 16; 17; 18 (a); 18 (b); 18 (c); 19; 20; 21 (a); 21 (b); 21 (c) | 4.1.2. Management of impacts, risks and opportunities |
| ESRS G1 | Business conduct | G1-4 | Confirmed incidents of corruption or bribery | 22; 23; 24 (a); 24 (b); 25 (a); 25 (b); 25 (c); 25 (d); 26 | 4.1.2. Management of impacts, risks and opportunities |
| ESRS G1 | Business conduct | G1-5 | Political influence and lobbying activities | 27; 28; 29 (a); 29 (b) i.; 29 (b) ii.; 29 (c); 29 (d); 30 | 4.1.2. Management of impacts, risks and opportunities |
| ESRS G1 | Business conduct | G1-6 | Payment practices | 31; 32; 33 (a); 33 (b); 33 (c); 33 (d) | 4.1.2. Management of impacts, risks and opportunities |

## List of data points included in cross-cutting standards and thematic standards derived from other EU legislation

The Sustainability Statement has not taken into account aspects derived from other EU legislation not related to the Group's sector of activity, such as Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (OJ L 317, 9.12.2019, p. 1), Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation, "CRR") (OJ L 176, 27.6.2013, p. 1), Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as references in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1) and (6) Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 with regard to disclosure of information on environmental, social and governance risks (OJ L 324, 19.12.2022, p. 1).

The cross-cutting standards for the material aspects taken into account are the following:

| Disclosure requirement and related data point | Reference to the Regulation on benchmarks (3) | Reference to European Climate Legislation (4) | Reference |
|---|---|---|---|
| ESRS 2 GOV-1 Gender diversity of the board of directors section 21, letter d) | Commission Delegated Regulation (EU) 2020/1816 (5), Annex II | | GOV-1: The role of the administrative, management and supervisory bodies |
| ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 e) | Delegated Regulation (EU) 2020/1816, Annex II | | GOV-1: The role of the administrative, management and supervisory bodies |
| ESRS 2 SBM-1 Participation in activities related to fossil fuels section 40, letter d), subparagraph i) | Delegated Regulation (EU) 2020/1816, Annex II | | SBM-1: Strategy, business model and value chain |
| ESRS 2 SBM-1 Participation in activities related to the production of chemical substances section 40, letter d), subparagraph ii) | Delegated Regulation (EU) 2020/1816, Annex II | | SBM-1: Strategy, business model and value chain |
| ESRS 2 SBM-1 Participation in activities related to controversial weapons section 40(d)(iii) | Delegated Regulation (EU) 2020/1818 (7), Article 12, paragraph 1 Delegated Regulation (EU) 2020/1816, Annex II | | SBM-1: Strategy, business model and value chain |
| ESRS 2 SBM-1 Participation in activities related to the cultivation and production of tobacco section 40, letter d), subparagraph iv) | Delegated Regulation (EU) 2020/1818, Article 12, paragraph 1 Delegated Regulation (EU) 2020/1816, Annex II | | SBM-1: Strategy, business model and value chain |
| ESRS E1-1 Transition plan to achieve climate neutrality by 2050 section 14 | | Regulation (EU)- 2021/1119, Article 2, paragraph 1 | E1-1: Transition plan for climate change mitigation |
| ESRS E1-1 Companies excluded from the benchmarks harmonized with the Paris Agreement section 16, letter g) | Delegated Regulation (EU) 2020/1818, Article 12(1)(d) to (g) and Article 12(2) | | E1-1: Transition plan for climate change mitigation |
| ESRS E1-4 GHG Emission Reduction Targets Section 34 | Delegated Regulation (EU) 2020/1818, Article 6 | | E1-4: Targets related to climate change mitigation and adaptation |
| ESRS E1-6 Gross GHG emissions of scope 1, 2 and 3 and total GHG emissions section 44 | Delegated Regulation (EU) 2020/1818, Article 5(1) and Articles 6 and 8(1) | | E1-6: Gross GHG emissions of scope 1, 2 and 3 and total GHG emissions |
| ESRS E1-6 Gross GHG emissions intensity sections 53 to 55 | Delegated Regulation (EU) 2020/1818, Article 8, paragraph 1 | | E1-6: Gross GHG emissions of scope 1, 2 and 3 and total GHG emissions |
| ESRS E1-7 GHG Removals and Carbon Credits Section 56 | | Regulation (EU)- 2021/1119, Article 2, paragraph 1 | E1-7: GHG removals and GHG mitigation projects financed through carbon credits |
| ESRS S1-1 Due diligence policies regarding matters referred to in fundamental conventions 1 to 8 of the International Labour Organization, paragraph 21 | Delegated Regulation (EU) 2020/1816, Annex II | | S1-1: Policies related to own personnel |
| ESRS S1-14 Number of fatalities and number and rate of occupational accidents section 88, letters b) and c) | Delegated Regulation (EU) 2020/1816, Annex II | | S1-14: Health and safety parameters |
| ESRS S1-16 Gender pay gap, unadjusted, section 97, letter a) | Delegated Regulation (EU) 2020/1816, Annex II | | S1-16: Compensation parameters (wage gap and total compensation) |
| ESRS S1-17. Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 104(a). | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12, paragraph 1 | | S1-17: Incidents, complaints and serious incidents related to human rights |
| ESRS S1-1. Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 19 | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12, paragraph 1 | | S1-1: Policies related to own personnel and MDR-P Good governance, declaration of due diligence and policies business conduct in 1.1.2. Governance |

| | | |
|---|---|---|
| ESRS S4-1 Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 17 | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12, paragraph 1 | S4-1: Policies related to consumers and end users |
| ESRS G1-4 Fines for violating anti-corruption and bribery laws, section 24(a) | Delegated Regulation (EU) 2020/1816, Annex II | G1-4: Goals, Zero cases of corruption or bribery |



# General process for the management of impacts and risks of the Viscofan Group

## ESRS 2 IRO-1 and ESRS 2 GOV-2

Impact and risk management ensures that the desire to create value for our stakeholders is balanced with the risks and impacts associated with business, commercial, operational, labour, financial and social initiatives, as established in the sustainability policy both in the operations themselves and as a result of business operations.

Governance, management and oversight bodies play a critical role in considering impacts, risks and opportunities by overseeing the Beyond25 strategy and Sustainability Action Plan, decisions on major deals and the risk management process. This is carried out on the basis of the specific powers assigned to them, which are detailed at the level of the Board Committees, at the management level and on specific topics in different committees. Its comprehensive approach ensures that the company's strategy is aligned with its objectives and that impacts, risks and opportunities are managed effectively.

The impact and risk management system is the responsibility of the Board of Directors, which delegates its supervision and proper functioning to the Audit Committee. Likewise, the Viscofan Group has different bodies charged with the supervision and control of different risks that could arise in the course of Viscofan's activities with different level of occurrence and materiality:

- Internal audit: Its function is to promote the application of risk management in all activities and to supervise that the relevant risks are adequately identified, assessed, managed and controlled. It has a broad presence on specific committees.
- Ethics and Regulatory Compliance Committee: This is the body responsible for supervising the risks specific to the Group with regard to criminal liability or any other non-compliance, and for assessing, implementing and monitoring the Regulatory Compliance System.
- Global Risk Committee: this is a body whose purpose is to identify and assess the main risks threatening the Viscofan Group, making a deeper analysis of their organisation and recommendations for the actions required to manage the risks within the established margins.
- Credit Risk Committee: It is established as a supervisory and control body for those risks related to customer payment management. The objective of this Committee is to delve into the prevention, monitoring and solution of the risks mentioned, via the creation and implementation of the instruments considered most appropriate at the time.
- Investments Committee: Its main objective is to control and oversee compliance with the Investment Plan approved by the Board of Directors. To achieve this, it meets on a quarterly basis for the purposes of performing periodic follow-up checks on the correct application of approved investments and controlling the efficient use of Group resources and investments.
- Cyber Security Committee: Responsible for defining the Group's strategic cybersecurity objectives, promoting secure information management and guaranteeing the state of protection, as well as regularly monitoring regulatory compliance, projects and risk situations and incidents.
- Executive Sustainability Committee: This is the body responsible for coordinating and supervising the Sustainability Action Plan, the initiatives, work plans and long-term objectives for the same.
- Senior management: Responsible for identifying and assessing the risks and impacts faced by the Group in the course of its activity and taking appropriate measures to prevent their materialisation or, in the event of an occurrence, to reduce or eliminate their impact. Therefore, it plays a fundamental role in designing and implementing control mechanisms and ensuring their fulfilment across the organisation.

In management, Viscofan uses a comprehensive control and management system that is applicable in all companies and is developed in accordance with the basic principles of integration in management, adaptation to changes, transparency and adoption of continuous improvement.

Impacts and potential risks are considered when monitoring and adjusting the company's strategy as a basis for making decisions that strengthen Viscofan's resilience and allow for proactive adaptation to market changes. To this end, Viscofan has an identification, assessment and mitigation system that covers all operational areas based on international reference frameworks and best practices to ensure structured and efficient risk and impact management.

Moreover, the Viscofan Group monitors the values of the risk indicators and the defined thresholds according to their severity and probability, so that when these thresholds were exceeded the required management measures are taken to redirect the risks to the defined tolerance level. Viscofan seeks to reinforce the control system, promoting a solid business model and enabling incidents and risks to be confronted in a controlled manner.

The aim of the risk and impact management policy is to identify and assess events as soon as possible, based on the Code of Conduct, the internal regulations and the strategic plan, to maintain constant contact with stakeholders, and to take adequate measures to reduce them and, in some cases, they can present opportunities.

Management and supervisory bodies also promote a culture of risk management throughout the organisation. Through training and clear policies, they seek to ensure that all people understand the importance of timely risk and impact identification and reporting. In addition, regular audits and compliance reviews are conducted to ensure that risk

control measures are effective and kept up to date. This proactive approach allows Viscofan not only to react to impacts and risks, but also to anticipate possible threats, thus maintaining a position of competitive advantage and ensuring long-term sustainability.

Viscofan has approved a risk management control policy, whose purpose is to set the basic principles and the general action framework to identify, measure, prevent and mitigate risks of all types that may affect the attainment of the strategic objectives. This system includes people and environment.

The system includes the following activities:

a. Identify the main financial and non-financial/ sustainability risks taking into account their impact on the creation of sustainable and shared value for the Viscofan Group's stakeholders within the Strategic Plan in force at any given time and evaluate their probability of occurrence and impact in order to prioritise them accordingly. Based on this, the system also takes account of the connections of impacts and dependencies with risks and opportunities.

b. Determine risk appetite by establishing tolerances and suitably monitor their development with key risk indicators, used as input parameters depending on the risk.

c. Implement a control system integrated into the internal rules and regulations of the Viscofan Group, including the identification and evaluation of the controls and contingency plans necessary to mitigate the impact of the materialisation of risks.

d. Assess the efficiency of the control system and its application, as well as its compliance by all the Viscofan Group employees.

e. Establishing action plans in the event that the occurrence of one of the main risks negatively affects the creation of long-term sustainable value, taking residual risk to an acceptable risk level. As a direct consequence of this reduction in the level of risk, it will be necessary and appropriate to reassess and prioritise these risks, forming a continuous process of risk management.

f. Auditing of the system by the Internal Audit Division.

Viscofan's risk map is defined in accordance with the code of conduct, internal regulations and the current Strategic Plan, which includes different types of risks (market, business, operational, credit, social, environmental, climate change, technological, legal and regulatory), and is presented adopting the COSO methodology, grouping the existing risks in four categories in accordance with the type of objective they affect: strategic, operational, information and compliance.

The information in reference to impact and risk management has been set forth in greater detail in section E) of the Annual Corporate Governance Report. In this section, the Viscofan Group describes the main financial and non-financial risks, the bodies responsible for drawing up and enforcing the financial and non-financial risk management system, the level of tolerance, the risks occurred in the year and the plans to respond to and supervise the main risks.

# 2

# Environmental information



# 2.1. ESRS E1. Climate change

**Viscofan is committed to energy efficiency and global climate protection. We seek to reduce the intensity of our atmospheric emissions by investing in and developing more efficient production technology, increasing the use of renewable energy and leading the change in the industry. We also wish to positively influence the value chain, through sustainable casings that help our customers to reduce their emissions.**

## Current and potential impacts, risks and opportunities

### Negative impacts

- Impact on climate change. Greenhouse gas emissions.

### Opportunities

- Products with a lower carbon footprint.
- Efficiency of production processes.
- Promotion of renewable and sustainable energies.

### Risks

- Shortage of collagen skins. Physical risk – Temperature-related.
- Water scarcity. Physical risk – Water-related.
- Regulatory changes. Transition risk – Policy and Legislation.
- Cost of transition to low-emission technologies. Transition risk – Policy and Legislation.

## Policies and commitments

- Sustainability Policy.
- Climate Change Policy.
- Environmental management system based on ISO 14001.
- ISO 50001 energy efficiency certificates.

## Sustainability objectives

- Net Zero target for Scope 1 and 2 emissions.
- Reducing the intensity of water collection per meter produced.

## Governance

- Board of Directors. Appointments, Remuneration and Sustainability Committee, Audit Committee.
- Executive Sustainability Committee.
- CEO.
- Department of Investor Relations, Communication and Sustainability.
- Operational Sustainability Department.
- Executive Sustainability Subcommittee.

# 2.1.1 Interaction with other ESRS

Although other material aspects of sustainability included in the standard have been excluded on the basis of the double materiality analysis, climate change also has an impact on the ESRS E2 – Pollution with respect to ozone-depleting substances, ESRS E3 – Water resources, ESRS E4 – Biodiversity, as well as ESRS E1 – Own workforce, ESRS E2 – Workers in the value chain, ESRS S3 – Affected communities, and ESRS S4 – Consumers and end-users.



# 2.1.2. Governance

**ESRS 2 GOV-1 and ESRS 2 GOV-3**

Climate change is a significant aspect identified in the materiality analysis and, as such, is included in the Group's operating management processes. It is an essential part of our risk mitigation in our Sustainability Action Plan. See ESRS 2 section General Disclosures – 1.1.2. Governance.

In this context, the remuneration systems for members of the Board of Directors and employees are aligned with the Beyond25 strategy and include non-financial objectives related to sustainability, given its importance as one of the four strategic pillars. Climate change indicators as a material aspect are integrated into our short- and long-term incentives. See in the ESRS 2 section General Disclosures – 1.1.2. Governance.

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# 2.1.3. Strategy

## Transition plan for climate change mitigation

### ESRS E1-1

Having met the 2030 target of a 30% reduction in the intensity of scope 1 and 2 emissions on metres of extruded casings by 2023, the Executive Sustainability Committee has drawn up a climate transition plan within its Sustainability Action Plan. The transition plan has been approved by the Board of Directors at its December 2024 meeting.

Viscofan has set climate objectives in line with the provisions of the Paris Agreement with the aim of making our business model compatible with the transition to a sustainable economy, and with the limitation of global warming to 1.5°C that seeks a significant reduction in direct and indirect emissions.

This plan is part of Viscofan Group's Sustainability Action Plan, 2022-2025, in accordance with the Beyond25 strategy. Since climate change is a material element for Viscofan, we are seeking to combine the decarbonisation of operations with energy diversification by reducing dependence on fossil fuels such as natural gas.

Our ambition is to reach net zero greenhouse gas emissions by 2050 with a roadmap based on an intermediate target of 45%-50% absolute reduction of direct emissions (scope 1) and emissions derived from electricity consumption (scope 2 – market-based) by 2030 (absolute terms) compared to the 2018 baseline. In terms of scope 3 emissions, this metric is being reported for the first time this year, and therefore no specific initiatives or plans for improvement have been established. This line of work will be addressed by the different bodies in the 2025 financial year.

The target for scope 1 and 2 emissions uses the 2018 emissions figure as a reference (the base year for all other sustainability targets).

Viscofan's Net Zero Plan is based on five strategic axes:

- Promotion and investment in equipment for the use of green hydrogen and biofuels, biomass.
- Electrification of operations.
- Promotion of electricity sourcing from renewable sources.
- Implementation of energy efficiency measures.
- Remuneration incentives linked to decarbonisation.

The Net Zero plan does not allow for changes in Viscofan's product portfolio, or the adoption of new technologies in operations or in the value chain, with the exception of those necessary for the production, distribution and use of renewable energy and energy efficiency measures.

The investments associated with this plan until 2030 have been estimated at €14.5 million, including electric boilers and biomass and energy efficiency measures in production facilities. The investments already made until 2024 (59%) and the remaining estimated investments will be financed with Viscofan's own resources. These investments do not represent a relevant part of Viscofan's total asset base and have not been identified as a CapEx plan in accordance with the requirements of Commission Delegated Regulation (EU) 2021/2139. Note 25 reports the investments and expenses associated with the environment and climate change for the year, including those under the Net Zero plan.

As for the decarbonisation levers, we expect to achieve a 45% to 50% reduction in scope 1 and 2 GHG emissions by 2030 compared to 2018, based on projects already carried out and underway; in the case of green hydrogen and other biofuels, this will depend on their availability at a competitive cost. From 2030, concrete measures will be defined according to the available technologies and the expected progress. Reduction initiatives and targets in absolute terms are considered possible as long as there is technological availability of hydrogen (fundamentally), biogas or other synthetic fuels that do not involve the emission of greenhouse gases. The plan does not provide for locked-in GHG emissions.

In addition, within Viscofan's activities, and with the cogeneration plant installed in Cáseda (Spain), we sell to third parties the electricity that the Group does not use in the casing production process. This electricity sales activity is included in Annexes 1 and 2 of the Regulation as an eligible activity in the climate change mitigation and adaptation objectives. It represents 4% of Viscofan Group's net turnover, lower than the criterion established in Article 12(1)(d) to (g) and Article 12(2) of Commission Delegated Regulation (EU) 2020/1818 (Regulation on climate transition benchmarks), so that Viscofan is not excluded from the EU benchmarks aligned with the Paris Agreement.

This plant has three cogeneration engines with the capacity to use green hydrogen as fuel. This renewable energy source is expected to be used in 2030. No relevant investments have been made in cogeneration activity during the 2024 financial year (see point 2.4. of the EU Taxonomy) nor are they foreseen in the Net Zero Plan.

At the end of 2024, the Group's scope 1 and 2 GHG emissions (market-based) amounted to 403,064 tonnes, -25.7% compared to 2018, mainly due to the purchase of electricity from renewable sources and, to a lesser extent, to the installation of solar panels and energy efficiency measures. Likewise, in 2024, scope 1 GHG emissions in Spain went down due to lower electricity production in the cogeneration plant.

### Viscofan's exposure to gas-related activities covered by Delegated Regulations on climate change adaptation or climate change mitigation under the Taxonomy Regulation

See point 2.4. European taxonomy for environmentally sustainable economic activities

# Material impacts, risks and opportunities, their interaction with the strategy and business model and current and anticipated financial effects

**ESRS 2 SBM-3, ESRS E1-9 (phased in)**

Below are the main IROs, their classification by category and their description, as well as their interaction with Viscofan's business, strategy and financial planning in accordance with disclosure requirement SBM-3 of ESRS 2.

## Risks identified

### 1. Shortage of collagen skins. Physical risk – Temperature-related

***Description:***

The physical consequences of global warming or climate change regulation itself may lead to higher prices for raw materials, affecting the company's procurement, transport and distribution worldwide. Increases in the price of raw materials may be caused by their reduced access or availability, or by their carbon footprint.

In the particular case of Viscofan, the main risk is caused by a lower availability of collagen skins of cow origin. Viscofan has a diversified supply of this raw material on different continents and although it is a global risk, it may have a greater impact on certain geographical areas based on scenario analysis.

Specifically, according to IPCC reports and other academic studies, the increase in global temperature can put greater stress on livestock. The cumulative effects of productivity shocks are expected to translate globally into 7-10% decreases in livestock numbers by 2050 if ~2°C warming materialises (Boone et al., 2018), leading to lower raw material availability in different geographical areas where Viscofan purchases collagen skins. At temperatures above 30°C, animals eat 3-5% less per additional degree of temperature, which reduces their productivity and fertility. These climate change consequences may lead to a lower availability of collagen leather and so to increases in its price.

***Interaction with the strategy and response plan:***

- Viscofan has mitigation tools to compensate for the increase in raw material prices:
- Passing on cost inflation through higher selling prices to customers.
- Specific R&D projects and production trials encouraging diversification of sources of supply and suppliers.
- Investment and development of more efficient and less wasteful production processes.

***Potential impact***

To calculate the potential impact of this risk, we have used the IPCC CR scenarios and academic studies, estimating in 2050 -10% lower availability of collagen skins in a Neutrality Scenario (≤2º) and -20% in an accelerated warming scenario (≥4º). Thus, the potential impact for Viscofan in that year has been studied through the equivalent in terms of reduced sales in collagen casings associated with the lower availability of this raw material.

During 2024, there have been no situations of lack of availability of collagen skins that result in increased prices of raw material.

## 2. Drought. Physical risk – Water-related

***Description:***

The increase in the planet's average temperatures can increase the risk of water stress, causing a lack of supply at production plants. Water is essential for the viability of Viscofan's production plants, requiring water collection for different phases of the process, mainly for casing cleaning, cooling, steam production and moistening of casings.

According to the World Resources Institute (WRI), Viscofan is present in some countries where water stress is expected to increase compared to current levels. Drought and water scarcity events could lead to restrictions on water use in these areas, directly affecting the company's production chain and resulting in less capacity to meet demand several days a year. The identified sites subject to this analysis are plants located in the United States and Mexico.

***Interaction with the strategy and response plan:***

Within the Sustainability Action Plan, Viscofan is analysing possible scenarios and measures to be implemented faced with this possible long-term risk.

Likewise, the 2030 commitments include reducing the intensity of water collection. To comply with this, Viscofan is developing and investing in technologies that require less water, promoting and studying the viability of reusing water in the production process and investing in the best available water treatment and discharge technologies.

***Potential impact:***

To study the potential impact, the IPCC's SSP scenarios and the World Resources Institute's analysis have been used as a basis. With this, we have analysed the variation in the level of water stress between 2030 and 2040, used as an indicator of possible water rationing problems, under the assumption that the administrations have adequate infrastructures to carry it out in relation to the historical availability of water, but not necessarily with the new availability associated with global warming.

Supply shortages at plants could cause production stoppages and the loss of sales which is difficult to quantify based on the climate scenarios analyzed. Viscofan has contingency plans in place to address this.

In 2024, the Viscofan Group plants have had no water supply problems.

## 3. Regulatory changes. Transition Risk – Policy and Legislation

***Description:***

Viscofan's production process is energy intensive, so legislative proposals related to this resource and aimed at mitigating climate change may have a particular impact on the business. In this regard, Viscofan has identified as a material risk the rise in the prices of GHG emission allowances under the EU Emissions Trading System, and the establishment of this mechanism at a global level.

***Interaction with the strategy and response plan:***

Viscofan has a Net Zero Plan for 2050 with an intermediate target of reducing scope 1 and 2 GHG emissions by between 45% and 50% by 2030 (versus 2018), with defined decarbonisation levers. See details of the plan in section 2.1.3 of this ESRS and the most relevant actions in the year in section 2.1.4. of this ESRS.

***Potential impact***

The increased price of greenhouse gas emissions and the extension of its mechanism worldwide has an impact on the Group's operating costs.

On the TCFD basis, Viscofan has used the IEA Sustainable Scenario and the IEA Current Policies to estimate the potential impacts, with Neutrality (≤2º) and Accelerated Warming (≥4º) scenarios, which establish an increase in the price of CO2 emission allowances between 40% and 210% in 2050 compared to current levels, depending on the scenario.

Viscofan, with Cáseda in Spain and Weinheim in Germany, is subject to the European Union's GHG emission allowance regime called EU-ETS. In the current financial year, expenditure on GHG emission allowances is €17.1 million. This cost has been detailed in note 8 of the Viscofan Group's consolidated financial statements.

### 4. Cost of transitioning to lower-emission technology: Transition risk – Policy and Legislation

***Description:***

Governments have high ambitions to achieve carbon neutrality, and this can lead to the deterioration of existing energy assets and investment in equipment that uses renewable energy sources or generates lower carbon emissions.

If the speed of this transition is faster than the amortisation period of the equipment or requires non-mature energy technologies to be adopted, it can lead to significant associated costs and investments, as well as loss of overall product competitiveness. This is a risk that has been considered globally in all operations where Viscofan is present.

***Interaction with the strategy and response plan:***

Viscofan, as part of its Net Zero Plan, is seeking to invest in energy equipment that uses renewable energies to the extent that the existing ones have reached the end of their useful life, as well as the diversification of energy sources, in order to achieve greater self-consumption. See details of the Net Zero plan in section 2.1.3 and the most relevant actions in the year in section 2.1.4. of this ESRS.

***Potential impact:***

Based on Krishnan et al 2021 estimates, the Net Zero 2050 scenario would require spending on physical assets equivalent to around 7.5% of GDP during the period 2021 to 2050.

For now, in 2024, based on the analysis carried out following the IAE's Net Zero Emissions (NZE) scenario, the transition commitments to low-emission technology of the national governments of the countries in which Viscofan is present have a time horizon longer than the useful life of the energy equipment. Likewise, based on Viscofan's Net Zero Plan approved by the Board of Directors, we foresee no significant investments to achieve the intermediate targets by 2030 or the replacement of existing energy equipment.

## Impacts

### 1. Greenhouse gas emission

Casing production is a continuous and energy-intensive process, mainly due to its drying phase. However, according to the European Union's environmental taxonomy criteria, 96% of Viscofan's turnover has no significant impact on climate change. The only eligible activity is the cogeneration of heat/cold and electricity based on natural gas from the Cáseda plant in Spain, which consists of the sale to third parties of the electricity that the plant does not use in its production process and which represents 4% of the net turnover of Viscofan Group. See details of the net turnover of the Viscofan Group in note 19.1 of the consolidated financial statement.

This cogeneration activity is not aligned and therefore does not make a substantial contribution to climate change mitigation based on the technical requirements established by the Taxonomy Regulation. These requirements set a minimum level of greenhouse gas emissions for a cogeneration activity to be aligned that is technically impossible to achieve with the use of 100% fossil fuel, requiring the blending of non-fossil fuels and the development of new technologies that would allow such consumption.

## Opportunities identified

Viscofan's integral risk management system assesses and monitors the risks and their tendency, taking the necessary management measures which, aside from mitigating the risk, may generate opportunities. The main opportunities identified are described below:

### 1. Products with a lower carbon footprint

For Viscofan, the reduction of GHG emissions represents an opportunity not only to reduce the environmental impact of our operations, but also to offer our customers products with a lower carbon footprint that help them in their challenges in the fight against climate change, which can provide an additional competitive advantage.

### 2. Efficiency of production processes

The reduction in the intensity of use of resources such as energy or water, as well as a reduction in the generation of waste, could lead to savings for Viscofan and represent a competitive improvement compared to other market players that do not adopt this type of strategy. To this end, it is necessary to optimise and improve manufacturing processes, establishing circularity and efficiency measures in terms of water, waste and energy.

### 3. Promotion of renewable and sustainable energies

Viscofan is working to promote the decarbonisation of its processes using green hydrogen as an energy vector. If this technology were available competitively and continuously, it would save $CO_2$ emissions and the cost associated with their emission allowances.

## Resilience analysis

Based on the analysis of climate change risks detailed above, no impairments of current assets have been identified and no significant investments are envisaged to comply with the commitments established in our 2022-2025 Sustainability Action Plan or the interim 2030 commitment of the Net Zero Plan.
With a longer time horizon, Viscofan has not carried out a detailed resilience analysis as established in the ESRS E1 beyond the Net Zero 2050 Plan, which assumes the development of renewable energy production and supply technologies that are currently not available at a competitive cost and which would mitigate the risk of increased cost of GHG emissions, and which may also represent an opportunity to reduce the current cost of GHGs in Europe.

In the case of physical risks (scarcity of collagen skins and water supply) Viscofan has a response plan for anticipation and mitigation, as detailed above. In addition, where necessary, we take appropriate countermeasures or, to the extent possible and economically acceptable, transfer them to third parties (such as insurers). Opportunities and risks are continuously monitored using indicators, so that, for example, changes in the economic or legal environment can be identified at an early stage and, if necessary, appropriate response measures implemented.



# 2.1.4. Impact, risk and opportunity management

## Description of processes for identifying and assessing climate-related impacts, risks and opportunities

### ESRS 2 IRO-1

Viscofan Group's process for determining impacts, risks and opportunities (hereinafter referred to as IROs) has been described in ESRS 2 – General Disclosures, section 1.1.4.

In the particular case of climate change, Viscofan's risk and opportunity management model is based on the COSO ERM and Task force on climate-related disclosures (TCFD) recommendations and on the company's Risk Control and Management Policy, which also takes into account impacts and dependencies.

Viscofan has identified physical and transition risks and transition opportunities, based on the recommendations of TCFD, reference institutions (IEA and IPCC) and the analysis of comparable companies that are in line with the types detailed in points AR 11. and AR 12 of ESRS E1. This identification has been carried out in the operations themselves, and in the value chain.

To determine which risks and opportunities could have a material financial impact on the organisation, the Executive Sustainability Committee has assessed their potential impact, probability and mitigating actions put in place.

Three global warming scenarios have been analysed, one with high emissions that envisages greater climate-related hazards (4.0ºC), one in line with the limitation of global warming (1.5ºC) and another intermediate (2.4ºC) and with different time horizons for materialisation:

- Current or already materialised: materialisation in the 2024 financial year, the reporting year in the financial statements.
- Near or medium-term future: materialisation in the next five years, applicable for all scenarios that offer projections to 2030.
- Long-term future: materialisation in a period of more than 5 years, applicable for all scenarios that offer projections to 2040 or later.

For material physical risks, a scenario analysis has been carried out based on specific hypotheses about the external conditions that have led to the materialisation of a specific situation and that may lead to a climate-related hazard, especially in a higher temperature (4.0ºC), supported by third-party scientific studies based on relevant climate data, and historical trends. This analysis considers the sites in which Viscofan is present and the dependence on raw materials that could be affected by a climate-related event. See description of these in section 2.1.3. of this ESRS.

In transition risks and opportunities, the main focus of the assessment is on possible events in a scenario in line with the limitation of global warming to 1.5ºC based on third-party studies on policies, costs and investments and consumption habits in a world adapted to this situation.

In order to identify, quantify and assess the impact of its activity on climate change, Viscofan has worked from the European Union's environmental taxonomy criteria. Considering them, the natural gas-based cogeneration of heat/cold and electricity at the Cáseda plant in Spain has a negative impact on climate change. This activity is included in Viscofan's Net Zero Plan described above.

# Policies related to climate change mitigation and adaptation

## ESRS E1-2, ESRS 2 MDR-P

### Key content and principles

Within the framework of the General Sustainability Policy and in line with the Sustainable Development Goals (SDGs), Viscofan has a climate change policy approved by the Board of Directors in December 2020 in order to establish its commitment to the control of atmospheric emissions, energy efficiency, as well as a business strategy related to the development of alternative energy sources. This policy addresses climate change mitigation and adaptation.

This policy is available on Viscofan's website in the section on Corporate Governance – Regulations and Policies.

This policy establishes the following basic principles and commitments:

a) To gradually reduce the intensity of greenhouse gas emissions by setting quantifiable and measurable targets.

b) To incorporate the climate change variable into internal decision-making and investment processes, as well as into long-term risk analysis and management processes.

c) To seek innovative advances in product design that contribute to providing sustainable solutions, in particular in the use of alternative renewable energy sources.

d) To implement certified environmental management systems.

e) To introduce circular economy criteria in the company's activities.

f) To foment and adopt energy saving and efficiency measures.

g) To promote initiatives to raise awareness among employees and external stakeholders of the fight against climate change aimed at consolidating a culture of efficient and responsible use of energy and resources within the group.

h) To promote agreements and programmes with other stakeholders in order to capitalise on the group's expertise and resources to solve climate-related problems and generate social value.

i) To report in a transparent way on significant results and actions in the fight against climate change.

### Scope of the policy

This policy applies to all companies in the Viscofan Group and binds all its staff, regardless of the position and function they perform.

Additionally, the policy sets forth that Viscofan will foster the application of the Policy's principles and provisions with any natural and/or legal person linked to Viscofan by a relationship other than an employment relationship where it is possible and appropriate for them to follow principles and guidelines consistent with those set out in this Policy and other sustainable development policies.

### Monitoring and supervision:

Monitoring of the Policy is the responsibility of the Board of Directors, which will exercise it through the oversight of the Appointments, Remuneration and Sustainability Committee regarding the development and implementation of sustainability policies and strategies, and of the Audit Committee in terms of the integrity of the non-financial information included in the management report, as well as in the supervision of non-financial risks arising from the Group's actions in relation to the Policy. Likewise, the Group has an Executive Sustainability Committee whose tasks include promoting sustainability plans and programmes in the implementation of policies, and an Ethics and Compliance Committee reporting to the Audit Committee which, in addition to ensuring compliance with the Code of Conduct, manages the channel for reporting any offences by employees and other people related to the company.

# Actions and resources in relation to climate change policies

## ESRS E1-3, ESRS 2 MDR-A

Viscofan's commitment to environmental improvement and the fight against climate change is also revealed in its human, operating and financial dimension.

## Management systems

We are working to attain this environmental management ISO 1400 certification at all our production plants. In addition, the plants in Cáseda and Urdiain (Spain), Weinheim (Germany) and Ceske Budejovice (Czech Republic) are certified according to the ISO 50001 standard.

Therefore, they are able to improve their efficiency, energy costs and green greenhouse emissions. As part of its commitment to improve energy management, the Group plans to obtain this certificate for other plants.

The breakdown of the Group's plants with these certificates as at 31 December 2024 is as follows:

| Country | Plant | ISO 14.001 | ISO 50.001 |
|---|---|---|---|
| Spain | Cáseda | Yes | Yes |
| | Urdiain | Yes | Yes |
| Germany | Weinheim | Yes | Yes |
| | Alfhausen | No | No |
| Serbia | Novi Sad | Yes | No |
| Czech Republic | Ceske Budejovice | Yes | Yes |
| Belgium | Hasselt | Yes | No |
| US | Danville | No | No |
| | Montgomery | Yes | No |
| | New Jersey | Yes | No |
| Mexico | Zacapu | Yes | No |
| | San Luis Potosi | Yes | No |
| Brazil | Itu | Yes | No |
| | Matarazzo | Yes | No |
| Uruguay | Pando | Yes | No |
| China | Suzhou (2 plants) | Yes | No |
| Australia | Sidney | Yes | No |

## Resources for energy efficiency and the fight against climate change

The reduction in energy consumption with new technologies and the availability of renewable energy sources are essential aspects of Viscofan's commitment to contributing to protection against climate change and entail the implementation of projects and investments.

Based on this, the CapEx allocated to projects aimed at the fight against climate change and energy efficiency in the 2024 financial year amounts to €7.4 million. The investments have been identified in the list of additions to property, plant and equipment and intangible assets of the Viscofan Group (see notes 5 and 6 to the consolidated financial statements).

Of these, the following should be highlighted:

- The investment in Cáseda for the installation and commissioning in 2025 of a biomass boiler that will allow us to reduce $CO_2$ emissions and harness cellulose casing waste. We estimate emission savings of 9,000 tonnes equivalent per year.
- The installation of electric boilers in Cáseda with the aim of replacing part of the plant's energy needs (currently met with natural gas) with electricity from renewable sources thanks to an agreement to supply photovoltaic electricity through the construction by a third party of a solar park adjacent to the factory. We estimate emission savings of 30,000 tonnes equivalent per year.
- The investment to start up a GEA heat recovery plant in Brazil in an evaporation plant, a new technology for the reduction of energy consumption compared to the previous technology.
- Energy measurement and control systems have been implemented in various Group sites to achieve greater control, use and efficiency in the energy sources of the production process.

These investments have been financed with the cash generation from the business, although Viscofan has financing with sustainable criteria that, not being particularly attached to the aforementioned projects, contribute to Viscofan's sustainable performance. See note 15 of the consolidated financial statements.

And see section 2.4. European taxonomy of environmentally sustainable economic activities in which Viscofan reports the key performance indicators under Commission Delegated Regulation (EU) 2021/2178.

In addition, within the framework of the climate strategy, Viscofan does not plan to sell key assets or products during their useful life, which result in locked-in GHG emissions.

## Environmental training

Being more sustainable and reducing our impact on the environment is a commitment for all of us. In addition to allocating financial resources, measures are also promoted to further the Group's values and commitments with regard to environmental management among employees, with training courses standing as an essential element of the management approach.

It is worth noting the internal training carried out for people involved in reporting information and in EU Delegated Regulation 2023/2772 on sustainability reporting.



# 2.1.5. Metrics and targets

## Targets related to climate change mitigation and adaptation

### ESRS E1-4, ESRS 2 MDR-T

#### Viscofan's Net Zero emissions target

In 2024, Viscofan has set a Net Zero emissions reduction target. The Executive Sustainability Committee has made this target compatible with the Paris Agreement and therefore with the limitation of global warming to 1.5°C. This Net Zero target has been approved by Viscofan's Board of Directors at its December 2024 meeting.

A path with intermediate milestones has been established, namely an aggregate reduction by 2030 of more than 50% of scope 1 and 2 GHG emissions compared to 2018. For scope 1 emissions, a reduction of 29% is expected by 2030 vs. 2018 and for scope 2 emissions a reduction of 99% in the same period.

Likewise, the Net Zero target has been set for 2050. This target does not take into account carbon credits or avoided emissions.

The target was set on the basis of 2018, as it was the reference year used for the sustainability objectives and from which Viscofan's first Sustainability Action Plan was established. At the moment, a future update plan for the base year has not been established.

In the case of scope 1 and 2 emissions, the target is for all the Viscofan Group's production plants. The market-based approach has been chosen in setting targets for the calculation of scope 2 emissions.

In terms of scope 3 emissions, 2024 is the first year when this metric is calculated, and therefore no specific initiatives or improvement plans have been drawn up. This line of work will be addressed by the different bodies in the 2025 financial year.

To set the targets, we have used the same climate scenarios as for the risk analysis with a constant scope of companies, greater use of renewable electricity in the world, and greater availability in the supply of renewables at a competitive price. The decarbonisation levers to achieve this target, which include the use of renewable energy and energy efficiency measures, have been described in the subsection Transition Plan for climate change mitigation included in point 2.1.3 of this ESRS.

Based on these, Viscofan's Net Zero goal is broken down as follows:

| In tonnes of CO2eq | Base year 2018 | Reached 2024 | Target for 2030 | Target until 2050 |
|---|---|---|---|---|
| **GHG emissions** | **542,266** | **403,064** | **271,134** | **54,266** |
| Use of renewable energy | 0 | -61,199 | -128,630 | -216,868 |
| Energy efficiency and reduced consumption | 0 | -2,500 | -2,600 | 0 |
| Fuel substitution | 0 | 0 | -700 | 0 |
| Electrification | 0 | 0 | 0 | 0 |
| Material efficiency and reduced consumption | 0 | 0 | 0 | 0 |
| Product phase-out, replacement or modification | 0 | 0 | 0 | 0 |
| Process phase-out, replacement or modification | 0 | 0 | 0 | 0 |
| Other | 0 | -75,503 | 0 | 0 |

No specific objectives have been established in relation to renewable energy, energy efficiency, which are included in Viscofan's Net Zero Plan, nor specific objectives for adaptation to climate change.

## Cogeneration activity

Cogeneration activity consists of the sale to third parties of the electricity that the Group does not use in the production process of its main activity. It is included in Annexes 1 and 2 of the Regulation as an eligible activity with respect to the objectives of climate change mitigation and adaptation to climate change. The CapEx of this activity in the year is not material, at less than 3% of the Group's total investments. See section 2.4 European taxonomy of environmentally sustainable economic activities of this sustainability report.

Sales of cogeneration energy account for 4% of the Group's net turnover, which means that Viscofan is not excluded from the EU benchmarks aligned with the Paris Agreement, in accordance with the exclusion criteria set out in Article 12(1)(d) to (g) and Article 12(2) of Commission Delegated Regulation (EU) 2020/1818 (Regulation on climate transition benchmarks).

## Target for the reduction of water withdrawal intensity

The United Nations Global Compact, of which Viscofan is a signatory member, is committed to SDG 6. Clean water and sanitation. Viscofan has made a voluntary commitment based on the Environmental Policy and within the framework of the Sustainability Action Plan, establishing a target for reducing intensity.

This target is based on a 10% reduction in the intensity of water withdrawal over metres of extruded casings by 2030.

With this target, Viscofan seeks to reduce the risk of climate change in water and improve efficiency in the use of this resource.

The levers to achieve the target are:

- Development and investment in production technologies with a lower need for water, mainly in process phases that involve washing the casings.
- Efficiency measures in the use of this resource.
- Reuse as far as possible of the water from the production process.

To establish the target, we have forecast an increase in production for the denominator, the extruded meters, based on the greater demand for casings foreseen in the Beyond25 strategic plan and the historical growth of the market from 2% to 4% in volumes.

This target has no intermediate milestones, and no ecological thresholds, entity-specific allocations and conclusive scientific evidence have been considered when setting it.

The target was set on the basis of 2018, as it was the reference year used for the sustainability objectives and from which Viscofan's first Sustainability Action Plan was established. The target's scope is all the production plants of the Viscofan Group.

The Executive Sustainability Committee monitors performance against this target on a quarterly basis, identifying catalysts for variances. This Committee also reports regularly to the Board of Directors' Appointments, Remuneration and Sustainability Committee.

The variations in the ratio on a baseline of 100 for 2018 are as follows:

| **Base 100 year 2018** | **2030 Commitment** | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|---|---|---|
| Water withdrawal in m3 / Extruded metres | **90** | 87 | 86 | 89 | 95 | 100 | 101 | 100 |

# Energy consumption and mix

## ESRS E1-5

The internal energy consumption expressed in MWh is the following:

| In MWh | 2024 | 2023 |
|---|---|---|
| 1) Fuel consumption from coal and its derivatives | 0 | 0 |
| 2) Fuel consumption from crude oil and petroleum products | 10,541 | 10,470 |
| 3) Fuel consumption from natural gas | 1,756,590 | 2,001,205 |
| 4) Fuel consumption from other fossil sources | 0 | 0 |
| 5) Consumption of electricity, heat, steam and refrigeration bought or purchased, from fossil sources | 116,686 | 161,786 |
| **6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)** | **1,883,817** | **2,173,461** |
| **Share of fossil sources in total energy consumption (%)** | **86 %** | **91 %** |
| 7) Consumption of electricity, heat, steam and refrigeration bought or purchased, from nuclear sources | 24,374 | n.d. |
| **8) Energy consumption from nuclear sources** | **24,374** | **n.d.** |
| **Share of nuclear sources in total energy consumption (%)** | **1 %** | **n.d.** |
| 9) Fuel consumption by renewable source, such as biomass (which also includes industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.) | 43 | 0 |
| 10) Consumption of electricity, heat, steam and refrigeration bought or purchased, from renewable sources | 279,973 | 218,950 |
| 11) Consumption of self-generated renewable energy that is not used as fuel (MWh) | 1,261 | 707 |
| **12) Total renewable energy consumption (MWh) (calculated as the sum of lines 9 to 11)** | **281,278** | **219,657** |
| **Share of renewable sources in total energy consumption (%)** | **13 %** | **9 %** |
| **Total energy consumption (calculated as the sum of lines 6, 8 and 12)** | **2,189,469** | **2,393,118** |

## Energy production

The Viscofan Group has cogeneration facilities at the Cáseda (Spain) and Weinheim (Germany) plants. This operation allows greater environmental efficiency in casing production as well as cost efficiency since the combustion of natural gas allows thermal and electrical energy to be generated both for self-consumption (Germany and Spain) and for sale to the grid (Spain).

In addition, at the plants in Hasselt (Belgium), Urdiain (Spain) and Suzhou (China), Viscofan has solar panels whose electricity is used to cover part of the energy needs of these plants.

As a result, the breakdown of energy production divided between renewable and non-renewable is as follows:

| In MWh | 2024 | 2023 |
|---|---|---|
| Non-renewable energy production (Cogeneration) | 352,399 | 433,004 |
| Renewable energy production (Solar panels) | 1,261 | 707 |
| **Total energy produced** | **353,660** | **433,711** |

## Activities in sectors with a high climate impact

Based on Sections A, H and L of NACE (as defined in Commission Delegated Regulation (EU) 2022/1288), the Group's activities do not fall within sectors with a high climate impact.

However, due to greater transparency in the information and as an indicator that is used both internally and as sustainability benchmark, Viscofan reports this energy intensity indicator for the entire Group, calculated as total energy consumption over net income (see note 19.1 of the consolidated financial statements):

| Energy intensity MWh/€000 | 2024 | 2023 |
|---|---|---|
| Energy consumption, traditional business (TB) and new business (NB) / TB + NB revenues | 1.2 | 1.3 |
| Energy consumption Cogeneration Spain / Electricity sales revenue Spain | 15.3 | 11.8 |
| **Group energy consumption in MWh / Net income in thousands of euros** | **1.8** | **2.0** |

# Gross Scope 1, 2 and 3 GHG emissions and total GHG emissions

**ESRS E1-6**

## Calculation standard

Scope 1 and 2 emissions are calculated following the criteria defined in the Greenhouse Gas Protocol (GHG Protocol), under the financial control scheme, consolidating as $CO_2e$ the emissions corresponding to all GHGs relevant to the company: CO2, CH4, N2O, HFC and SF6.

The conversion factors used are:

- Scope 1: the GHG Protocol tool "GHG emissions from stationary combustion"
- Scope 2: for location-based emissions established by the Intergovernmental Panel on Climate Change (IPCC) or by the applicable administration. In the case of market-based emissions, a conversion factor requested from the supply company.

In the case of scope 3 emissions, the criteria established in the Corporate Value Chain (Scope 3) Accounting and Reporting Standard of the GHG Protocol have been used.

## Scope 1 and $CO_2$ emissions

These include emissions under the operational control approach and encompass the companies of the consolidated accounting group defined in section 1.1.1 of this report. Viscofan Group does not have minority shareholdings in companies whose net turnover is material, so they have not been taken into account for the calculation.

Viscofan's main activity, casing production, is an on-going process all year round that requires a lot of heat, especially in casing drying processes. The main energy input used in the process is natural gas, electricity and steam. Likewise, in 2024 Viscofan has not had biogenic $CO_2$ emissions from the combustion or biodegradation of biomass, nor reduced its $CO_2e$ with carbon credits.

Viscofan avoids $CO_2$ emissions at its cogeneration plant in Cáseda compared to another equivalent alternative of heating water, producing steam and generating electricity. However, the overall activity of the cogeneration plant, including the production of electricity sold to the grid, entails for the particular case of Viscofan more Scope 1 emissions compared to those theoretically emitted to obtain the cogeneration steam by means of conventional boilers.

It should be noted that the facilities in Cáseda (Spain) and Weinheim (Germany) are subject to the EU Emissions Trading System.

## Scope 3 emissions

For the calculation, Viscofan has examined the total emissions based on the 15 scope categories set forth in the Corporate Value Chain (Scope 3) Accounting and Reporting Standard of the GHG Protocol. The principles of integrity, accuracy, consistency and transparency have been used to determine the significant categories.

Based on this, the following categories of emissions have been excluded:

- Category 6. Business travel: 2.5% of total scope 3 emissions are not included because it is an irrelevant category based on the preliminary analysis carried out with the collaboration of a third party, and for the reduction of which Viscofan may have little influence on third parties; not exceeding 5% of the limit allowed as an exclusion criterion.
- Category 10. Processing of sold products: the casings are used by customers to stuff meat products without generating emissions in their processing. They also represent a small part of the total weight of the final product.
- Category 11. Use of sold products. The use of the products sold by Viscofan does not generate direct emissions.
- Category 13. Upstream leased assets: Viscofan does not own any assets leased to third parties.
- Category 14. Franchises: Viscofan does not have franchises.
- Category 15. Investments: Viscofan does not have any stakes in companies whose net turnover is relevant to the calculation of the Group's scope 3 emissions.

The analysis of scope 3 emissions has not identified biogenic $CO_2$ emissions from the combustion or biodegradation of biomass upstream or downstream of the value chain that are relevant, nor are carbon credits considered.

The following methodology has been used to calculate scope 3 emissions for the significant categories:

- **Category 1. Purchased goods and services:** it includes the emissions associated with the life cycle of all products and services acquired by Viscofan in the reporting year; in the case of raw materials, the primary data is expressed in kg, water in cubic metres ($m^3$) and services in euros.
    - For the purchase data of products by weight in kilogrammes (kg), we have mapped the groups of items in EcoInvent v3.10 looking for the emission factor (kgCO2/kg) that best fits the name of each item. Where there was no specific attributable emission factor, the most general and restrictive factor has been used.

    - For goods and services for which there is no weight data, purchase cost data expressed in euros have been used. We have mapped the groups of items with the emission factor from the Comprehensive Environmental Data Archive (CEDA 6.0.) (kgCO2 /euro) that best fits the name of that item. These emission factors have then been applied to obtain emissions by item group.

- **Category 2. Capital goods:** it includes the emissions associated with the life cycle of the capital goods purchased. Capital goods are final products that have a long useful life and are treated as fixed goods or as property, plant and equipment. The emission factors were taken from the CEDA 6 database that provides emissions per monetary unit of production for different countries.

  We mapped the groups of items with the CEDA emission factor 6.0 (kgCO2/euro) that best fits the name of that item. The most significant investment in the period is the construction of a new Viscofan plant in Thailand. The corresponding CEDA emission factor has been used for all scopes 1+2+3 to take into account the emissions incorporated in the building's raw materials.

- **Category 3. Fuel- and energy-related activities**: it includes emissions associated with the production and distribution of fuels and energy purchased and consumed by Viscofan that have not been considered in Scope 1 and 2. The following activities are included: emissions associated with the extraction, production and transport of fuels consumed by Viscofan; and emissions associated with the extraction, production and transport of fuels consumed in the generation of electricity, steam, heat or cooling consumed by Viscofan, in addition to the losses suffered in such transport.

  The primary data has been the consumption in MWh of the different energy sources used in Viscofan's operations. Emission factors for fixed and mobile combustion were taken from the United Kingdom's 2024 Department of Environment, Food & Rural Affairs (DEFRA), which provides emissions per unit for the country, specifically, DEFRA "Well-to-Tank" (WTT) of the reporting year for each type of fuel; and for electricity, the emission factors from the International Energy Agency (IEA), which establishes two types of emission factors based on the "Well-to-Tank" (WTT) emissions associated with power generation and WTT emissions associated with energy distribution (Transmission & Distribution – T&D) and energy losses in Transmission & Distribution (T&D Loss).

- **Category 4. Upstream transportation and distribution**: as primary data, we have used distances travelled in kilometres, load and type of transport. The emission factors were taken from the DEFRA 2024 database that provides emissions per unit for the country. The calculation method has been based on distance, i.e. determining the mass, distance and mode of each shipment, then applying the appropriate mass-distance emission factor for the vehicle used.

- **Category 5. Waste generated in operations:** it includes emissions associated with the treatment of waste generated by Viscofan's operations, including wastewater. The databases used for the emission factors have been Ecoinvent v.3.10., CEDA 6 Global and the Catalan Office for Climate Change.

- **Category 7. Employee commuting.** Based on the Group's average workforce broken down by geographical location, we used the emission factors from DEFRA 2024, which provides emissions per unit for the country.

  The calculation has used mobility patterns from an internal tool developed by a third party (Ecoact – a company of the Schneider Electric group), based on country-level patterns for each of the geographies in which Viscofan is present. The calculation used the factors and patterns from 2023, the most up-to-date at the time the GHG inventory was carried out.

- Category 8. Upstream leased assets. This category includes emissions associated with the operation of assets that are leased (real estate) by Viscofan and that are not included in the scope 1 and 2 emissions inventory. In these cases, Viscofan acts as a lessee.

  The primary data relates to the surface area of the assets based on the lease contracts, from which the consumption of natural gas and electricity is estimated based on average ratios. To calculate emissions from electricity consumption in leased spaces, IEA country-specific emission factors are used. To calculate the emissions from natural gas consumption in the leased spaces, a unique DEFRA emission factor is used. In both cases, only scope 1 and 2 emissions from leased assets under the GHG Protocol requirements are included. Therefore WTT and T&D-related emissions are not calculated.

- **Category 9. Downstream transportation and distribution.** The primary data is distances travelled in kilometres and the load transported in kg to customer locations.

  The calculation method has been based on distance, i.e. determining the mass, distance and mode of each shipment, then applying the appropriate mass-distance emission factor for the vehicle used. The emission factors used have been taken from the DEFRA database for the corresponding reference year.

- **Category 12. End-of-life treatment of sold goods**. It includes the following:

  - Casings: of the different product families from both Traditional Business and New Business, those that involve disposal and treatment at the end of their useful life are cellulose casings, inedible collagen, fibrous and plastic products. Of these, the group has a large number of references with different sizes, whose detailed information is available in metres. Average reference values for the most relevant product categories have been used for conversion to kilogrammes.

  - Packaging of the products sold which mainly include cardboard caddies, cardboard boxes, films and plastic bags and pallets.

  The weights of waste have been distributed by geographical region according to the amount of products sold in each region. Based on this information, UNEP regional municipal solid waste destinations by continent have been considered to calculate the APAC, EMEA, NAM and SAM regions (respectively, Asia-Pacific, Europe, Middle East and Africa, North and South America). For emission factors, the DEFRA 2024 database was used due to its geographical relevance. In addition, emission factors from the OCCC database have been used to a lesser extent when a relevant emission factor for a specific type of waste has not been found in the DEFRA database.

This is the first year of calculation of scope 3 emissions, and we have sought to use the most up-to-date emission factors possible. For subsequent years, Viscofan plans to monitor the calculation of the categories identified as relevant and the advisability of updating the emission factors. For category 1, work will be done to incorporate emission factors directly from the suppliers of the main raw materials.

## Breakdown of GHG emissions

| | | Past values | | | Milestones and target years | | | |
|---|---|---|---|---|---|---|---|---|
| In tonnes equivalent | Base year | 2023 | 2024 | % var 2024 vs. 2023 | 2025 | 2030 | 2050 | Target % annual / Base Year |
| **Scope 1 GHG emissions** | | | | | | | | |
| **Gross Scope 1 GHG emissions (tCO2eq)** | **378,128** | **393,255** | **349,124** | **-11.2%** | **346,124** | **268,908** | **54,266** | **92.3%** |
| Percentage of scope 1 GHG Emissions from regulated emissions trading schemes (%) | n.a. | 72.4% | 68.4% | -4.0% | n.a. | n.a. | n.a. | n.a. |
| **Scope 2 GHG emissions** | | | | | | | | |
| **Location-based scope 2 gross GHG emissions (tCO2eq)** | **N/A.** | **N/A.** | **67,210** | **N/A.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** |
| **Market-based gross scope 2 GHG emissions (tCO2eq)** | **164,138** | **79,932** | **53,940** | **-32.5%** | **46,940** | **2,225** | **0** | **32.9%** |
| **Significant Scope 3 GHG emissions** | | | | | | | | |
| **Total gross indirect GHG emissions (scope 3) (tCO2eq)** | **N/A.** | **N/A.** | **576,505** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** |
| 1. Purchased goods and services | N/A. | N/A. | 353,633 | n.a. | n.a. | n.a. | n.a. | n.a. |
| 2. Capital goods | N/A. | N/A. | 22,065 | n.a. | n.a. | n.a. | n.a. | n.a. |
| 3. Fuel- and energy-related activities (not included in scopes 1 or 2) | N/A. | N/A. | 97,630 | n.a. | n.a. | n.a. | n.a. | n.a. |
| 4. Downstream transportation and distribution | N/A. | N/A. | 19,645 | n.a. | n.a. | n.a. | n.a. | n.a. |
| 5. Waste generated in operations | N/A. | N/A. | 14,840 | n.a. | n.a. | n.a. | n.a. | n.a. |
| 7. Employee commuting | N/A. | N/A. | 4,741 | n.a. | n.a. | n.a. | n.a. | n.a. |
| 8. Upstream leased assets | N/A. | N/A. | 798 | n.a. | n.a. | n.a. | n.a. | n.a. |
| 9. Transportation and distribution | N/A. | N/A. | 32,349 | n.a. | n.a. | n.a. | n.a. | n.a. |
| 12. End-of-life treatment of sold products | N/A. | N/A. | 30,805 | n.a. | n.a. | n.a. | n.a. | n.a. |
| **Total GHG emissions** | | | | | | | | |
| **Total GHG emissions (based on location) (tCO2eq)** | **N/A.** | **N/A.** | **992,839** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** |
| **Total GHG emissions (based on market) (tCO2eq)** | **N/A.** | **N/A.** | **979,569** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** |

*Legend: n.a. Not applicable; n.r. Not relevant*

### GHG intensity based on net income

In 2024, the intensity of total GHG emissions (Scopes 1, 2 market-based and 3) on the total consolidated revenue of the Viscofan Group is as follows:

| Ratio | 2024 |
|---|---|
| Total GHG emissions in tonnes (market-based scope 2) | 979,569 |
| Consolidated revenue in thousands of euros | 1,203,994 |
| **Intensity ratio** | **0.8** |

In 2024, the intensity of total GHG emissions (Scopes 1, 2 location-based and 3) on the total consolidated revenue of the Viscofan Group is as follows:

| Ratio | 2024 |
|---|---|
| Total GHG emissions in tonnes (scope 2 based on location) | 992,839 |
| Consolidated revenue in thousands of euros | 1,203,994 |
| **Intensity ratio** | **0.8** |

The consolidated revenue figure refers to the Viscofan Group, expressed on the basis of international financial reporting standards. See note 19.1 of the consolidated financial statements.

# GHG removals and GHG mitigation projects financed by carbon credits

### ESRS E1-7

In 2024, Viscofan has not eliminated or stored GHGs resulting from projects in its own operations, nor has it contributed in the upstream and downstream phases of its value chain. Nor has it reduced or eliminated GHGs through climate change mitigation projects outside its value chain financed through the purchase of carbon credits.

# Internal carbon pricing system

### ESRS E1-8

The Viscofan Group does not apply internal carbon pricing systems.

# 2.2.ESRS E2. Pollution

**Viscofan recognises the importance of pollution prevention, actively measuring and managing the environmental impact of its operations. It promotes and invests to adopt strict measures with the aim of minimising emissions, effluents, pollution and waste generation. The implementation of advanced technologies ensures that pollution prevention is integrated into every step of the production process.**

## Current and potential impacts, risks and opportunities

### Positive

- Impact: investment in available technologies for the filtering and washing of emissions and the treatment and discharge of water that mitigate the risk of water pollution.

### Negative

- Impact: air or water pollution. Generation of microplastics in the production process.
- Risk: imposition of fines and penalties and implementation of corrective actions as a result of litigation arising from non-compliance in matters of pollution.

## Policies and commitments

- Pollution Control and Reduction Policy.
- ISO 14001 certifications.

## Actions and resources

- Investments amounting to €9.9 million for projects related to pollution prevention. Namely, the installation of a sulphates crystalliser and a gas scrubber at the Cáseda plant in Spain, and investments for wastewater treatment at the Zacapu plant in Mexico and Pando in Uruguay.
- Viscofan promotes certification under the ISO 14001 environmental management system of the Group's plants, which includes risk analysis and internal audits to ensure the measures implemented.

## Sustainability objectives

- Compliance with applicable pollution legislation.

## Governance

- Board of Directors. Appointments, Remuneration and Sustainability Committee, Audit Committee.
- Executive Sustainability Committee.
- CEO.
- Operations and Operational Sustainability Management.
- Local General Managers.

# 2.2.1. Impact, risk and opportunity management

## Description of the processes for determining and assessing material IROs

### ESRS 2 IRO-1

In Viscofan Group's materiality analysis described in section 1.1.4 of this Sustainability Report, pollution has been identified as a relevant aspect, in particular due to emissions into the atmosphere and discharges into water.

In addition, for these material aspects, the Viscofan Group's process for determining impacts, risks and opportunities (IROs), described in the ESRS 2 – General Disclosures section under IRO Management, identifies several specific IROs based on the analysis of the Group's operations, the downstream and upstream phases of the value chain. The description of each IRO includes its particular characteristics and the elements used in its examination and analysis.

## Material impacts, risks and opportunities and their interaction with strategy and business model

### ESRS 2 SBM-3, ESRS E2-6 (phased in)

Below are the main IROs, their classification by category and their description, as well as their interaction with Viscofan's business, strategy and financial planning in accordance with disclosure requirement SBM-3 of ESRS 2.

Viscofan's objective is to avoid or mitigate risks by actively deciding on how to respond, while also seeking to take advantage of opportunities by incorporating them into our strategy.

It should be noted that, for material impacts and risks of pollution, Viscofan has specific response plans in place to anticipate or mitigate possible future financial impacts. From this and the tolerance analysis of possible expected financial effects, no impairment was identified on the current assets and no significant investments were envisaged to comply with the commitments established in our 2022-2025 Sustainability Action Plan.

### Impacts

#### Air or water pollution in a production plant

Casing is an industrial process that requires the physical and chemical transformation of different raw materials to form them into a seamless tube, known as the casing. Disposal of these raw materials without proper control can have polluting effects on the air or water. Depending on the process phases, this impact may occur:

- On the air: this transformation requires auxiliary raw materials, the use of which can cause emissions into the air in the form of gases. In particular, from the list of pollutants listed in Annex II to Regulation (EC) No 166/2006 of the European Parliament and of the Council, Viscofan emits ammonia and carbon disulphide. Although all plants with these types of emissions comply with the limits set by local authorities, these emissions at very high levels could have an impact on local air quality.

- On the water: during the production process and especially after extrusion, Viscofan carries out cleaning phases set forth in the food safety system, a process that is carried out with water. From the list of pollutants listed in Annex II to Regulation (EC) No 166/2006 of the European Parliament and of the Council, organic carbon in the form of cellulose or collagen fibres is released from the casings during cleaning, which by themselves and in non-relevant quantities are not harmful to the environment. However, in high quantities, they can reduce the level of oxygen in the water and affect marine ecosystems.

#### Microplastic Leak

Viscofan's products include plastic casings, films and bags for which microplastics are used, i.e. smaller than 5 millimetres. This raw material is used in the Group's facilities where these final products are manufactured. They are Hasselt in Belgium, Cáseda in Spain, Itu in Brazil and San Luis Potosí in Mexico. Without adequate control, these

microplastics used in the process could cause the leakage of waste into water surfaces.

Both negative impacts are not predefined by their time horizon, beyond the need to carry out adequate maintenance of the assets, to implement the production safety protocols and to incorporate of the best available technologies to avoid significant leaks or spills. The more Viscofan works to minimise the impact of the production process on the environment, the lower the future probability of occurrence. This is the basis of Viscofan's Pollution Control and Reduction Policy and the environmental management strategy and system implemented and described below. There were no spills or leaks at Viscofan Group facilities in 2024 that had to be reported to the competent authorities, understood as those that cause damage to the external environment of the facility.

### Investment in available technologies for the filtering and scrubbing of emissions and the treatment and discharge of water

By investing in advanced technologies for filtering and scrubbing emissions, as well as for water treatment and discharge, Viscofan seeks to improve air and water quality near production plants.

Collaboration with specialised equipment suppliers is a key pillar in this initiative. Working closely with these suppliers not only ensures the acquisition of cutting-edge technologies, but also encourages the continuous development of innovations.

With regard to air emissions, Viscofan's investments in filtering and scrubbing enable, in some cases, the reduction of pollutant emissions. For its part, the adoption of state-of-the-art technologies in water treatment allows Viscofan to effectively manage effluents and minimise environmental impact. These technologies include systems capable of efficiently removing pollutants and toxic substances.

This is an impact that Viscofan continuously promotes to the best of its ability. The subsection on actions and resources related to pollution of this ESRS details investments with a positive impact. However, it could possibly materialise with greater frequency and positive impact in the medium and long term as better technologies are developed. That is why continuous collaboration with suppliers of this type of equipment is key.

This is the basis of Viscofan's Pollution Control and Reduction Policy and the environmental management strategy and system implemented and described below in the section "Environmental management system oriented towards pollution prevention".

## Risks

### Fines and penalties and implementation of corrective actions as a result of litigation arising from non-compliance in matters of pollution.

As a result of this productive activity, there is the possibility of fines and penalties being imposed because of litigation for non-compliance with pollution regulations. The effect could be a monetary penalty, which is difficult to quantify because it would depend on the type of incident and the competent authority at the affected location. Additionally, corrective measures could be imposed, requiring additional investment.

In 2024, there have been no significant fines or penalties arising from litigation for non-compliance in matters of pollution. See Note 13.3 of the Viscofan Group's Consolidated Financial Statement on Contingent Liabilities.

This is a risk that can occur at any time horizon, and the possibility depends on governments establishing different legislation, requirements, and pollution standards. For this reason, Viscofan works with the commitment to updating and complying with environmental regulations in the countries in which it is present and with the aim of continuous improvement in the prevention and reduction of pollutants, while minimising a risk of these characteristics and a possible impact on Viscofan's financial situation. This is the basis of Viscofan's Pollution Control and Reduction Policy and the environmental management strategy and system implemented and described below in the section "Environmental management system oriented towards pollution prevention".

Viscofan's actions to mitigate this risk and the main investments financed by the business's cash generation have been detailed in the subsection on actions and resources related to pollution.

## Environmental management system oriented towards pollution prevention

Viscofan has a strategy and a business model specially designed to address material impacts and risks in terms of pollution, which includes elements to be able to face and overcome the challenges related to pollution.

Firstly, pollution prevention is integrated and managed locally in production plants that have an environmental management system (in most cases, ISO 14001 certified), which makes it easier to minimise and control the environmental impact of the production process.

At the same time, the corporate Operational Sustainability team and local managers play a crucial role in ensuring that all production plants operate in accordance with established environmental standards, not only in compliance with local and national laws, but also based on an internal standards framework that places a strong emphasis on pollution prevention.

Overall, pollution prevention is a dynamic process that has the following components:

- Risk assessment and analysis: the production plants have an assessment to identify possible sources of air, water and soil pollution. This includes analysis of production processes, raw material handling and waste management. Risk analysis tools are used to determine the critical points that could generate polluting emissions.

- Implementation of continuous monitoring: the plants promote the installation of monitoring systems in areas identified as high risk. These systems collect data on air quality and emissions, as well as water data at sites with water treatment plants. The information collected is used to detect patterns and possible incidents of contamination at an early stage.

- In addition, within this component, operational procedures are reviewed and updated to comply with environmental regulations.

- Investments in equipment: Viscofan promotes investment in the plants by seeking as far as possible the best available technologies to prevent pollution.

  This includes, for example, the installation of filtering systems to efficiently capture and remove particles and compounds from emissions from production processes. These systems seek to ensure that the air quality in our facilities and in nearby communities is maintained at optimal levels. Likewise, the plants have gas scrubbing technologies for the elimination of gaseous pollutants through absorption and chemical reaction processes, significantly reducing the emissions of substances into the environment.

  With regard to water, Viscofan works with the aim of further improving the quality of discharge into freshwater, endeavouring to achieve the correct purification of its wastewater and the minimisation of the environmental impact of its activities. As a result, Viscofan has water treatment plants at its manufacturing facilities, where the treatment of water makes it possible to improve the quality of discharges. Factories that treat 100% of the water are: Cáseda (Spain), Zacapu (Mexico), Koteks (Serbia), Itu (Brazil), Pando (Uruguay) and Suzhou (China).

- Development of response and mitigation protocols: rapid response protocols are developed and formalised to mitigate any pollution incidents that may occur. These protocols include emergency procedures, communication with local authorities and corrective measures to minimise environmental and public health impact.

- Audits: internal and external audits are carried out to assess the effectiveness of the measures implemented. Viscofan works with the aim of certifying all plants under the ISO 14001, which, among other environmental aspects, emphasises the minimisation and prevention of pollution events.

  Also, the corporate Operational Sustainability team carries out exhaustive audits to assess and verify compliance with environmental regulations in each facility, and with ISO standards.

  During audits, the team examines all aspects of the plant's operations, including waste management, air emissions, water discharges and resource use. They also identify areas for improvement and suggest more sustainable and efficient practices. A crucial part of their work is the assessment of environmental management systems, ensuring that plants have adequate procedures in place to minimise environmental impact.

On this basis, Viscofan considers that it has a strategy in place to address material impacts and risks with the aim of preventing a pollution event, seeking, as far as possible, the promotion of a management system and investments in the best available technologies that go beyond regulatory compliance. This qualitative analysis is based on the premise that it strives to improve the current status, both in the medium and long term. No quantitative resilience analysis has been performed.

# Pollution-related policies

### ESRS E2-1, ESRS 2 MDR-P

## Pollution Control and Reduction Policy

### Key content and principles

Within the framework of the General Sustainability Policy and in line with the Sustainable Development Goals (SDGs), Viscofan has a Pollution Control and Reduction Policy approved by the Board of Directors.

This policy is the framework for the establishment of an environmental management system in the Viscofan Group, under the principles of precaution, prevention and continuous improvement for air, water and soil pollution, a material issue according to the double materiality analysis. These are its basic principles of action:

- Recurrent assessment of the impacts and risks of air, water and soil pollution including analysis of production processes, raw material handling and waste management.
- Implementation and continuous monitoring of identified high-risk areas to detect patterns and possible incidents of contamination at an early stage.
- Promotion of investments in equipment with the best available technologies in the prevention of pollution.
- The development of rapid response protocols to mitigate any pollution incidents that may occur, with emergency procedures, communication with local authorities and corrective measures to minimise environmental and public health impact.
- Internal and external audits to assess the effectiveness of the measures implemented under ISO standards.
- The implementation of a structure of operational sustainability experts with skills in pollution prevention.
- Minimisation of substances of concern.

The Policy's basic principles and commitments will be developed and implemented based on the management of risks and impacts, establishing objectives, programmes and plans that promote the continuous improvement of processes and practices within the Group for pollution prevention, and particularly through:

a) The supervision of compliance with and respect for the applicable regulations, as well as other obligations voluntarily assumed, including the implementation of certified environmental management systems and the performance of internal and external audits under ISO standards that, among other aspects, emphasise the minimisation and prevention of pollution events and promote their implementation in suppliers.

b) The establishment and periodic review of objectives and plans for the reduction of polluting gases in the air, undertaking the necessary investments for the implementation of advanced filtering and emission scrubbing technologies, in order to improve air quality in accordance with applicable regulations.

c) The establishment and periodic review of objectives of plans to reduce the consumption of water resources, and investment in the most advanced technologies that guarantee the purification of water used before its return to nature.

d) Drafting of action plans to improve waste control and management, including circular economy projects for its disposal.

e) Development of training programmes for professionals in the Group's companies that include pollution prevention skills.

f) Promotion of Research and Development and Innovation and, to this end, establish partnerships with suppliers of specialised equipment to ensure the availability of advanced technologies for pollution prevention.

g) Development of response and mitigation protocols for all production centres that include emergency procedures, communication with local authorities and corrective measures to minimise environmental and public health impact.

This policy is available on Viscofan's website in the section on Corporate Governance – Regulations and Policies.

### Scope of the Policy

This Policy applies to the entire Viscofan Group and binds all its staff, regardless of the position and function they perform. It does not provide for exclusions in terms of activities or geographical areas.

It also sets forth that the Company will promote the application of the principles and bases of the Policy to any natural and/or legal person linked to the Group companies, when this is possible and advisable, in such a way that they follow principles and guidelines consistent with the Policy and the other sustainability policies.

### Monitoring and supervision:

Monitoring of the Policy is the responsibility of the Board of Directors, which will exercise it through the oversight of the Appointments, Remuneration and Sustainability Committee regarding the development and implementation of sustainability policies and strategies, and of the Audit Committee in terms of the integrity of the non-financial information included in the management report, as well as in the supervision of non-financial risks arising from the Group's actions in relation to the Policy.

Additionally, the Group has an Executive Sustainability Committee whose tasks include promoting sustainability plans and programmes in the implementation of policies. and an Ethics and Compliance Committee reporting to the Audit Committee which, in addition to ensuring compliance with the Code of Conduct, manages the channel for reporting any offences by employees and other people related to the company.

# Pollution-related actions and resources

## ESRS E2-2, ESRS 2 MDR-A

The focus of Viscofan's actions for pollution prevention and minimisation is based on two aspects:

### Environmental Management System. ISO 14001:

We are working to attain this environmental management certification at all our production plants. The breakdown of the Group's plants with the ISO 14,001 certificate at 31 December 2024 is as follows:

| Country | Plant | ISO 14.001 |
|---|---|---|
| Spain | Cáseda | Yes |
| | Urdiain | Yes |
| Germany | Weinheim | Yes |
| | Alfhausen | No |
| Serbia | Novi Sad | Yes |
| Czech Republic | Ceske Budejovice | Yes |
| Belgium | Hasselt | Yes |
| US | Danville | No |
| | Montgomery | Yes |
| | New Jersey | Yes |
| Mexico | Zacapu | Yes |
| | San Luis Potosi | Yes |
| Brazil | Itu | Yes |
| | Matarazzo | Yes |
| Uruguay | Pando | Yes |
| China | Suzhou (2 plants) | Yes |
| Australia | Sydney | Yes |

### Investments in equipment

CapEx allocated in the year to projects to protect water and air quality amounts to €9.9 million. The investments have been identified in the list of additions to property, plant and equipment and intangible assets of the Viscofan Group (see notes 5 and 6 to the consolidated financial statements).

Viscofan's commitment to protecting the environment and preventing air pollution is reflected in its investment in advanced technologies that allow us to reduce polluting gas emissions, namely the installation of a sulphates crystalliser and a gas scrubber at the Cáseda plant in Spain, and an emissions control system at the Zacapu plant in Mexico.

At the same time, Viscofan is working to promote investment in improving water purification and treatment capacity. In this regard, in 2024, we made investments to improve the water treatment and sanitation systems at the Zacapu plant in Mexico, Pando in Uruguay and Urdiain in Spain. In addition, Viscofan has treatment plants in factories that treat 100% of the water discharged.

These investments have been financed with the cash generation from the business, although Viscofan has financing with sustainable criteria that, although not particularly assigned to the aforementioned projects, contributes to the sustainable performance of Viscofan, framed in the Sustainability Action Plan. See note 15 of the consolidated financial statements.planta de Zacapu en México.



# 2.2.2. Metrics and targets

## Pollution-related targets

### ESRS E2-3, ESRS 2 MDR-T

Within the framework of the sustainability action plan, Viscofan has not established Group-wide specific pollution reduction targets aside from compliance with the limits established by the competent authorities.

The effectiveness of the actions and the environmental management system for the prevention of pollution described in this ESRS with respect to material IROs is monitored locally, with indicators based on the limits of emissions to air and water included in the environmental permits issued for all operations by the competent authorities. In addition, work is being done in view of improving the levels established by the applicable regulations as far as possible, although without establishing specific quantifiable targets within the framework of the Sustainability Action Plan.

This strategy has allowed us to respond to the specific needs of each location and ensure compliance with local environmental regulations, which identify priority substances and provide a guide to reduce emissions with which Viscofan works at a local level.

The Pollution Control and Reduction Policy, approved in December 2024, sets forth that, for the development and implementation of its basic principles and commitments, it will seek to establish objectives and plans for the reduction of polluting gases in the air.

On this basis and in accordance with the reporting regulations of this sustainability report, the relevant emission levels have been consolidated, creating a broader and more detailed view of our environmental impact across all our operations. It is expected that this information will serve as the basis for a thorough analysis in the coming years to identify patterns and key areas for improvement, and that it can serve as a solid basis for studying the feasibility of implementing a coherent global strategy that maximises our capacities and resources and can be articulated in the setting of targets as catalysts for improvement.

## Air, water and soil pollution and substances

### ESRS E2-4, ESRS E2-5

#### Pollutants

Below are the pollutants, in consolidated quantities of installations exceeding the thresholds detailed in Annex II to Regulation (EC) No 166/2006 of the European Parliament and of the Council (European Pollutant Release and Transfer Register, "European PRTR Regulation"), emitted into air, water and soil, with the exception of GHG emissions that have been reported in accordance with ESRS E1. Climate change.

- 267 tonnes of ammonia ($NH_3$) emitted into the atmosphere as a result of casing production.
- 361 tonnes of nitrogen oxides ($NOx/NO_2$) emitted into the atmosphere that are generated in the combustion of natural gas in boilers to obtain steam.
- 96 tonnes of total organic carbon (TOC) (as total C or COD/3) into the water, mainly cellulose or collagen fibres, which on their own and in non-relevant quantities, are not harmful to the environment, but in high quantities can reduce the level of water oxygen and could affect marine ecosystems.

Viscofan has not used a direct measurement method for the quantification of polluting substances due to the complexity and variability of industrial processes. As a result, it is difficult to make precise direct measurements at all times in a continuous process such as the casings'.

Importantly, as they rely on estimates, there is an inherent degree of uncertainty in the calculations. This uncertainty can arise from multiple sources, such as variability in operating conditions, model accuracy and the precision of historical data.

In the case of ammonia ($NH_3$), it has been estimated based on consumption data of this raw material and with measurements of concentrations carried out by the R&D department in specific locations. A variability of +/-5 percentage points in the emission factor can lead to an increase or decrease of 16 tonnes in the quantity.

For nitrogen oxides ($NOx/NO_2$) emitted, it is estimated based on a periodic annual measurement for the State Register of Emissions and Pollutant Sources and an official factor from the public entity in Navarre. This factor has been applied to the consumption of natural gas from boilers. A variation of +/- 5% in this factor can mean an increase or decrease of 19 tonnes in the quantity.

The total organic carbon discharged into the water is estimated through the average concentration from the weekly measurements made by an accredited external laboratory, applied to the average daily flow of the period. A variation of +/-5% in this factor can mean an increase or decrease of 5 tonnes in the quantity.

### Microplastics:

In 2024, the Viscofan Group has used 6,287 tonnes of microplastics in the manufacturing process of casings, films and plastic bags that mostly leave the facilities as products. This information has been obtained from consumption data in the SAP raw materials management computer system implemented in the Group's locations that have this type of production process.

### Other substances

In accordance with Regulation (EC) No 1272/2008 of the European Parliament and of the Council, the Group has used substances of concern which, if mismanaged, could pose a chronic danger to organs and the marine environment through prolonged exposure in significant quantities.

- In the production process of cellulose and fibrous casings, Viscofan has used 8,429 tonnes of sulphur gaseous compounds and has emitted 6,457 tonnes thereof. The washing process prevents this compound from being incorporated into the final product, while air emissions are minimised by the installation of gas scrubbers.

- In the water purification and treatment facilities, Viscofan has used 2,918 tonnes of sodium hypochlorite in order to oxidise the organic matter before it is discharged into the water. However, in these facilities. this substance is transformed into other compounds not considered to be of concern such as chlorides, which have not been discharged into the water.

- Viscofan uses ammonia ($NH_3$) in the production process of casings (936 tonnes) which is then scrubbed and, in reduced concentrations, is emitted into the atmosphere (267 tonnes).

Viscofan has carried out an analysis on all implementations and no substances of very high concern have been identified as produced, used or placed on the market based on the criteria set out in Article 57 of Regulation (EU) No 1907/2006 (REACH) and have been identified in accordance with Article 59(1) of that Regulation.

## Expected financial effects of pollution-related risks and opportunities

### ESRS E2-6. Phased-in disclosure requirement

Viscofan does not report this information in this sustainability report because it is a phased-in disclosure requirement and therefore exempt from reporting in the first year of the sustainability report as per Appendix C of ESRS 1.

# 2.3.ESRS E5. Resource use and circular economy

**In a world where consumption habits can lead to the use of unsustainable materials, at Viscofan a very significant part comes from raw materials considered to be renewable, i.e. of natural origin, or are biodegradable or come from raw materials that have already been recycled. Thus, 84% of our revenue comes from the sale of products with these characteristics.**

**However, Viscofan also considers how sustainability issues impact not only on its own operations but also along the value chain: raw materials, packaging, and help given to customers in their sustainability challenges and, in this sense, looking for circular solutions through better sustainability performance that impacts the entire value chain.**

## Current and potential impacts, risks and opportunities

### Positive

- Recovery of waste in the production process
- Recovery of cellulose casing waste at the customer.
- Customer and consumer preference for casings of natural or biodegradable origin.
- Development in collaboration with the customer of products that enable a better use of resources.

### Negative

- Impact on the environment due to the increase in waste disposed of.
- Plastic products. Taxation.
- Plastic products. Decrease in demand.
- Waste disposal. Increased restrictions from the administrations and the cost of managing them.
- Lack of availability of natural resources.

## Policies and commitments

- Environmental Policy.
- Certification of 100% suppliers of pulp and abaca paper under the international Certification programme (PFEC or FSC) of sustainable forest management.
- Environmental management system based on ISO 14001.

## Sustainability objectives

- Reduce the intensity of waste elimination.
- Reduce the intensity of water withdrawal.

## Governance

- Board of Directors. Appointments, Remuneration and Sustainability Committee, Audit Committee.
- Executive Sustainability Committee.
- CEO.
- New Business Division.
- Operations Department.

# 2.3.1.Impact, risk and opportunity management

## Identification and assessment process

### ESRS 2 IRO

In the Viscofan Group's double materiality analysis described in ESRS 2 of this report, the circular economy and the eco-efficiency of operations have been identified as relevant aspects.

Several specific IROs have been identified based on the analysis of the Group's operations, the upstream and downstream phases of the value chain. At the same time as the identification, we have considered the inflow of resources, including the circularity of their flows, the outflows of resources related to products and the waste generated, considering the management and destination of all the types defined in the ESRS E5.

On this basis, impacts, risks and opportunities related to the transition to a circular economy and also to maintaining the status quo have been identified. The assessment has also made specific considerations with respect to concrete products sold to customers that may have implications for the circular economy, such as cellulose casings or plastic products; and as regards resource inflows, with a focus on the main raw materials of natural origin and water due to the risk of unavailability due to climate change, and plastic because of its implications in the circular economy.

The information from the double materiality analysis, and based on constant contact with stakeholders through the established channels, feeds the process for identifying and assessing IROs related to these material aspects.

The description of each IRO includes its particular characteristics and the elements used in its examination and analysis, with details about the value chain phase they can be found in.

## Material impacts, risks and opportunities and their interaction with strategy and business model

### ESRS 2 SBM-3, ESRS E5-6 (phased in)

Below are the main IROs, their classification by category and their description, as well as their interaction with Viscofan's business, strategy and financial planning in accordance with disclosure requirement SBM-3 of ESRS 2.

Viscofan's objective is to avoid or mitigate negative impacts and risks by actively deciding how to respond, while also seeking to promote positive impacts and harness opportunities by incorporating them into our strategy.

It should be noted that, for the material impact and risks of the use of resources and the circular economy, Viscofan has specific response plans in place to anticipate or mitigate possible future financial impacts. From this and the tolerance analysis of possible expected financial effects, no impairment was identified on the current assets and no significant investments were envisaged to comply with the commitments established in our 2022-2025 Sustainability Action Plan.

### Impacts

***Impact on the environment due to the increase in waste disposed of***

Casing production is a continuous process whose characteristics generate waste throughout, namely viscose, collagen mass, casings discarded in the process, as well as packaging used in the different phases of the production process (mainly cardboard boxes, pallets, plastic films). Likewise, associated with environmental management at the water treatment plants and the gas treatment facilities, the Group generates a material amount of waste, particularly sludge.

In the case of waste disposed of, i.e. waste destined for landfill, incineration or other waste for treatment by a third party that is not classified as recovered, a significant increase can have a negative impact on the environment via pollution or increased emissions and thus contribute to a linear instead of a circular economy (one of the European Union's environmental objectives).

Although Viscofan's main activity, casings, represents a very small part of industrial GDP in the countries where it operates, an increase in production without seeking to reduce and recover waste could have a negative impact on the environment in the medium and long term, i.e. from 2030 onwards in line with the United Nations Agenda. Viscofan is a signatory of the UN Global Compact, having identified, among others, the commitment to ODS-12 Responsible production and consumption as a priority goal.

This impact has not materialised in the year. To manage the waste generated, we use disposal methods that have been chosen locally based on local regulations and good practices within the Group, taking into consideration the characteristics of the production process and the raw materials used.

Viscofan is working to ensure that this impact does not materialise in the future based on two main elements incorporated into the strategy.

First, Viscofan is constantly searching for a more efficient production technology that allows, among other things, a reduction in production waste. Furthermore, as established by the Environmental Policy, the concept of circular economy is included in the decision-making processes on investments and in the planning and execution of activities.

Second, it promotes and strives, in collaboration with third parties, for a greater recovery of waste through an increase in the reuse of products or recycled use after the corresponding transformation, such as composting or energy recovery as a thermal source. In this regard, Viscofan has set the target of reducing the intensity of waste elimination on metres of extruded casings by 30% (see section 2.3.2 of this ESRS).

## Risks

### *Plastic products. Taxation on non-reusable plastic packaging*

Some products sold by Viscofan are produced through the treatment of plastic polymers, and are considered non-reusable. The same applies to part of the packaging used by Viscofan. Because governments, particularly within the European Union, seek and promote a circular economy restricting the use of these products, they may levy taxes.

This is a risk materialised in Spain through the special tax on non-reusable plastic packaging and which is levied at 0.45 euros per kilogramme of non-recycled plastic. In 2024, it has entailed a cost of €0.2 million, recorded under "taxes", under "other operating expenses"; see note 19.4. of the consolidated financial statements.

Although it has not yet materialised outside Spain, other European governments are studying the possibility of introducing a similar tax. In anticipation of this possible risk and for its quantification, from its experience of Spain, Viscofan is analysing the possible liable products, their identification and conversion to weight on the European continent.

To mitigate this risk, within the business model, in the New Business Division (that includes plastic-related products), Viscofan works in accordance with the 3R rules (reduce, reuse and recycle). The levers to reduce the use of non-reusable plastic include:

- Development and promotion of eFAN casing, which contains up to 95% recycled or bio-based plastic material.
- Efforts to reduce raw material waste in the extrusion of plastic products through process standardisation.
- Development of products that are thinner and therefore have lower plastic requirements.
- Search for degradable plastic casings.

### *Plastic-related products. Decrease in demand*

Viscofan has identified the risk of reduced demand for casings, films and bags from the treatment of plastic polymers, in the face of consumers who are increasingly concerned about the environment and who change their preferences towards recyclable or bio-based product alternatives.

In 2024, Viscofan has not identified that this risk has materialised in the relevant markets where it sells this type of product.

Viscofan considers that this is a risk that could have an impact in the medium and long term. However, being able to accurately predict the financial impact of changes in consumer preferences in different geographies and over time, and in particular isolating them only for this purpose, is a very complex exercise subject to many uncertainties. Nevertheless, in a sensitivity analysis, if we assumed a decrease in demand of 10% in Europe and North America, based on the revenue of these products, it could lead to a reduction in the revenue of this indicator of less than €10 million, i.e., below 1% of the total revenue of the Viscofan Group.

To mitigate this risk, within its family of plastic products, Viscofan has developed the eFAN casing, which contains up to 95% recycled or bio-based plastic material. Although sales of this product are currently low, Viscofan is striving to increase their importance through commercial promotion

and by improving supply sources. In addition, the Group's main plastic extrusion and converting centres are ISCC PLUS certified, a sustainability certification programme for bio-based and circular (recycled) raw materials.

Viscofan also has natural-origin biodegradable product families, so this could represent an opportunity as detailed below.

***Waste disposal. Increased cost in management***

Viscofan has identified the increase in the cost of managing waste disposal as a risk. An increase in cost could be the result of stricter regulations, the introduction of higher disposal rates or the need for more advanced disposal technologies.

In 2024, Viscofan has not experienced any relevant restrictions on waste management in the main sites. Likewise, the Group's expenses classified as environmental, which mainly include waste management, have remained stable in the year at below 1% of the Group's revenue. See "environmental expenses", under "other operating expenses", in note 19.4. of the consolidated financial statements, and the detail of the net turnover in note 19.1. of the consolidated financial statements.

Although this is a risk that could have an impact in the medium and long term, being able to accurately predict the increase in restrictions and the cost of waste management and thus quantify the financial impact is a very complex exercise with many uncertainties. However, in an analysis of sensitivities, a 10% increase in this cost at Group level would mean an impact of less than €1 million more spending in a year.

The interaction with Viscofan's strategy and business model and the resilience to this risk has been addressed and described above in "Impact on the environment due to the increase in waste disposed of".

***Lack of availability and increase in the price of natural resources. Water and collagen skins***

The dependence on collagen skins and water for Viscofan's business model are two risks that may mean that Viscofan is affected by climate change. These risks have been analysed in section ESRS E1. Climate change.

## Opportunities identified

***Customer and consumer preference for casings of natural or biodegradable origin***

Viscofan has identified the opportunity represented by the change in consumer preferences and the drive by meat processors, as their concern for the environment increases, towards recyclable or bio-based product alternatives such as cellulose or plastic casings of recycled or natural origin to the detriment of traditional plastic casings.

In 2024, Viscofan has not identified that this opportunity has materialised significantly in the relevant markets where it sells this type of product, neither in the cellulose casings, nor in the eFAN line, whose demand remains moderate.

Viscofan believes that this is an opportunity that could have a positive impact in the medium and long term, as it can offer alternative products within its range of non-plastic casings or solutions based on plastics of recycled or biodegradable origin. However, being able to accurately predict the positive financial impact of changes in consumer preferences in different geographies and over time, and in particular to isolate them only for this purpose, is a very complex exercise and subject to many uncertainties.

***Waste recovery. Reduction of the cost in management and use as a source of energy mainly***

A greater recovery of waste from the Group's production process can generate a dual impact: the reduction of the current cost of waste management, and the use of waste for Viscofan's own production process and its sale as a by-product for other industries.

***Recovery of cellulose casing waste at the customer***

Like Viscofan in its own operations, our customers in theirs face the challenge of the circular economy and, in particular and within Viscofan's scope, of the recovery of waste from cellulose casings, which, peeled after cooking the sausage, are mostly not recovered.

As a leader in casings, and as an extension of its commitment to the circular economy and as a competitive advantage, Viscofan collaborates with a group of customers and industry agents in a project known as CIRCAL, to find an efficient and cost-competitive solution to recover the waste from cellulose casings after the production of cold meats/ sausages.

These projects are highly complex as they depend on the search for new technological and logistical solutions in some cases, and have not borne fruit in 2024.

***Development with the customer of products that allow a better use of resources***

Viscofan, as a leader in casings, promotes collaboration with customers for the development of products that allow a better use of ingredients and other resources in the production of cold meats and sausages. When compared to animal casings, collagen casings enable greater efficiency and use given their greater size uniformity and because they do not need to be washed before they are used in the stuffing process.

# Policies related to the use of resources and the circular economy

**ESRS E5-1, ESRS MDR-P**

## Environmental Policy

### Key content and principles

Within the framework of the General Sustainability Policy and in line with the Sustainable Development Goals (SDGs), Viscofan has an Environmental Policy approved by the Board of Directors in December 2020.

Both the Sustainability and the Environmental policies are available on Viscofan's website in the section on Corporate Governance – Regulations and Policies.

Basic policy principles and commitments include:

To mitigate the environmental impact at all stages of decision-making processes, incorporating the environmental dimension and the concept of the circular economy into investment decision-making processes and in the planning and execution of activities and promoting their inclusion in cost-benefit analyses.

In particular, the Environmental Policy establishes that the development and implementation of its basic principles and commitments will be carried out on the basis of specific policies and the strategies and action plans that are defined for each area of action. Among others, it addresses the waste hierarchy, focusing on waste management aimed at reducing waste in landfill, an objective that is indirectly related to greater recovery, as well as excellence and operational efficiency that seeks to minimise waste as much as possible.

This policy addresses elements that are related to material impacts, risks and opportunities in Viscofan's own operations and throughout the upstream and downstream phases of the value chain, identified in the 2024 double materiality analysis.

The policy does not make explicit the transition away from the use of virgin resources, including the relative increase in the use of secondary (recycled) resources; sustainable sourcing and the use of renewable resources.

### Scope of the Policy

This policy applies to all companies in the Viscofan Group and binds all its staff, regardless of the position and function they perform.

Additionally, the policy sets forth that Viscofan will foster the application of the Policy's principles and bases with any natural and/or legal person linked to Viscofan by a relationship other than an employment relationship where it is possible and appropriate for them to follow principles and guidelines consistent with those set out in this Policy and other sustainable development policies.

### Monitoring and supervision:

Monitoring of the Policy is the responsibility of the Board of Directors, which will exercise it through the oversight of the Appointments, Remuneration and Sustainability Committee regarding the development and implementation of sustainability policies and strategies, and of the Audit Committee in terms of the integrity of the non-financial information included in the management report, as well as in the supervision of non-financial risks arising from the Group's actions in relation to the Policy.

Likewise, the Group has an Executive Sustainability Committee whose tasks include promoting sustainability plans and programmes in the implementation of policies, and an Ethics and Compliance Committee reporting to the Audit Committee which, in addition to ensuring compliance with the Code of Conduct, manages the channel for reporting any offences by employees and other people related to the company.

## Viscofan Group's environmental standard

All the Viscofan Group's production plants comply with national legislative requirements and most of them are ISO 14001 certified. The Environmental Standard is an important component of the Group's Environmental Management System.

# Actions and resources related to the use of resources and the circular economy

## ESRS E5-2, ESRS 2 MDR-A

This section details the main actions carried out in 2024 and those planned in relation to the material impact, risks and opportunities as regards the use of resources and the circular economy, and the targets set. For these, the scope is detailed, i.e. whether they take place in Viscofan's own operations or in the value chain, the time horizon, which in most cases is one or two years, and whether and how they cover the categories established in point 20 of the ESRS E5.

Overall, in 2024, Viscofan has identified relevant projects whose CapEx amounts to €1.5 million[2]. The investments have been identified in the list of additions to property, plant and equipment and intangible assets of the Viscofan Group (see notes 5 and 6 to the consolidated financial statements). These investments have been financed with the cash generation from the business, although Viscofan has financing with sustainable criteria that, although not particularly assigned to the aforementioned projects, contributes to the sustainable performance of Viscofan, framed in the Sustainability Action Plan. See note 15 of the consolidated financial statements.

The Group's environmental expenses, which largely correspond to waste treatment expenses, have led to an OpEx in 2024 of €10.8 million. This expense item is included under "Other operating expenses" in Viscofan's income statement; see note 19.4 of the consolidated financial statements.

**Main actions:**

With the aim of minimising the environmental impact of the increase in waste disposed of, the risk of increasing restrictions from administrations and the cost of waste management and, by extension, harnessing the opportunity for greater waste recovery in the production process, Viscofan has carried out initiatives that partly contribute to the goal of reducing the intensity of waste elimination detailed in section 2.3.2. of this ESRS. Of particular note:

- Application of circular business practices as system efficiency actions (ESRS E5 – 20.d) i.v): Viscofan is constantly searching for a more efficient production technology that enables, among other things, a reduction in production waste in its own operations. In 2024, Viscofan has worked on improving the learning curve of the installation of a new cellulose casing technology in Danville (installed in 2023) which, compared to the previous one, has led to reduction in the waste of cellulose casings in extrusion.

- Optimisation of waste management in line with the waste hierarchy (ESRS E5 – 20.f)): at the Cáseda plant (Spain), the energy recovery of 353 tonnes of viscose waste is now viable. In addition, the recovery of waste for use as fertiliser has continued in this plant (in 2022, it was disposed of), and the reuse of viscose thanks to facilities made for this purpose.

  At the Cáseda plant, Viscofan has also made progress in the project to install a biomass boiler, which is scheduled to be commissioned in 2025, with an estimated reduction of 4,000 tonnes of cellulose casing waste, 7% of the Viscofan Group's total waste in 2024.

[2] *It includes €0.9 million in investment in auxiliaries for the installation of a boiler with biomass since it promotes the circular economy of cellulose and fibrous casing waste, a project also reflected in the investments of the ESRS E1, as it is an installation for producing renewable energy.*

With regard to plastic products and their associated risks of taxation and a possible decrease in demand in the transition to a circular economy, Viscofan has carried out initiatives:

- Higher levels of efficiency in the use of technical materials (ESRS E5 – 20.a)): in the plastics family in 2024, the development and operations of this product family have continued to advance in accordance with the 3Rs (reduce, reuse and recycle). This included the reduction of raw material waste in the extrusion of plastic products in the operations themselves. Processes have been standardised and, in particular, at the plant in the Czech Republic, a lean system has been implemented to improve the management and organisation of the operational processes.

  At the same time, all the Group's factories with plastic casing production have been recertified according to the ISCC PLUS system. The Canadian subsidiary also received ISCC PLUS certification. For Viscofan, this means that all eFAN casings, manufactured with raw materials of biological origin and/or raw materials from recycled post-consumer plastic waste, can now be marketed worldwide.

Faced with the risk of unavailability of raw materials of natural origin, these initiatives were carried out:

- Higher levels of efficiency in the use of technical materials (ESRS E5 – 20.a)):

  Water: in its operations, Viscofan seeks to reduce the intensity of water collection through the installation of new production technologies with lower water requirements, efficiency measures in water use, and water reuse. Strategy framed within the goal of reducing the intensity of water collection.

  To this end, in 2024, Viscofan has worked on improving the learning curve of the dry-tech collagen casing technology machinery, for a reduction in water withdrawal requirements (commissioned in 2023 at the New Jersey plant in the USA).

  Several Group plants have promoted projects to reuse the water collected, totalling 78,870 m3 and representing 6% of the total water consumed by the Viscofan Group.

  Raw material cellulose and abaca paper: this measure takes place upstream in our value chain, specifically in our suppliers, given that Viscofan has acquired 100% of these raw materials with a sustainable certificate, i.e., all suppliers are certified by the international certification programme (PFEC or FSC) that ensures that the cellulose they obtain comes from the sustainable management of trees and forests and, therefore, does not contribute to the planet's deforestation.



# 2.3.2. Metrics and targets

## Targets related to resource use and the circular economy

### ESRS E5-3, ESRS 2 MDR-T and MDR-M

As part of its commitment to efficiency in the use of resources and the circular economy set forth in the Sustainability Action Plan, Viscofan has the following targets established in relative value. They are considered to be those in which the Group can make a greater contribution and better measure performance:

Of the categories of targets established by ESRS E5 point 24, Viscofan's target for reducing the intensity of waste elimination is related to the outflow of resources and specifically to subsection e) waste management. The target of reducing the intensity of water withdrawal is related to the inflow of resources and specifically to subsection f) other issues related to the use of resources or the circular economy. Viscofan does not have other targets related to the rest of the categories.

### Reduction of the intensity of waste elimination

As a signatory to the United Nations Global Compact, Viscofan is committed to SDG 12: Responsible Production and Consumption. Under this commitment Viscofan has voluntarily established a goal to reduce the intensity of non-circular waste, based on the Environmental Policy and within the framework of the Sustainability Action Plan,

This target is based on the management of resource outflows, particularly waste, seeking a 30% reduction in the intensity of waste elimination on meters of extruded casings by 2030.

With this target, Viscofan seeks to reduce, within its scope of action, the possible impact that the waste eliminated from Viscofan's production process may have on the environment, as well as to minimise the risk of increased restrictions by administrations and the cost of managing these. In turn, this represents an opportunity to encourage greater recovery of waste in the production process.

To set this target, we have envisaged for the denominator, the metres of extruded casings, an increase in production based on the greater demand for casings foreseen in the Beyond25 strategic plan and the historical growth of the market from 2% to 4% in volumes; while establishing as levers the development of technologies with greater production efficiency including the reduction of productive waste, collaboration with third parties in the search for recovery solutions, promotion of the use of cellulose waste in biomass, as well as better measurement and classification for better recovery.

This target has no intermediate milestones, and no ecological thresholds, entity-specific allocations and conclusive scientific evidence have been considered when setting it.

The target was set on the basis of 2018, as it was the reference year used for the sustainability objectives and from which Viscofan's first Sustainability Action Plan was established. The target's scope is all the production plants of the Viscofan Group.

The Executive Sustainability Committee monitors performance against this target on a quarterly basis, identifying catalysts for variances. This Committee also reports regularly to the Board of Directors' Appointments, Remuneration and Sustainability Committee.

The variations in the ratio on a baseline of 100 for 2018 are as follows:

| **Base 100 year 2018** | **2030 Commitment** | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|---|---|---|
| Tonnes of waste elimination/ Metres extruded | **70** | 75 | 80 | 89 | 102 | 100 | 97 | 100 |

### Reduction of water withdrawal intensity

The information about this target has been reported in point 2.1.5 of the ESRS Climate Change.

# Resource inflows

### ESRS E5-4, ESRS 2 SBM-1 paragraph 42

The inflows of material resources for Viscofan are as follows:

### Raw materials

We take the utmost care with the raw materials we work with, ensuring that the highest standards of health and food safety are maintained at all stages of production. In addition, a significant proportion of these products are of natural, biodegradable or recycled origin.

In 2024, Viscofan has consumed more than 250,000 tonnes of technical and bio-based products and materials. In terms of euros, materials of biological origin account for 54% of the total, i.e. animal- and plant-based materials, although they needed prior processing to be introduced into Viscofan's production process. In the case of cellulose and abaca paper, 100% of the purchases have been made from suppliers certified under the international certification programme (PFEC or FSC), which ensures that the cellulose they obtain comes from sustainably managed trees and forests and, therefore, does not contribute to the deforestation of the planet. In the case of collagen hides, this is a clear example of the reintroduction of by-products into the food chain, since the intermediate layer containing the richest collagen is extracted from cowhides that are mainly used for textile purposes, and used as a raw material to produce edible collagen casings that will in turn serve as an ingredient in cold meats and sausages.

Viscofan has chosen to omit exact figures on the absolute weight or volumes of raw materials for confidentiality reasons, as this information is very sensitive from a competitive point of view.

The measurement of the weight of raw material consumption is made based on the accounting of the purchase invoices in the SAP ERP, which is aggregated monthly by value and weight by the corporate controlling department as per the defined categories of raw materials.

For casings, films and bags from the treatment of plastic polymers, Viscofan, as part of its goal of promoting a circular economy, has developed the eFAN casing, which contains up to 95% recycled or bio-based plastic material, promoting the use of secondary materials. For its manufacture in 2024, Viscofan has acquired plastic polymers with these characteristics. However, given that the demand for this product is not yet relevant, the consumption of this type of raw material amounts to 5.5 tonnes, less than 1% of the total weight of the Group's raw materials.

The description of the main raw materials used by the Group can be found in ESRS 2 point 1.1.3. Strategy.

### Water

Viscofan's production plants require water collection for different phases of the process, such as the washing of casings, refrigeration, steam production and the moistening of said casings.

However, at Viscofan's production plants, in 2024, 14% of the water captured was evaporated, was incorporated into the product or was consumed, while the remaining 86% was taken to purification plants installed at Viscofan's production plants to be processed before being returned to freshwater surfaces or municipal processing plants.

To calculate the water withdrawal data, in some facilities, we use the information in the water suppliers' invoices; and in other cases, when the water is obtained from surface or groundwater, we use information from the meters installed at the water inlet in the factory facilities. This information is standardised and aggregated at the corporate level in the natural reference periods, using in turn a single measurement, cubic meters ($m^3$).

Viscofan's water management focuses its efforts two-fold. Firstly by seeking production technology with a lower water requirement, mainly in phases of the process that involve the washing of casings. Once the water has been used, Viscofan works to improve the quality of what we discharge even further and to understand the risks associated with its availability and use in the areas in which we operate.

The data on water withdrawal by type of source and consumption calculated as the difference between total collection and discharge is as follows

| Water withdrawal by source type. m3 | 2024 | 2023 |
|---|---|---|
| Surface water | 3,938,619 | 4,076,839 |
| Groundwater | 2,729,788 | 2,814,138 |
| Municipal supplies | 3,002,531 | 3,221,360 |
| Rainwater | 0 | 0 |
| Waste water | 0 | 0 |
| **TOTAL** | **9,670,938** | **10,112,337** |
| **Consumption in process** | **1,355,793** | **1,271,898** |

In the year, water collection was reduced by 4% in a context of lower casing production activity and thanks to the water consumption efficiency and reuse initiatives implemented during the year, as described above.

The water reused in the year is as follows:

| | 2024 | 2023 |
|---|---|---|
| Water reused in m3 | 78,870 | 85,341 |
| % of the water consumed | **5.8%** | **6.7%** |

### Packaging

Viscofan's business model is characterised by the sale of ingredients or auxiliary raw materials in large volumes to food production companies, so that the packaging sent by Viscofan to the customer is not individualised by product or unit of use. For this reason, packaging is a reduced cost and has not been identified as a relevant aspect within Viscofan's double materiality analysis which, moreover, does not end at the final consumer. Most of the packaging that Viscofan buys by relevance and weight are caddies, boxes and pallets. This packaging is used to protect the quality and safety of the casings shipped to the customer, 17,141 tonnes in 2024. This amount has been calculated using the information recorded in the SAP ERP based on the average weight for each packaging reference and, when it is not available, with an estimate applying theoretical weights to the units of the main packaging families described above.

Viscofan does not manage information on the weight of packaging of raw materials whose purchase is managed by suppliers, nor has this been identified as a relevant aspect within the relative importance matrix. Some of these use reusable packaging, such as the containers that store collagen skins; another part is biodegradable and recycled, such as the cardboard that contains cellulose paper; and to a lesser extent, other packaging is of synthetic origin, for which Viscofan promotes the recycling of these as far as possible.

### Machinery, plant & equipment

The technology required for casing production is proprietary and involves the use of machinery, facilities and equipment developed by Viscofan compared to trusted suppliers. Also, the production plants require a series of auxiliary facilities for energy supply and the treatment of waste and emissions.

# Resource outflows

## ESRS E5-5

## Products and materials

The products from Viscofan's production process have been described in ESRS 2. Due to their biodegradability, key products (cellulose, fibrous and collagen casings) are not considered to be material in terms of the circular economy principles established in paragraph 35 of the ESRS E5. However, casings, films and bags obtained from the treatment of plastic polymers are material in terms of their recyclability.

See below the materiality analysis on resource use and circular economy for each key product:

### Casings, films and bags through the treatment of plastic polymers

These are products produced through the treatment of plastic polymers. According to the European Union's environmental taxonomy criteria, it is an eligible activity in the objective of transition to a circular economy, like the manufacture of plastic packaging, although it is not aligned with the technical criteria.
Therefore, Viscofan works to promote the use of renewable and bio-based raw materials and has an eFAN casing line. This product contains up to 95% recycled or bio-based plastic material, although for the moment sales are low, at less than 1% of the Group's revenue.

However, Viscofan is seeking to increase its relevance through commercial promotion and by improving supply sources, as detailed in section 2.3.1. of this ESRS.

### Cellulose and fibrous casings:

A plant-based product used by meat processors in the cold meat and sausage production process. They give the shape and appearance to the meat/sausage, although they are mainly peeled off before being marketed to the final consumer and discarded. Since they are plant based, they are biodegradable, albeit this may be a long process because of their characteristics.

For this reason, Viscofan is working in partnership with several entities in the sector to recover the waste from cellulose casings. Additionally, in the design of new product types, among other goals, Viscofan is working with the aim of developing casings that make the production process more efficient for customers by using fewer raw materials and reducing waste.

### Collagen casings:

An animal-based product used by meat processors in the cold meat and sausage production process. This technology is based on the concept of circular economy with the bio-recovery of a by-product of cowhide leather, collagen, from which the casing is produced. They give the shape and appearance to the meat/sausage and most of them are part of the final product and do not generate waste in their consumption.

Collagen casings are designed to replace animal casings in cold meat/sausage production, in part because they allow for more resource-efficient production by having greater size uniformity and because they do not require water-based washing at the customer's premises in the pre-stuffing phase.

## Efficient and circular management of waste

Viscofan is constantly looking for a more efficient production technology that allows, among other things, to reduce production waste as established by the environmental policy.

Casing production is a continuous process whose characteristics generate waste throughout, namely viscose, collagen mass, casings discarded in the converting process, as well as the packaging used in the different phases of the production process (mainly cardboard boxes, pallets, plastic films). Likewise, associated with environmental management at the water purification plants and the gas treatment facilities, the Group generates a material amount of waste, particularly sludge.

For the management of the waste generated, we use disposal methods that have been determined locally based on local regulations and good practices within the Group, taking into consideration the characteristics of the production process and the raw materials used.

In the Viscofan Group, waste is measured mainly on the basis of the weigh-ins carried out by the waste management entities. Waste is classified on the basis of recovery criteria with the categories of reused, recycled, composted and energy recovery; and elimination, with the categories of landfill, incineration or other unclassified destinations. This classification has been established at the corporate level by the operational sustainability department based on Viscofan's standard and seeks to avoid overlapping between the categories of reused and recycled. In addition, all of the categories described above are separated into hazardous and non-hazardous waste.

Viscofan's production process does not generate radioactive waste as defined in Article 3(7) of Council Directive 2011/70/Euratom.

The evolution of waste by type based on the reporting requirements of the ESRS E5 is as follows:

| In tonnes | 2024 | 2023 |
|---|---|---|
| Recovered | 30,487 | 36,055 |
| Elimination | 24,404 | 27,661 |
| **Total waste** | **54,891** | **63,716** |

| Recovered. In tonnes | 2024 | 2023 |
|---|---|---|
| Reused | 3,851 | 4,516 |
| Recycling | 6,869 | 6,206 |
| Composting | 14,047 | 15,298 |
| Energy recovery | 5,720 | 10,035 |
| **Total waste recovered** | **30,487** | **36,055** |

| % of total waste | 2024 | 2023 |
|---|---|---|
| Reused | 7.0% | 7.1% |
| Recycling | 12.5% | 9.7% |
| Composting | 25.6% | 24.0% |
| Energy recovery | 10.4% | 15.7% |
| **Total waste recovered** | **55.5%** | **56.6%** |

| Elimination. In tonnes | 2024 | 2023 |
|---|---|---|
| Incinerated | 2,081 | 3,231 |
| Landfill | 21,637 | 24,300 |
| Other | 686 | 130 |
| **Total waste elimination** | **24,404** | **27,661** |

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| **In tonnes** | **Non-hazardous** | **Hazardous** | **TOTAL** | **Non-hazardous** | **Hazardous** | **TOTAL** |
| Reused | 237 | 3,614 | 3,851 | 149 | 4,367 | 4,516 |
| Recycling | 6,491 | 378 | 6,869 | 5,864 | 342 | 6,206 |
| Composting | 14,047 | 0 | 14,047 | 15,298 | 0 | 15,298 |
| Energy recovery | 4,762 | 957 | 5,720 | 2,652 | 7,383 | 10,035 |
| Incinerated | 1,754 | 327 | 2,081 | 3,091 | 140 | 3,231 |
| Landfill | 19,445 | 2,192 | 21,637 | 22,460 | 1,840 | 24,300 |
| Other | 600 | 86 | 686 | 1 | 129 | 130 |
| **TOTAL** | **47,337** | **7,554** | **54,891** | **49,515** | **14,201** | **63,716** |

In 2024, the tonnes of waste went down by 14% compared to 2023 in a context of lower production activity and as a result of the actions detailed above. Viscofan is working on greater recovery of waste by increasing the reuse of products, or recycled use of waste after its corresponding transformation, such as composting, or energy recovery as a thermal source. In this regard, the consolidation of projects from previous years and the implementation of new ones has allowed the Group to reduce the intensity of waste elimination on millions of metres of extruded casings by 7% and to place the percentage of recovered waste at 56%.



# 2.4. European taxonomy for environmentally sustainable economic activities

**According to the environmental taxonomy criteria of the European Union, around 87% of Viscofan's business volume is not eligible under the European taxonomy as it does not have a significant impact on the six environmental objectives.**

**The activity of cogeneration of heat/cold and electricity based on natural gas is eligible for the objectives of adaptation to and mitigation of climate change and the activity of manufacturing casings, films and bags obtained through the treatment of plastic polymers is eligible for the objective of transition to a circular economy as the manufacture of plastic containers.**

**In the case of cogeneration, the technical alignment requirements require further development to facilitate the replacement of fossil fuel in line with the pioneering decarbonisation work that the Group is carrying out in Spain.**

**Regarding casings, films and bags obtained through the treatment of plastic polymers, based on the preliminary analysis carried out, the value chain of this activity has not yet fully progressed to meet the technical alignment criteria established in the regulations, towards which Viscofan is working, particularly the development and promotion of casings with a percentage of recycled material and materials of natural origin.**

**Regarding casings, films and bags obtained through the treatment of plastic polymers, based on the preliminary analysis carried out, the value chain of this activity has not yet fully progressed to meet the technical alignment criteria established in the regulations, towards which Viscofan is working, particularly the development and promotion of casings with a percentage of recycled material and materials of natural origin.**

## Foundation

### Regulatory evolution

In its notification dated 8 March 2018, the European Commission presented its "Action Plan: Financing Sustainable Growth", which marks the beginning of an ambitious and comprehensive strategy. The objective is for finance to play a fundamental role in acting as an engine to move towards an economy that ensures compliance with the objectives of the Paris Agreement and the 2030 Agenda of the European Union (EU) for Sustainable Development.

In this context, the set of proposed measures defines ten specific actions, with the main focus on redirecting capital flows towards sustainable investments. As a result of the first of these actions, the Taxonomy Regulation was promulgated, specifically Regulation (EU) 2020/852. This regulation aims to establish a classification system that, based on objective criteria, determines which economic activities are considered sustainable.

The Taxonomy Regulations establishes six environmental objectives:

- Climate change mitigation
- Climate change adaptation
- The sustainable use and protection of water and marine resources
- The transition to a circular economy
- Pollution prevention and control
- The protection and restoration of biodiversity and the ecosystems

This regulation has been modified gradually over several years to include the technical selection criteria for the 6 objectives.

One, on 4 June 2021, the Delegated Regulation (EU) 2021/2139 was published on sustainable activities for the objectives to mitigate and adapt to climate change. Therefore, technical selection criteria were established to determine the conditions in which it is considered that an economic activity substantially contributes to these two objectives, and to determine if such economic activity does not cause significant harm to any other environmental objectives.

On 6 July 2021, the Commission adopted the Delegated Regulation (EU) 2021/2178, completing article 8 of the Taxonomy Regulation. This delegated act specifies the content, methodology and presentation of the information that must be disclosed to the financial and non-financial companies in relation to the proportion of environmentally sustainable economic activities with regard to its commercial, investment or lending activities.

On 9 March 2022, the European Commission published Delegated Regulation 2022/1214 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards public disclosure of specific information on these economic activities.

On 27 June 2023, the European Commission adopted Delegated Regulation (EU) 2023/2486, which completes Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical selection criteria to determine in what conditions an economic activity will be considered to contribute substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to the prevention and control of pollution, or to the protection and recovery of biodiversity and ecosystems, and to determine whether such economic activity does not cause significant harm to any of the other environmental objectives. It also introduces amendments to Commission Delegated Regulation (EU) 2021/2178.

In addition, on 27 June 2023, the Commission adopted Delegated Regulation (EU) 2023/2485 amending Delegated Regulation (EU) 2021/2139 which established additional technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives.

## Activity classification bases

In order to determine that an activity is "environmentally sustainable", it is necessary to start from the distinction established by the Regulation between two types of activities:

- Eligible activities: those that have a significant impact on the achievement of any of the six environmental objectives set out in the Regulation, irrespective of whether that economic activity meets any or all of the technical selection criteria set out in those delegated acts.

- Aligned activities: Those that have a significant impact on the achievement of any of the six environmental objectives set out in the regulation and in addition:

    - Does not cause any detriment to the other environmental objectives set out in the Regulation.

    - It complies with technical selection criteria established by the Commission.

    - It is carried out in accordance with the minimum guarantees set out in Article 18 of the Regulation.

## Reporting obligations for the 2024 financial year

In accordance with the regulations in force at the date of preparation of this management report, Viscofan's obligations with respect to the taxonomy are the reporting of eligible and ineligible activities and whether they are aligned with the taxonomy for the six environmental objectives



# Analysis of implications for Viscofan

## Analysis of eligibility with respect to the *6* environmental objectives

The Viscofan Group has conducted an analysis to identify the eligibility of the Group's activities with respect to the six environmental objectives:

The Traditional Business division, which represents 83% of the Viscofan Group's business volume (see note 19.1 of the consolidated report), includes the manufacture and distribution of cellulose, fibrous and collagen casings for sausages and other applications. This activity has not been identified by the European Commission as having a significant impact on any of the six environmental objectives, and, therefore, they are not eligible activities that are included in the annexes to the regulations described above.

The New Business division represents 12% of the Viscofan Group's business volume and encompasses several activities. Of these, the activity of manufacturing casings, films and bags obtained through the treatment of plastic polymers is included as an eligible activity in the objective of transition to a circular economy as the manufacturing of plastic containers. The rest of the division's activities are not eligible according to the taxonomy or are of little relevance.

Energy sales account for 5% of the Viscofan Group's business volume. They include the cogeneration activity, which in the Viscofan Group consists of the sale to third parties of the electricity that the Group does not use in the production process of its main activity. It is included in Annexes 1 and 2 of the Regulation as an eligible activity with respect to the objectives of climate change mitigation and climate change adaptation. The rest of the energy sales correspond to income from the sale of electricity transformed at the Zacapu facilities (Mexico), an activity that is not eligible according to the taxonomy.

With the exception of those detailed above, none of Viscofan's economic activities have been identified as directly linked to the specific activities related to the six environmental objectives. In certain complementary or support operations carried out in the production plants of the main activity, such as water or waste treatment, the corresponding analysis has not been carried out as they are not business activities that generate income, and their turnover indicator is null. Also, the investments and operating expenses that correspond to these cross-cutting activities are, in some cases, included in the corresponding items for the facilities of the main activity. There is not sufficient detail as they are integrated into general items and there is not the evidence needed to assign them to specific objectives and be classified as eligible.

## Alignment analysis of environmental objectives

### Cogeneration

Viscofan has carried out alignment analysis of the cogeneration activity based on the provisions of Annex I of the Regulation, which includes the criteria that this activity must meet in order to be considered as making a substantial contribution to climate change mitigation.

In this regard, the technical criteria for selection of substantial contribution set out in section 4.30 (High efficiency cogeneration of heat/cold and electricity from gaseous fossil fuels) of this Annex set a minimum level of greenhouse gas emissions for a cogeneration activity to be aligned that is technically impossible to achieve with the use of 100% fossil fuel, requiring the blending of non-fossil fuels and the development of new technologies that would allow such consumption.

In this respect, while striving for the decarbonisation of its processes, Viscofan is being a pioneer, has cogeneration engines with the capacity to use green hydrogen as fuel, and has successfully completed tests using this renewable energy source. Although a regular continuous supply of green hydrogen is not currently available, Viscofan is prepared for a rapid transition when such a supply becomes available.

### Manufacture of casings, films and bags through the treatment of plastic polymers

Viscofan has carried out alignment analysis of this activity based on the provisions of Annex II of the Regulation, which includes the criteria that this activity must meet in order to be considered as making a substantial contribution to the transition to a circular economy.

Based on this analysis, the activity of manufacturing casings, films and bags through the treatment of plastic polymers does not meet the established technical criteria of circularity and reuse.

However, Viscofan, within its objective of promoting a circular economy, has developed the eFAN casing, which contains up to 95% recycled or bio-based plastic material. Current sales of this product are low, but Viscofan is seeking to increase their importance through commercial promotion and by improving supply sources. In addition, the Group's main plastic extrusion and converting centres are ISCC PLUS certified, a sustainability certification programme for bio-based and circular (recycled) raw materials.

## Calculation of indicators

The main key performance indicators have been calculated in accordance with the EU Commission Delegated Regulation, which complements Regulation (EU) 2020/852 of the European Parliament and of the Council. This regulation details the content and presentation of the information that must be disclosed by companies subject to articles 19 bis or 29 bis of Directive 2013/34/EU in relation to sustainable economic activities from an environmental perspective. It specifies the method for complying with the obligation to disclose information about the presentation of data related to economically sustainable activities from an environmental point of view.

### Calculation of the key performance indicator relating to turnover, and change

For the calculation of the indicator, the accounts required by the Regulation have been identified in the denominator, which are 100% of the turnover recorded under the heading "net turnover" and which is detailed in the consolidated financial statements of the Viscofan Group in accordance with IFRS-EU (see note 19.1 of the consolidated financial statements).

For the calculation of the numerator, the amount of sales and service provision of the eligible activities has been used.

### Calculation of the key performance indicator for capital expenditure (CapEx)

For the calculation of the CapEx indicator, the denominator includes the total investments in intangible fixed assets, investments in property, plant and equipment and investments in assets for rights of use of the Viscofan Group, considered before depreciation, amortization and possible new valuations, including those resulting from revaluations and impairments, corresponding to the relevant year, and excluding changes in fair value. The denominator also includes additions to tangible and intangible assets resulting from business combinations. See notes 5, 6 and 7 of the consolidated financial statements.

For the numerator, projects carried out during the year that can be considered as eligible activities for the CapEx indicator as indicated in Article 8 of the Regulation are taken into account.

### Calculation of the key performance indicator for operating expenses (OpEx)

To calculate the OpEx indicator, the Viscofan Group's accounting accounts for research and development expenses, building renovation measures, short-term leasing expenses and maintenance and repairs or expenses to ensure the proper functioning of the assets have been identified. The sum of these accounts is the denominator.

For the numerator, the breakdown of the accounts by Cost Centre has been extracted by analysing the nature of the expenditure in order to identify whether it is associated with an eligible activity as indicated in Article 8 of the Regulation.

## Main changes in the current year compared to the previous year

The turnover of eligible and non-aligned activities amounted to €152.4 million in 2024 (12.7% of the Group's total turnover) and corresponds to the sales of cogeneration electricity in Spain and the sales of casings, films and bags through the treatment of plastic polymers. They are lower than in 2023 (15.4%) due to lower revenues from the sale of cogeneration electricity in Spain in a context of lower electricity prices in the Spanish electricity market and lower electricity production at the plant, and also due to the decrease in sales of plastic casings. In this market, the reduction in raw material costs is rapidly being passed on to market prices. The denominator figure, the total turnover of the Viscofan Group, stands at €1,204.0 million (see explanation of the variation in the analysis of the financial evolution of the consolidated management report).

The CapEx of eligible and non-aligned activities stands at €11.3 million (14.6% of the Group's total CapEx) and corresponds mainly to investments in the manufacturing of casings, films and bags through the treatment of plastic polymers in different Group production plants and, to a lesser extent, to the investment in the cogeneration plant in Cáseda (Spain). The indicator goes up compared to the previous year (9.2%) due to the increase in capacity of one of the families of plastic products, as well as investments in optimisation of cogeneration engines at the Cáseda plant (Spain).

The OpEx of eligible and non-aligned activities is €3.9 million euros (10.0% of the Group's total OpEx) compared to 11.2% in the previous year due to a greater relevance of OpEx in other non-eligible activities.

## Economic indicators

This section includes the indicators by economic activity in relation to their eligibility and alignment with the Taxonomy of Sustainable Finance. They have been presented following the templates included in Commission Delegated Regulation (EU) 2021/2178, of 6 July 2021, modified by Commission Delegated Regulation (EU) 2023/2486, of 27 June 2023:

## Turnover

| In million € | | 2024 | | Criteria for substantial contribution | | | | | | Criteria for "do no significant harm" | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Economic activities | ID | Absolute business turnover | Proportion of turnover | Mitigation of climate change | Climate change adaptation | Water and marine resources | Circular economy | Contamination | Biodiversity and ecosystems | Mitigation of climate change | Climate change adaptation | Sustainability and protection of the water and marine resources | Transition to circular economy | Pollution prevention and control | Protection and restoration of biodiversity and ecosystems | Minimum guarantees | Proportion of turnover that conforms to the taxonomy. 2023 | Category. Facilitating activity | Category. Transition activity |
| Row legend | | € | % | S; N; N/EL | S; N; N/EL | S; N; N/EL | S; N; N/EL | S; N; N/EL | S; N; N/EL | S/N | S/N | S/N | S/N | S/N | S/N | S/N | % | F | T |
| **ELIGIBLE ACCORDING TO** | | | | | | | | | | | | | | | | | | | |
| **A.1 Environmentally sustainable activities (conforming to the taxonomy)** | | | | | | | | | | | | | | | | | | | |
| **Turnover of environmentally sustainable activities (that conform to the taxonomy) (A.1)** | | **0** | **—%** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | | | | | | | | **—%** | | |
| **A.2 Activities eligible according to the taxonomy but not environmentally sustainable (activities that do not conform to the taxonomy)** | | | | | | | | | | | | | | | | | | | |
| Row legend | | € | % | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | | | | | | | | | | |
| High-efficiency cogeneration of heat/cooling and electricity from fossil fuels | CCM. 4.30. | 51.2 | 4.3% | EL | EL | N/EL | N/EL | N/EL | N/EL | Not applicable | | | | | | | 6.5% | | |
| Manufacture of plastic packaging | CE. 1.1 | 101.2 | 8.4% | N/EL | N/EL | N/EL | EL | N/EL | N/EL | Not applicable | | | | | | | 8.9% | | |
| **Turnover of activities eligible according to taxonomy but not environmentally sustainable (activities that do not conform to the taxonomy) (A.2)** | | **152.4** | **12.7%** | **4.3%** | **n.a.** | **n.a.** | **8.4%** | **n.a.** | **n.a.** | | | | | | | | **15.4%** | | |
| **Turnover of eligible activities according to the taxonomy (A.1 + A.2)** | | **152.4** | **12.7%** | **4.3%** | **n.a.** | **n.a.** | **8.4%** | **n.a.** | **n.a.** | | | | | | | | 15.4% | | |
| **B. INELIGIBLE ACTIVITIES ACCORDING TO THE TAXONOMY** | | | | | | | | | | | | | | | | | | | |
| Turnover from activities not eligible according to taxonomy | | 1,051.6 | 87.3% | | | | | | | | | | | | | | | | |
| **TOTAL** | | **1,204.0** | **100.0%** | | | | | | | | | | | | | | | | |

*Legend:*

*Y: YES; N:No; EL: Eligible; N/EL: Not eligible; F: Facilitator; T; Transition*

*CCM: Climate change mitigation; CE: Circular economy*

## CapEx. Investments in intangible assets, property, plant and equipment and right-of-use assets

| In million € | | 2024 | | Criteria for substantial contribution | | | | | | Criteria for "do no significant harm" | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Economic activities | ID | CapEx | Proportion of CapEx | Mitigation of climate change | Water and marine resources | Recursos hídricos y marinos | Circular economy | Contaminación | Biodiversidad y ecosistemas | Mitigación del cambio climático | Adaptación al cambio climático | Sostenibilidad y protección del agua y recursos marinos | Transición a economía circular | Prevención y control de la contaminación | Protección y restauración de la biodiversidad y los ecosistemas | Garantías mínimas | Proporción del CapEx ajusta a la taxonomía. 2023 | Categoría. Actividad facilitadora | Categoría. Actividad de transición |
| Leyenda fila | | € | % | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y/ N | Y/ N | Y/ N | Y/ N | Y/ N | Y/ N | Y/ N | % | F | T |
| **A. ACTIVITIES ELIGIBLE ACCORDING TO TAXONOMY** | | | | | | | | | | | | | | | | | | | |
| **A.1 Environmentally sustainable activities (conforming to the taxonomy)** | | | | | | | | | | | | | | | | | | | |
| **CapEx of environmentally sustainable activities (that conform to the taxonomy) (A.1)** | | **0.0** | **—%** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | | | | | | | | **—%** | | |
| **A.2 Activities eligible according to the taxonomy but not environmentally sustainable (activities that do not conform to the taxonomy)** | | | | | | | | | | | | | | | | | | | |
| Row legend | | € | % | EL; N/ EL | EL; N/ EL | EL; N/ EL | EL; N/ EL | EL; N/ EL | EL; N/ EL | | | | | | | | | | |
| High-efficiency cogeneration of heat/cooling and electricity from fossil fuels | CCM. 4.30. | 2.2 | 2.8% | EL | EL | N/EL | N/EL | N/EL | N/EL | Not applicable | | | | | | | 0.4% | | |
| Manufacture of plastic packaging | CE. 1.1 | 9.1 | 11.7% | N/EL | N/EL | N/EL | EL | N/EL | N/EL | Not applicable | | | | | | | 8.8% | | |
| **CapEx of activities eligible according to taxonomy but not environmentally sustainable (activities that do not conform to the taxonomy) (A.2)** | | **11.3** | **14.6%** | **2.8%** | **n.a.** | **n.a.** | **11.7%** | **n.a.** | **n.a.** | | | | | | | | **9.2%** | | |
| **CapEx of eligible activities according to the taxonomy (A.1 + A.2)** | | **11.3** | **14.6%** | **2.8%** | **n.a.** | **n.a.** | **11.7%** | **n.a.** | **n.a.** | | | | | | | | **9.2%** | | |
| **B. INELIGIBLE ACTIVITIES ACCORDING TO THE TAXONOMY** | | | | | | | | | | | | | | | | | | | |
| **CapEx of ineligible activities according to taxonomy** | | **66.0** | **85.4%** | | | | | | | | | | | | | | | | |
| **TOTAL** | | **77.3** | **100.0%** | | | | | | | | | | | | | | | | |

## OpEx

| In million € | 2024 | | | Criteria for substantial contribution | | | | | | Criteria for "do no* significant harm" | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Economic activities | ID | OpEx | Proportion of OpEx | Mitigation of climate change | Climate change adaptation | Water and marine resources | Circular economy | Contamination | Biodiversity and ecosystems | Mitigation of climate change | Climate change adaptation | Sustainability and protection of the water and marine resources | Transition to circular economy | Pollution prevention and control | Protection and restoration of biodiversity and ecosystems | Minimum guarantees | Proportion of OpEx that conforms to the taxonomy, 2023 | Category. Facilitating activity | Category. Transition activity |
| Row legend | | € | % | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % | F | T |
| **A. ACTIVITIES ELIGIBLE ACCORDING TO TAXONOMY** | | | | | | | | | | | | | | | | | | | |
| **A.1 Environmentally sustainable activities (conforming to the taxonomy)** | | | | | | | | | | | | | | | | | | | |
| **OpEx of environmentally sustainable activities (that conform to the taxonomy) (A.1)** | | **0.0** | **—%** | **—%** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | | | | | | | | **—%** | | |
| **A.2 Activities eligible according to the taxonomy but not environmentally sustainable (activities that do not conform to the taxonomy)** | | | | | | | | | | | | | | | | | | | |
| Row legend | | € | % | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | | | | | | | | | | |
| High-efficiency cogeneration of heat/cooling and electricity from fossil fuels | CCM. 4.30. | 2.2 | 5.6% | EL | EL | N/EL | N/EL | N/EL | N/EL | Not applicable | | | | | | | 7.8% | | |
| Manufacture of plastic packaging | CE. 1.1 | 1.7 | 4.4% | N/EL | N/EL | N/EL | EL | N/EL | N/EL | Not applicable | | | | | | | 3.4% | | |
| **OpEx of activities eligible according to taxonomy but not environmentally sustainable (activities that do not conform to the taxonomy) (A.2)** | | **3.9** | **10.0%** | **5.6%** | **n.a.** | **n.a.** | **4.4%** | **n.a.** | **n.a.** | | | | | | | | **11.2%** | | |
| **OpEx of eligible activities according to the taxonomy (A.1 + A.2)** | | **3.9** | **10.0%** | **5.6%** | **n.a.** | **n.a.** | **4.4%** | **n.a.** | **n.a.** | | | | | | | | **11.2%** | | |
| **B. INELIGIBLE ACTIVITIES ACCORDING TO THE TAXONOMY** | | | | | | | | | | | | | | | | | | | |
| **OpEx of ineligible activities according to taxonomy** | | **35.4** | **90.0%** | | | | | | | | | | | | | | | | |
| **TOTAL** | | **39.3** | **100.0%** | | | | | | | | | | | | | | | | |

**Summary, scope, eligibility and adjustment by environmental objective**

| | Proportion of turnover/ total turnover | | CapEx/Total CapEx ratio | | OpEx/Total OpEx ratio | |
|---|---|---|---|---|---|---|
| | that complies with the taxonomy by objective | eligible according to the taxonomy by objective | that complies with the taxonomy by objective | eligible according to the taxonomy by objective | that complies with the taxonomy by objective | eligible according to the taxonomy by objective |
| CCM | —% | 4.3% | —% | 2.8% | —% | 5.6% |
| CCA | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| WTR | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| CE | —% | 8.4% | —% | 11.7% | —% | 4.4% |
| PPC | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| BIO | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |

*Legend:*

*CCM: Climate change mitigation; CCA: Climate change adaptation; WTR: Water and marine resources; CE: Circular economy; PPC: Pollution prevention and control; BIO: Biodiversity and ecosystems.*



## Information about activities related to fossil gas

This information responds to the reporting requirements of Delegated Regulation (EU) 2022/1214 of 9 March 2022 for the key performance indicators applicable to activities related to fossil gas. In particular for Viscofan. the cogeneration activity referred to in section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139. Viscofan has no activities related to nuclear energy.

| Row | Nuclear-related activities | Revenue | CapEx | OpEx |
|---|---|---|---|---|
| 1 | The company conducts, finances or has exposures to the research, development, demonstration and deployment of innovative power generation facilities that produce energy from nuclear processes with minimal fuel cycle waste. | No | No | No |
| 2 | The company conducts, finances or has exposures to the construction and safe operation of new nuclear facilities to produce electricity or process heat, including for district heating purposes or industrial processes such as hydrogen production, as well as their safety improvements, using the best available technologies. | No | No | No |
| 3 | The company conducts, finances or has exposures to the safe operation of existing nuclear facilities that produce electricity or process heat, including for district heating purposes or industrial processes such as the production of hydrogen from nuclear energy, as well as their safety improvements. | No | No | No |
| **Row** | **Fossil gas activities** | **Revenue** | **CapEx** | **OpEx** |
| 4 | The company carries out, finances or has exposures to the construction or operation of electricity generation facilities that produce electricity from gaseous fossil fuels. | No | No | No |
| 5 | The company carries out, finances or has exposures to the construction, renovation and operation of combined heat/cold and power generation facilities using gaseous fossil fuels. | Yes | Yes | Yes |
| 6 | The company carries out, finances or has exposures to the construction, renovation and operation of heat generation facilities producing heat/cooling from gaseous fossil fuels. | No | No | No |



## Template 2 Economic activities that conform to the taxonomy (denominator)

| | | CCM + CCA | | | | | | Climate change mitigation (CCM) | | | | | | Climate change adaptation (CCA) | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Row | Activities related to fossil gas | Revenue | % | CapEx | % | OpEx | % | Revenue | % | CapEx | % | OpEx | % | Revenue | % | CapEx | % | OpEx | % |
| 5 | Amount and proportion of the economic activity that complies with the taxonomy referred to in section 4.30 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI | 0.0 | –% | 0.0 | –% | 0.0 | –% | 0.0 | –% | 0.0 | –% | 0.0 | –% | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| **7** | **Amount and share of other economic activities conforming to the taxonomy not mentioned in rows 1 to 6 in the denominator of the applicable KPI** | **0.0** | **–%** | **0.0** | **–%** | **0.0** | **–%** | **0.0** | **–%** | **0.0** | **–%** | **0.0** | **–%** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** |
| **8** | **Applicable KPI total** | **1,204.0** | **100%** | **77.3** | **100%** | **39.3** | **100%** | **1,204.0** | **100%** | **77.3** | **100%** | **39.3** | **100%** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** |

## Template 3 Economic activities that conform to the taxonomy (numerator)

| | | CCM + CCA | | | | | | Climate change mitigation (CCM) | | | | | | Climate change adaptation (CCA) | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Row | Activities related to fossil gas | Revenue | % | CapEx | % | OpEx | % | Revenue | % | CapEx | % | OpEx | % | Revenue | % | CapEx | % | OpEx | % |
| 5 | Amount and proportion of the economic activity that complies with the taxonomy referred to in section 4.30 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI | 0.0 | –% | 0.0 | –% | 0.0 | –% | 0.0 | –% | 0.0 | –% | 0.0 | –% | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| **7** | **Amount and proportion of other economic activities that conform to the taxonomy and are not referred to in rows 1 to 6 above in the numerator of the applicable KPI** | **0.0** | **–%** | **0.0** | **–%** | **0.0** | **–%** | **0.0** | **–%** | **0.0** | **–%** | **0.0** | **–%** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** |
| **8** | **Total amount and share of economic activities that conform to the taxonomy in the numerator of the applicable KPI** | **0.0** | **–%** | **0.0** | **–%** | **0.0** | **–%** | **0.0** | **–%** | **0.0** | **–%** | **0.0** | **–%** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** |

## Template 4 Economic activities eligible according to the taxonomy but which do not conform to the taxonomy

| | | CCM + CCA | | | | | | Climate change mitigation (CCM) | | | | | | Climate change adaptation (CCA) | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Row | Activities related to fossil gas | Revenue | % | CapEx | % | OpEx | % | Revenue | % | CapEx | % | OpEx | % | Revenue | % | CapEx | % | OpEx | % |
| 5 | Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.30 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI | 51.2 | 100% | 2.2 | 100% | 2.2 | 100% | 51.2 | 100% | 2.2 | 100% | 2.2 | 100% | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| **7** | **Amount and share of other economic activities eligible according to the taxonomy but not conforming to the taxonomy not mentioned in rows 1 to 6 above in the denominator of the applicable KPI** | **0.0** | **—%** | **0.0** | **—%** | **0.0** | **—%** | **0.0** | **—%** | **0.0** | **—%** | **0.0** | **—%** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** |
| **8** | **Amount and proportion of economic activities eligible according to the taxonomy but not conforming to the taxonomy in the denominator of the applicable KPI** | **51.2** | **100%** | **2.2** | **100%** | **2.2** | **100%** | **51.2** | **100%** | **2.2** | **100%** | **2.2** | **100%** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** |

## Template 5 Ineligible economic activities according to the taxonomy

| | | CCM + CCA | | | | | | Mitigación al cambio climático (CCM) | | | | | | Climate change adaptation (CCA) | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Row | Activities related to fossil gas | Revenue | % | CapEx | % | OpEx | % | Revenue | % | CapEx | % | OpEx | % | Revenue | % | CapEx | % | OpEx | % |
| 5 | Amount and proportion of the economic activity referred to in row 5 of Template 1 that is not eligible under the taxonomy according to section 4.30 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI | 0.0 | —% | 0.0 | —% | 0.0 | —% | 0.0 | —% | 0.0 | —% | 0.0 | —% | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| **7** | **Amount and share of other non-taxonomy eligible economic activities not mentioned in rows 1 to 6 above in the denominator of the applicable KPI** | **1,152.8** | **100%** | **75.1** | **100%** | **37.1** | **100%** | **1,152.8** | **100%** | **75.1** | **100%** | **37.1** | **100%** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** |
| **8** | **Total amount and share of non-taxonomy-eligible economic activities in the denominator of the applicable KPI** | **1,152.8** | **100%** | **75.1** | **100%** | **37.1** | **100%** | **1,152.8** | **100%** | **75.1** | **100%** | **37.1** | **100%** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** | **n.a.** |

# 3

# Social Information



# 3.1. ESRS S1. Own workforce

**People are the differential value on which the future of Viscofan is built. Over 5,100 employees in 22 countries constitute an extraordinary human wealth. People management is key to achieving our goals and that is why we want to attract and develop the best team in the industry.**

## Current and potential impacts, risks and opportunities

### Positive

- Increased knowledge, continuous improvement and productivity
- Skills developtment, diversity and professional talent.
- Long-term loyalty and commitment
- Social protection, economic stability and personal balance

### Negative

- Illnesses and accidents in the workplace
- Inadequate working conditions and pay structures
- Failure to comply with working conditions
- Deterioration of the work environment, labour conflicts

## Policies and commitments

- People Management Policy
- Policy of Respect for Human Rights.
- Occupational Health and Safety Policy.
- Equal Opportunity, Diversity, Inclusion and Harassment Prevention Policy
- Policy on Selection and Recruitment.
- Knowledge Management Policy.

## Sustainability objectives

- Target of a 50% reduction in the Group's accident severity rate by 2030 compared to 2018 levels
- Target of 30% of management positions held by women by 2030

## Governance

- Board of Directors. Appointments, Remuneration and Sustainability Committee, Audit Committee
- Executive Sustainability Committee
- CEO
- Human Resources Department
- Operational Sustainability Department

# 3.1.1. Strategy

## Material impacts, risks and opportunities and their interaction with strategy and business model

### ESRS 2 SBM-3

Viscofan is made up of a large team of professionals in 22 countries where the company is present, reflecting its marked international character. A multicultural, competitive, qualified team in constant training, which shares solid values and ethical principles, despite having different cultures. In short, a rich and complex multicultural environment, which is both a challenge and an opportunity for the international development for all employees. The success of Viscofan's business model lies largely in the people who, in their different functions, contribute to the transformation of raw materials into value-added goods and services.

This is a team of in-house staff made up of salaried and non-salaried people for whom the policies of people management and the defence of human rights described below are applicable.

Following on from this, Viscofan's transformative activity has a markedly industrial character, which depends on a continuous, complex production process, involving chemical, mechanical, energy-intensive processes, which are very sensitive to changes, in which automation is not complete and the intervention and supervision of people is necessary to ensure a safe process that guarantees the standards of suitability and quality of the products for customers.

At the same time, casings is a global market, both from a geographical point of view and in terms of product offer, a very competitive market in constant growth and innovation and it is essential that people have extensive knowledge, capacity for innovation, resolution and the ability to work in a team.

With these conditions, the wage cost represents a significant impact on production inputs and on the profitability of the company, making it necessary to strike an adequate balance between competitiveness and personal and professional development of people.

Based on these premises, the main incidents detected in the company's own workforce are described below. It should be noted that no incidents have been identified on the company's own workforce derived from the Net Zero transition plan described in ESRS E1.

Based on the materiality analysis carried out, which includes an understanding of the characteristics of the company's own workforce, the IROs identified correspond to all Viscofan staff and not to specific groups of people.

### Positive

#### *Increased knowledge, continuous improvement and productivity*

Through knowledge, the company is able to carry out the business activity that the market demands and values. A technical knowledge that allows us to comply with product standards, competitive advantages, trends, etc. In particular, the casing market depends, to a large extent, on proprietary knowledge and the ability to update and improve. So the development of the knowledge of the company's own workforce provides greater productivity and value creation.

#### *Long-term loyalty and commitment*

In a business model where people have a great relevance in the contribution of value, greater long-term loyalty and commitment results in initiatives aimed at improving business activity over a time horizon in line with the company's own horizon. Likewise, in a global and changing environment, the demands on the company's own workforce vary, as well as the need to adapt to them. This adaptation is better the greater the loyalty and commitment. Furthermore, the need for labour, the costs of investment in knowledge and training and the organisation of work itself constitute a complex process in a continuous 24-hour productive activity. With this, greater long-term loyalty and commitment reduce labour costs, increase security, retain talent and increase performance.

***Development of skills, diversity, and professional talent***

Teamwork, training, skills development and professional experience are generated in people who, through work experience, Viscofan provides with an intangible asset that enables them to develop new activities and face new challenges both within the company and in other activities.

***Social protection, economic stability and personal balance***

A competitively paid job gives those who work personal autonomy to be able to satisfy their needs, create wealth, have economic stability for their projects and not only benefits from the material and economic point of view, but also facilitates insertion into society, interaction with people, the creation of emotional bonds, etc. it improves self-esteem and helps mental stability.

## Negative

***Illnesses and accidents in the workplace***

In productive activity there is the possibility that the company's own workforce may suffer some kind of harm, including injuries, illnesses or pathologies suffered as a result of or during work. Viscofan's health and safety management system focuses on identifying and mitigating risks based on the areas of greatest danger within production plants and in auxiliary areas. By identifying and managing risks at the area level, we can ensure that all critical areas are adequately protected, thus reducing the likelihood of workplace accidents.

***Inadequate working conditions and remuneration structures***

A high workload, both physically and mentally or insufficient compensation in terms of economic and social benefits for the company's own workforce can lead to high turnover and loss of talent and therefore not having the right people for value creation.

Viscofan has a labour presence in 22 countries, each with a different set of labour laws. However, in relation to the systemic risks of forced labour or child labour that may arise from having manufacturing plants in countries outside the EU, the elimination of all forms of forced or compulsory labour, as well as the elimination of child labour, is stipulated as a principle relating to fundamental rights, above the legislation or practices that may occur in the countries in which it operates.

***Failure to comply with working conditions***

The company entrusts the management of its tangible and intangible assets to its own workforce to carry out work that helps to create value in the business activity. Improper use of these resources, disclosure of secrets, inappropriate behaviour, harassment or breach of employment contracts can result in economic, reputational and criminal costs for the organisation.

***Deterioration of the work environment, labour conflicts***

Viscofan's business activity requires a large team, currently more than five thousand people work in different locations within the Viscofan group, interacting socially and carrying out both formal and informal collaboration agreements.

The deterioration of the working environment hinders teamwork, coordination, the development of collective talent and productivity, which in some cases can lead to labour disputes aimed at changing working conditions and the relationship between the company and its own workforce, putting productive, service or management activity at risk, which can result in economic and reputational costs.

Casings is a global market, both from a geographical point of view and in terms of product offer, a very competitive market in constant growth and innovation

Viscofan has a labour presence in
22 countries

# 3.1.2. Incident, risk and opportunity management

## Policies related to own workforce

### ESRS S1-1, ESRS 2 MDR-P

Viscofan has policies that address the evaluation, management or remediation of incidents of relative importance related to its own workforce. Firstly, the people management policy establishes a basis that defines, designs and disseminates a people management model that attracts, develops and retains talent, as well as promoting the physical and mental well-being of the human team through their personal and professional growth and guaranteeing them a decent job.

This policy sets out the following specific principles in the following areas

- In relation to equality, diversity and inclusion
- With the selection and hiring of professionals
- Talent management and promotion and training
- Performance and development evaluations
- The remuneration system
- Work-life balance
- Regarding private life and digital disconnection
- Global occupational health and safety system
- Welfare
- Work ethics
- Corporate volunteering

In addition, the people management policy articulates specific policies that address in more detail incidents, risks and opportunities of relative importance related to its own workforce:

- Occupational health and safety policy: To promote the permanent improvement of health, safety and well-being conditions in the workplace of all the Group's employees.
- Equal opportunity, diversity, inclusion and harassment prevention policy: It seeks to create an inclusive and respectful work environment, with equal opportunities, and ensuring that all people are treated fairly, regardless of gender, race, age, disability, sexual orientation, religion or any other personal characteristic. In addition, the policy sets out clear procedures to prevent and address harassment in all its forms.
- Talent Acquisition Policy: The aim is to attract, select and retain the best talent in order to incorporate professionals with the competencies, knowledge, skills and behaviours reflected in the Code of Conduct.
- Knowledge Management Policy: Disseminate and share existing knowledge within the Group and promote continuous learning and training and its exchange, so as to increase operational efficiency through the appropriate use of intellectual capital and to promote initiatives, procedures and tools that allow for a real and effective use of this intellectual capital, always acting in the interest of the Group.

All these policies have been approved by the Board of Directors and are available on the Viscofan website, in the Corporate Governance - Regulations and Policies section and on the corporate intranet.

In addition, Viscofan has a Policy of Respect for Human Rights. It adopts the basic principles of respect for internationally recognised human rights, mainly contained in:

- The 10 principles of the United Nations Global Compact,
- The European Human Rights Convention.
- The United Nations Convention on the Rights of the Child.
- The Guiding Principles on Business and Human Rights: implementation of the United Nations framework to "protect, respect and remedy".

- The OECD Guidelines for Multinational Enterprises.
- The Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.
- The social policy of the International Labour Organization, as well as the documents or texts that may replace or complement those referred to above.

The policy of respect for human rights formalises the Viscofan Group's commitment to defending, promoting and respecting human rights in the development of its business activities and in particular labour activities:

- Prohibition of forced labour.
- Prohibition of child labour.
- Elimination of discrimination in the workplace.
- Respect for freedom of association and collective bargaining.
- Elimination and prevention of harassment and violence.
- Compliance with working conditions.
- Promotion of occupational health and safety.

Among its essential aspects, transparency and dialogue is a fundamental principle that inspires the Company's actions and, based on the Viscofan policy, promotes communication channels and relations with the different stakeholders that interact with the Group, so that it can respond to their needs and expectations and promote the creation of shared value.

Likewise, the Policy of Respect for Human Rights establishes different guidelines for action that include:

- The identification, within the risk control systems, of the potential human rights impacts that the Group's activities may generate, the development of mechanisms for the prevention and mitigation of such risk and, ultimately, reparation of the impacts in the event that they materialise. In this regard, the appropriate measures must be adopted as soon as possible in the event of detecting a violation of human rights in the facilities, centres or places where the companies of the Group or its business partners carry out their activities and inform the competent public authorities of this in the terms derived from the applicable regulations in this regard.
- Adopt the appropriate measures in the event of detecting a violation of human rights at the Group's facilities or those of its suppliers, and inform the competent public authorities so that they may take the appropriate action when such violation may constitute an administrative or criminal offence.
- Have mechanisms for complaints and claims to deal with potential cases of human rights violations.

## Policy scope

These policies apply to the company and its group and are binding on all its personnel, regardless of the position and function they perform.

The company will promote the application of the principles and bases to any natural and/or legal person linked to the companies of the group by a relationship other than employment when this is possible and convenient in such a way that they follow principles and guidelines consistent with those established.

The company may develop procedures and instructions to implement and comply with the obligations assumed, as well as to adapt it to the various local laws applicable to the companies of the group.

## Monitoring and supervision:

The monitoring of the policy is the responsibility of the Board of Directors, which will exercise it through the supervision by the Appointments, Remuneration and Sustainability Committee of the development and implementation of sustainability policies and strategies and by the Audit Committee in terms of the integrity of the non-financial information that is included in the management report, as well as in the supervision of non-financial risks arising from the Group's actions. The Group also has a Sustainability Committee, whose tasks include promoting sustainability plans and programmes in the development of policies, and an Ethics and Compliance Committee, reporting to the Audit Committee, which, in addition to ensuring compliance with the Code of Conduct, manages the ethics channel that allows employees and other persons related to the Company to report any breaches that may occur. Finally, the Corporate Human Resources Department, and the different Human Resources departments and functions deployed in the various subsidiaries of the group are responsible for ensuring and applying the policies in the daily management of Viscofan's own workforce.

# Processes for engaging with own workforce and workers' representatives about impacts

## ESRS S1-2

The company maintains various channels of dialogue and communication with the professionals of the Group's companies, including regular meetings with workers' representatives, especially in those subsidiaries where the size of the workforce makes this advisable, specific committees with professionals on matters of special relevance for the company and its own workforce, work climate surveys, presentations with members of senior management, specific meetings, and notifications on the Group's intranet.

These channels of communication serve to ensure that the perspectives of its own workforce can be taken into account in decisions or activities aimed at managing actual and potential incidents.

Meetings with professionals or workers' representatives, which are generally held at least once a year, may or may not be held periodically, depending on the circumstances, the legislation in force, and the agreements between the company and the workers' representatives. In this way, collective agreements or specific agreements can be established to regulate and monitor aspects related to human resources management. In meetings with workers' representatives, there is at least one company representative appointed by senior management.

The policy of respect for human rights is applicable to the entire Viscofan Group and binds all its staff. Furthermore, in the implementation of the principles of this policy, the companies of the Group shall collaborate constructively with those interest groups or stakeholders that may affect or be affected by the Group's activity in order to establish channels of communication, consultation and contacts that contribute to the best performance of the Group and its business partners in the field of human rights. On this basis, the principles set out in the policy provide a comprehensive framework with employee representatives in relation to respect for human rights.

In addition, the Group promotes the conduct of multi-annual global opinion surveys (Viscofan Opinion Survey) to assess the working environment in the different subsidiaries in the countries where it operates. The last one was carried out in 2022 and had a response rate of 68%. All the surveys and observations were recorded and grouped into different categories, making it possible to assess how the members of its own workforce know and trust these structures and processes that Viscofan has as a way of raising their concerns or needs and responding to them.

Viscofan believes that the effectiveness of the collaboration is reflected in the increase in people's participation in the opinion survey, where key aspects that require improvement are identified and integrated into the human resources management strategy for the coming years. These aspects include professional development, improving working conditions and strengthening organisational culture. However, Viscofan does not have a formal system to evaluate the effectiveness of this channel or communication with workers' representatives.

In 2024, it carried out a climate survey on the perception of safety in the subsidiaries in Spain, the Czech Republic, Belgium and Serbia, with the aim of determining whether the safety culture in the company is adequate and implementing the necessary improvement or corrective measures.

The participation of workers in health and safety matters is guaranteed in all plants through health and safety committees -in which the company's actions in the field of risk prevention are regularly consulted-, suggestion boxes, as well as other established communication channels.

The resources used in the processes for engaging with the company's own workforce and its workers are mainly human. In the case of regular meetings with workers' representatives, these are mainly carried out by staff at the local locations where they take place, especially in the human resources department, being one of the tasks incorporated in their position. Meanwhile, the climate survey on the perception of safety has been coordinated by the corporate operational sustainability department, in collaboration with communication and corporate IT and by extension by the local health and safety departments of the implementations where it has been carried out.

The global opinion survey, at the internal level, is coordinated by the corporate human resources department, in collaboration with corporate communication and IT and by extension the local human resources departments. Externally, there is the collaboration of a third party that guarantees the platform, reliability and confidentiality.

Finally, no impacts on the company's own workforce have been identified that may result from the reduction of carbon emissions and the transition to greener and climate-neutral operations and therefore, there is no collaboration with the members of its own workforce or workers' representatives in this regard.

# Processes to remediate negative impacts and channels for own workers to raise concerns

### ESRS S1-3

The Viscofan Group has an organisational structure that has different channels for repairing negative incidents.

The department in charge of monitoring the protocols and the execution of the processes to repair general negative incidents related to its own workforce is human resources.

In the event that the negative impact is related to health and safety, Viscofan has safety managers who must ensure that corrective or improvement measures are implemented in this area, with the operational sustainability department monitoring the implementation of these measures. Additionally, when necessary with the human resources department, operations or general management depending on the circumstances.

Furthermore, Viscofan has a whistleblowing channel called the Ethical Channel. Integrity Line, which is a tool for employees and stakeholders to report breaches, crimes or unethical behaviour that may jeopardise the reputation or civil or criminal administrative liability of the Viscofan Group.

See detailed description of it in ESRS G1 point 4.1.2.

The Ethics and Compliance Committee is the body responsible for commencing, on its own account or at the request of a third party, an investigation on events or practices that may give rise to a situation of risk for the Viscofan Group as a result of a breach of the Viscofan Group's Code of Conduct or prevailing regulations.

At the conclusion of an investigation, the Ethics and Compliance Committee will, among other things, have the following as its objectives:

- Seek redress and assistance to those who may have been affected by non-compliance or irregularities, especially for non-compliance or irregularities of criminal relevance.
- Identify possible improvements in the implementation of the Ethics and Compliance System so that new measures can be put in place that would have prevented risks from materialising.
- Provide support to the Group's companies and monitor the implementation of the recommendations to ensure the improvements identified.
- Conduct global monitoring of cases. The information sent to the Ethics Committee throughout the company on possible infringements is recorded for a unified monitoring to identify trends and areas for improvement in the Viscofan Group's Compliance System.

Viscofan supervises compliance with the various policies of action in the field of people of its own workforce through different control bodies responsible for detecting possible non-compliance, as well as implementing the relevant corrective measures in each case. See section 3.1.2. of this ESRS where the policies and bodies in charge of management are detailed.

# Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

### ESRS S1-4, ESRS 2 MDR-A

Actions taken, ongoing or planned to prevent, mitigate and remedy negative impacts and achieve positive impacts, as well as to address risks and seize opportunities are managed at a general level by the Corporate Human Resources Department, which manages annually and in the longer term within the framework of the Beyond25 Strategy the main initiatives that are implemented by extension in the different locations of the Group where applicable, e.g. the Annual Training Plan.

However, in the case of the incidence of illnesses and accidents in the workplace, the Corporate Operational Sustainability Department is responsible for defining the action plan to be carried out to prevent, mitigate and repair incidents of this type within the framework of the health and safety management system. See Health and safety metrics sub-section of this ESRS.

The main actions for each IRO of relative importance are detailed below:

#### Illnesses and accidents in the workplace

- The company has safety managers in all manufacturing centres.
- The company has a corporate security manager.
- A survey of the safety prevention climate has been carried out in European subsidiaries that must provide a diagnosis on which to act.

- Training has been provided, specific campaigns on safety have been conducted, and work procedures with a focus on safety have been implemented and formalised.
- An accident control and reporting tool has been installed, not only at the level of those directly responsible, but also at senior management level.
- Periodic monitoring in all monthly steering committees on safety indicators.
- Investments have been made, notably at the Danville plant to bring it up to ISO standards; modifications have also been made to machines and installations, especially in converting, with the aim of improving their safety level or eliminating non-conformities; and investments have been made to improve fire protection.
- Compensation has been paid in cases where it has been justified with the objective of providing or enabling redress in relation to the consequences of accidents.

Overall, in 2024 Viscofan has identified relevant projects with a CapEx of €4.3 million in the area of occupational health and safety. The investments have been identified in the list of additions to property, plant and equipment and intangible assets of the Viscofan Group (see notes 5 and 6 to the consolidated financial statements). These investments have been financed with the cash generation of the business, although Viscofan has financing with sustainable criteria that, although not particularly assigned to the aforementioned projects, contributes to the sustainable performance of Viscofan, framed in the Sustainability Action Plan.

The effectiveness of these measures has led to an improvement in the accident rate indicators compared to the start of the Sustainability Action Plan, even exceeding the targets initially set.

## Inadequate working conditions and remuneration structures

Collective bargaining agreements are in force for 62% of the company's own workforce, which ensure adequate working conditions and pay structures.

In addition, a detailed assessment of the jobs has been carried out during the year, with a focus on the pay gap and preparing for adaptation to the remuneration transparency regulations that are expected to come into force in 2026. This action has first begun at the corporate level and will be subsequently extended to the rest of the subsidiaries and the implementation of a Remuneration Policy for the Group is also planned.

As part of its annual work plan, the Internal Audit area supervises the corporate Human Resources procedures, which include, among other aspects, those related to working conditions.

The effectiveness of these measures is reflected in the reduction in the number of voluntary sick leave during the year, which is in line with the industrial sector.

## Failure to comply with working conditions

The company's own workforce have clear contracts defining the main rights and obligations of the contractual relationship. Training on labour regulations has been carried out.

Controls on intellectual property and know-how risks have been strengthened.

As an indication of the effectiveness of these measures in the current year there has been no significant impact due to non-compliance with working conditions.

## Deterioration of the work environment, labour conflicts

In 2022, a work climate survey was carried out, the analysis of which led to the human resources action plan with initiatives to improve the commitment of the people who work at Viscofan. A new Group-wide work climate survey is being considered and planned within 1-2 years to provide a more up-to-date picture.

In addition, a safety perception climate survey was conducted in the subsidiaries in Spain, the Czech Republic, Belgium and Serbia in the 2024 financial year to determine whether the security culture in the company is adequate and to implement the necessary improvement or corrective measures.

This exercise has seen production adjustments to adapt to the company's demand and inventory levels. These production adjustments have led to temporary layoffs in some manufacturing centers (Germany and Belgium) and wage restraint measures that have not led to significant labor disputes.

As proof of the effectiveness of these measures, no strikes have been recorded in the Viscofan Group's plants this year.

## Knowledge enhancement, continuous improvement, and productivity; and Development of skills, diversity, and professional talent

We promote the personal and professional development of people through different initiatives that allow knowledge management and use of employees' skills to achieve the Group's objectives.

Following on from this, continuous training is one of Viscofan's main objectives in terms of people management, promoting personal and professional development with its own training as well as that of third parties, with consultancy projects and training in continuous improvement.

Viscofan has a specific training channel called Viscoacademy integrated into the corporate intranet so that all the Group's training is hosted on a single platform, thus promoting knowledge sharing.

Within the financial year's training and skills building activities, it is worth highlighting those focused on the strategic continuous improvement project (Kaizen), and on improving safety awareness aimed at both the personnel directly in charge of this matter and other factory personnel, among others.

For all this commitment to training human capital, the group has earmarked €1.1 million in 2024 (€1.3 million in 2023), of which €0.26 million (€0.26 million in 2023) for specific training and awareness in the area of health and safety.

The detail of training hours for 2024 and the previous year is as follows:

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| **Training** | **Men** | **Women** | **Total** | **Men** | **Women** | **Total** |
| Number of hours | 48,614 | 21,990 | 70,604 | 55,817 | 25,984 | 81,801 |
| Average number of hours per employee | 13.2 | 14.8 | 13.7 | 14.7 | 16.8 | 15.3 |
| % of employees who have received training | 90.0% | 90.7% | 90.2% | 93.2% | 92.7% | 93.0% |

In parallel, Viscofan promotes global team meetings by corporate functions to share knowledge and strategic and action lines, as well as the creation and meeting of triangular multi-departmental teams for project management.

In particular, at the level of skills and talent development, work has been done on the succession plan and efforts have been made to ensure equal opportunities and working conditions by making job offers accessible internally.

Overall, measuring the effectiveness of these initiatives is complex due to the subjective nature of the elements involved, such as personal development and job satisfaction. While we use a variety of metrics and assessments, we recognise that individual perception plays a key role.

## Long-term loyalty and commitment

During the year, Viscofan has carried out communication campaigns on the Group's corporate purpose and values.

A staff engagement strategy called "Viscofan Discovery" has been implemented to introduce people in the organisation to what we do in Viscofan at regional (APAC) and divisional (New Business) level.

In addition, in 2024, recognition of the commitment of people who have been working for the Group for a certain period of time has been encouraged.

The effectiveness of these measures is reflected in the predominance of permanent contracts in the workforce.

## Social protection, economic stability and personal balance

Recruitment processes have sought to prioritise job stability as far as possible, a strategy that has resulted in an increase in the number of permanent positions.

# 3.1.3. Metrics and targets

## Targets related to managing material adverse impacts, driving positive impacts and managing material risks and opportunities

**ESRS S1-5, ESRS 2 MDR-T and MDR-M**

Within the scope of its own workforce and set out in the Sustainability Action Plan, Viscofan has the following targets:

## Safety. Reduction of severity index

Based on the objective established in the Occupational Health and Safety Policy to prevent accidents, injuries and deterioration of health, thus minimising the impact of the negative incidence of accidents in the working environment, Viscofan has set itself the target of reducing the severity rate by 50%, calculated as the number of equivalent working days lost per accident per thousand hours worked, in 2030 compared to 2018.

This target has been set by the Executive Sustainability Committee and approved by the Board of Directors within the framework of the Viscofan Group's Sustainability Action Plan. There has been no engagement with the company's own workforce or workers' representatives to set this target.

The definition of the target was based on the 2018 financial year with a severity index of 0.52, as this is the reference year used for the different sustainability targets and from which the first Viscofan Sustainability Action Plan is established, to be reduced to 0.26 in 2030, in line with the United Nations Sustainable Development Goals. There are no intermediate milestones and the scope of the target is for all Viscofan Group locations.

The Executive Sustainability Committee monitors performance against this target on a quarterly basis, identifying catalysts for variances. This Committee also reports regularly to the Board of Directors' Appointments, Remuneration and Sustainability Committee.

The evolution of the 100-based target for 2018 is as follows:

| Base 100 year 2018 | 2030 Commitment | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|---|---|---|
| Severity Index | **50** | 28 | 35 | 62 | 48 | 63 | 83 | 100 |

By setting this target, Viscofan has been able to promote specific safety awareness projects, invest in protection and ergonomics, and improve and standardise plant safety systems. This has resulted in Viscofan meeting its 2030 target by 2024. However, in order to continue to manage and minimise the incidence of accidents, the Executive Sustainability Committee is studying the establishment of an even more ambitious target.

In addition, as proof of this commitment, the long-term variable remuneration plan for Viscofan's senior management and key personnel includes an intermediate target to reduce the severity rate.

## Diversity. Increasing the percentage of women in management positions

Based on the policy of equal opportunities, diversity, inclusion and prevention of harassment, which establishes the commitment to establish action plans that promote effective equality of the sexes, Viscofan seeks to promote the development of diversity, in particular to increase the weight of the least represented gender in the Group by setting the target of achieving 30% of the management level to be made up of women.

This target has been set by the Executive Sustainability Committee and approved by the Board of Directors within the framework of the Viscofan Group's Sustainability Action Plan. There has been no engagement with the company's own workforce or workers' representatives.

The definition of the objective was based on the 2018 financial year, a year in which the percentage of women in management positions was 15.6%, being the reference year used for the different sustainability objectives and from which the first Viscofan Sustainability Action Plan was established. The target is to increase to 30% by 2030, in line with the total percentage of women in the Group's average workforce, and with the UN Sustainable Development Goals framework year. There are no intermediate milestones and the scope of the target is for all Viscofan Group locations.

The Executive Sustainability Committee monitors performance against this target on a quarterly basis, identifying catalysts for variances. This Committee also reports regularly to the Board of Directors' Appointments, Remuneration and Sustainability Committee.

The trend in the goal is as follows:

| Base 100 year 2018 | 2030 Commitment | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|---|---|---|
| Women in management positions | **30.0%** | 22.2% | 22.4% | 19.6% | 17.9% | 14.8% | 15.4% | 15.6% |

By setting this target, Viscofan has been able to promote, as part of its talent management, the identification of opportunities to include the under-represented gender, both in terms of internal and external candidates, in those positions that are expected to become available in the future as a result of vacancies, growth opportunities or succession planning. As reflected in the progress of the target, this has resulted in an increase of 6.6 percentage points in the percentage of women in management positions in 2024 compared to the base year 2018.

# Characteristics of the company's employees

## ESRS S1-6

Viscofan is made up of a large team of professionals in 22 countries where the company is present, reflecting its marked international character. A multicultural, competitive, qualified team in constant training, which shares solid values and ethical principles, despite having different cultures.

In total, the average workforce in 2024 was 5,163, which is 3.4% lower than the average workforce in the previous year, due to lower staffing requirements compared to the same period of the previous year. This is due to the new technology installed in the United States, the adjustment of production levels, particularly in Europe, and the measures implemented throughout the Group to optimise operations and production.

The workforce at the end of 2024 comprised 5,323 people, of whom 3,759 are men (3,761 in 2023) and 1,564 women (1,571 in 2023).

See staff breakdowns in note 19.3 of the consolidated financial statements.

Viscofan's business model has a markedly industrial character: 50% of those working at Viscofan are operators and 17% are specialised personnel. Within this industrial context, Viscofan is committed to stable quality employment, and 94% of the workforce have permanent contracts and 98% are full-time workers.

The team combines young talent and experience. The average age of the staff is 42 years. Of the total of the average workforce, 16% are people under 30 years old, 58% are between 30 and 50 years old, and 26% are over 50 years old.

Based on ESRS S1-6 the breakdowns of employees in its own workforce are obtained from local registers calculated on a corporate basis in full-time equivalent numbers, and then consolidated at the corporate level. This is the average workforce for the reference period, the 2024 financial year.

The breakdowns of information are as follows:

## a. Total number of employees and breakdown by gender and country:

| Number of people | 2024 | 2023 |
|---|---|---|
| Men | 3,674 | 3,797 |
| Women | 1,489 | 1,549 |
| Other | 0 | 0 |
| Not notified | 0 | 0 |
| **Total employees** | **5,163** | **5,346** |

| Breakdown of the average workforce by country | 2024 | 2023 |
|---|---|---|
| Spain | 905 | 942 |
| Czech Republic | 597 | 618 |
| Serbia | 642 | 673 |
| Germany | 540 | 569 |
| Belgium | 70 | 72 |
| France | 14 | 13 |
| United Kingdom | 10 | 12 |
| Russia | 6 | 6 |
| Italy | 1 | 1 |
| **EMEA** | **2,785** | **2,905** |
| China | 356 | 368 |
| Australia | 86 | 86 |
| Thailand | 35 | 18 |
| New Zealand | 4 | 7 |
| Japan | 2 | 1 |
| India | 2 | 1 |
| Philippines | 1 | 1 |
| **APAC** | **486** | **481** |
| EE.UU | 598 | 622 |
| Mexico | 634 | 654 |
| Canada | 57 | 57 |
| Costa Rica | 15 | 14 |
| **North America** | **1,304** | **1,348** |
| Brazil | 508 | 526 |
| Uruguay | 80 | 87 |
| **South America** | **588** | **612** |
| **TOTAL** | **5,163** | **5,346** |

## b. Total number of persons or full-time equivalent of:

a. permanent employees and their breakdown by gender

b. temporary employees and their breakdown by gender

c. workers of non-guaranteed hours, and their breakdown by gender

| Period. 2024 | Man | Woman | Other | Not communicated | Total |
|---|---|---|---|---|---|
| Number of permanent employees | 3,459 | 1,373 | 0 | 0 | **4,832** |
| Number of temporary employees | 215 | 116 | 0 | 0 | **331** |
| Number of employees of non-guaranteed hours | 0 | 0 | 0 | 0 | **0** |
| **Total** | **3,674** | **1,489** | **0** | **0** | **5,163** |

### c. Number of employees who have left the company and the turnover rate

The number of employees who left the company in the 2024 financial year is as follows:

| People | 2024 |
|---|---|
| Total number of employees who left the company in the reference period | 1,169 |
| Employee turnover rate | 18.4% |

** Includes voluntary resignations, dismissal, death or retirement as set out in point AR 59 of the ESRS S1.*

This ratio has been calculated using the total number of employees who have left the company as the numerator and the total number of employees who have worked in the period as the denominator.

## Characteristics of non-employee workers in the company's own workforce

### ESRS S1-7. Phased-in disclosure requirement

Viscofan does not report this information in this sustainability report because it is a phased-in disclosure requirement and therefore exempt from reporting in the first year of the sustainability report as per Appendix C of ESRS 1.

## Collective bargaining coverage and social dialogue

### ESRS S1-8

As part of Viscofan's commitment to guaranteeing fair and equitable working and employment conditions for staff, there are collective agreements that clearly and in detail establish the terms and conditions of employment, including wages, working hours, benefits and labour rights as far as possible and according to the characteristics of the countries in which Viscofan is present. These agreements are the result of a negotiation process between the company and the workers' representatives, thus ensuring that the voices of our employees are heard, and their needs are met.

Thus, in the period, 62% of employees are covered by a Collective Bargaining Agreement.

In addition, continuous and constructive social dialogue with staff and their representatives is encouraged. This dialogue allows us to address any concerns or problems that may arise in the work environment in a collaborative and proactive way. Viscofan strives to maintain open and transparent communication channels, promoting the active participation of staff in decisions that affect their working conditions.

The total and detail of the average salaried workforce covered by collective bargaining agreements by country is broken down below, both within the European Economic Area (EEA) and outside it, as set out in the template in point AR.70 of ESRS S1. In addition, as defined by collective agreements in EEA countries, all persons under an agreement are represented by workers' representatives:

| | Coverage of collective bargaining | | Social dialogue |
|---|---|---|---|
| **Coverage rate** | **Employees EEA (for countries with > 50 employees, representing > 10% total employees)** | **Employees Non-EEA (regions with > 50 employees, representing > 10% total employees)** | **Workplace representation (EEA only) (for countries with > 50 employees, representing > 10% total employees)** |
| 0-19% | | Rest of Europe and Asia Pacific | |
| 20-39% | | | |
| 40-59% | | North America | |
| 60-79% | Germany | | Germany |
| 80-100% | Spain, Czech Republic | South America | Spain, Czech Republic |

Viscofan does not have agreements with its employees for representation by a European Works Council, a Works Council of the European Company (SE) or a Works Council of the European Cooperative Society (SCE).

# Diversity metrics

## ESRS S1-9

For the Viscofan Group, Top management corresponds to the highest hierarchical level of the organisation, reporting directly to the Chief Executive Officer, and consists of regional general management (EMEA, APAC, NAM and SAM) which groups together the operations located in the countries belonging to that geographical region, the general management of New Business, and the general management of corporate services. Thus, the average number of senior management staff by gender is as follows:

| | 2024 | |
|---|---|---|
| **Average workforce** | **Men** | **Women** |
| Top management | 14 | 2 |
| Percentage | 87.5% | 12.5% |

See details of Top management in note 22.2. to the consolidated financial statements.

In addition, based on the management and establishment of the policy of equal opportunities, diversity, inclusion and prevention of harassment, Viscofan is committed to establishing action plans that promote effective equality of the sexes, with the aim of increasing the weight of the under-represented gender at management level, understood as the categories of top management and managers. Thus, the breakdown of the average workforce in these categories is as follows:

| | 2024 | |
|---|---|---|
| **Average workforce** | **Men** | **Women** |
| Management | 91 | 26 |
| Percentage | 77.8% | 22.2% |

Furthermore, the distribution of employees by age group is as follows:

| **Average workforce** | **2024** |
|---|---|
| Under 30 years old | 830 |
| 30 - 50 years | 3,001 |
| More than 50 years | 1,332 |
| **TOTAL** | **5,163** |

# Adequate wages

## ESRS S1-10

The contracting policy of the Viscofan Group is based on objectivity, equal opportunities and training, and one of its aims is to favour gender diversity, among other aspects. This implies competitive remuneration, adapted to the skills and competencies of the different profiles in demand depending on the industrial or commercial process and in accordance with the realities of the multitude of countries in which Viscofan has a presence.

In addition, at all Viscofan locations, people receive adequate wages, in accordance with the country's legal minimum wage reference index, understood as:

Within the EEA: On the basis of Directive (EU) 2022/2041 of the European Parliament and of the Council of 19 October 2022 on adequate minimum wages in the European Union, it complies with the definition of a statutory minimum wage as the minimum wage set by law or other binding legal provisions, with the exception of minimum wages set by collective agreements that have been declared universally applicable without any discretion on the part of the declaring authority as to the content of the applicable provisions.

Outside the EEA: The national minimum wage laid down in the labour laws of the countries in which Viscofan has a presence is used.

| **Minimum wage paid in the country vs legal minimum wage in the country (% difference over minimum wage)** | |
|---|---|
| Spain | 98.1 % |
| Czech Republic | — % |
| Germany | 48.0 % |
| Serbia | 4.4 % |
| Belgium | 18.5 % |
| United kingdom | — % |
| France | — % |
| Russia | 1301.8 % |
| China | — % |
| Thailand | — % |
| Australia | 10.5 % |
| New Zealand | 45.5 % |
| Canada | — % |
| US | 34.3 % |
| Mexico | 0.4 % |
| Brazil | 76.7 % |
| Uruguay | 20.8 % |
| Costa Rica | — % |

# Social protection

## ESRS S1-11. Phased-in disclosure requirement

The Viscofan Group is not reporting this information in this Sustainability Report as it is a phased-in disclosure requirement and is therefore exempt from reporting in the first year of the Sustainability Report as per Appendix C of ESRS 1.

# Persons with disabilities

## ESRS S1-12

As part of the promotion of diversity, Viscofan collaborates with special employment centres in Spain and other countries to carry out certain tasks that contribute to the development of our productive activity. It also has people with functional diversity among its employees, so that those people who are accredited or have a certificate from the competent health body in the various countries are consolidated at Group level to respond to this point of ESRS S1. The data with these characteristics broken down by gender is as follows:

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| | Men | Women | TOTAL | Men | Women | TOTAL |
| No. of disabled employees | 60 | 6 | 66 | 60 | 6 | 66 |

# Training and skills development metrics

## ESRS S1-13

Note: In this section, information on training and performance evaluation is reported as set out in ESRS S1-13, in line with the disclosure requirements of Law 11/2018 of 28 December on non-financial information and diversity. However, as this disclosure requirement is to be phased in and is therefore exempted from reporting in the first year of the sustainability report based on Appendix C of ESRS 1, the number of assessments as a proportion of the agreed number of management assessments is not reported. This indicator is being gathered and analysed for reporting in the next year in a reliable manner.

Viscofan promotes the personal and professional development of people through various initiatives to manage knowledge and make the most of employees' skills, combined with performance assessment processes to achieve the group's objectives.

Likewise, the industrial nature of the company requires combining a large number of operators with specialised personnel. An increasingly demanding and global industry, which implies greater knowledge and specialisation of the workforce. To meet this challenge, the Group is constantly investing in improving people skills, coupled with an ongoing training effort.

This is one of Viscofan's main objectives in terms of people management, promoting personal and professional development. The methodology has changed, with training through e-learning platforms, both at corporate and local level.

The breakdown of the hours of training undertaken has been reported in the incident-related action sub-section of this ESRS

A key focus of training in the Group is the subject of accident prevention to promote the importance of incorporating safe behavioural habits of the people who work at Viscofan. This training includes basic prevention measures that have to be adopted in the workplace, or the importance of day-to-day heart-healthy habits, the role of middle-level management and the improvement of its leadership in safety.

Facilitating training is one of the most effective measures to encourage professional development within the Group. The new processes and vacancies at Viscofan are notified internally so that the people that wish to can set themselves new challenges and goals at the company itself, strengthening and preserving the talent of the human team.

Furthermore, as part of the search for skills development, Viscofan promotes the implementation of performance evaluation processes as far as possible, in order to achieve the group's objectives. The percentage of the average workforce that has received a performance evaluation in 2024 by gender and professional category is as follows:

| | 2024 | | | | 2023 | | | |
|---|---|---|---|---|---|---|---|---|
| Performance evaluation | Men | Women | TOTAL | % of average workforce in the category | Men | Women | TOTAL | % of average workforce in the category |
| Management | 86 | 25 | 111 | 94.7 % | 100 | 30 | 130 | 100.0 % |
| Technicians and department heads | 579 | 255 | 834 | 63.1 % | 542 | 231 | 773 | 59.3 % |
| Administrative personnel | 19 | 78 | 97 | 40.4 % | 17 | 78 | 95 | 39.4 % |
| Specialised personnel | 254 | 125 | 379 | 42.3 % | 285 | 126 | 411 | 44.9 % |
| Workers | 622 | 280 | 902 | 34.9 % | 657 | 319 | 976 | 35.4 % |
| TOTAL | 1,560 | 763 | 2,323 | 45.0 % | 1,601 | 784 | 2,385 | 44.6 % |

# Health and safety metrics

**ESRS S1-14**

Viscofan works with the belief that it is possible to avoid all occupational accidents. Hence, it not only ensures that its facilities are safer, but also that its staff throughout the whole Group are aware of the fundamental importance of safety issues. To this end, Viscofan has the occupational health and safety policy described above.

This policy is overseen by the operational sustainability department, in close cooperation with the corporate and local human resources departments.

In parallel, in order to meet the organisation's occupational health and safety commitments, all plants work with Health and Safety Management Systems based on the guidelines issued by the corporate department and certified according to the ISO 45,001 standard, the international benchmark for occupational safety management systems. Thus, 100% of Viscofan's workforce is covered by this system.

## Health and safety management system

Based on the occupational health and safety policy, Viscofan has a strategy and business model specifically designed to address material health and safety incidents and risks.

Firstly, we work towards the objective of zero accidents, with accident prevention integrated and managed at local level in the production plants, which have a management system based on the guidelines set at corporate level for all implementations and certified according to the ISO 45001 standard, the international benchmark for occupational safety management systems.

On this basis the corporate operational sustainability team plays a crucial role in ensuring that all production sites operate according to established standards, not only in compliance with local and national laws, but also based on an internal framework of standards that places a strong emphasis on accident prevention.

Overall, health and safety management is a dynamic process with the following components:

- Risk assessment and analysis: production plants have an assessment to identify potential sources of risk. This includes the analysis of production processes, ancillary and service phases that could lead to accidents.

- Monitoring and continuous improvement: Viscofan continuously monitors the areas at risk of occupational accidents. This monitoring is done through regular audits, inspections and detailed risk assessments, with the aim of proactively identifying and addressing any potential hazards.

  Accident types are consolidated into specific categories, allowing analysis of accident trends and patterns, and providing a solid basis for implementing appropriate prevention measures.

  When an accident occurs, an investigation protocol is immediately activated. This process includes the collection of detailed information about the incident, interviews with those involved and witnesses, and analysis of the conditions that contributed to the accident. Based on this investigation, improvements and corrective actions are proposed to prevent the incident from re-occurring. Actions may include changes in work procedures, upgrading of safety equipment and additional training for employees.

  The corporate department monitors the implementation of these improvements. This is achieved through regular reviews and compliance audits, ensuring that corrective actions are implemented effectively and sustained. In addition, detailed records are kept of all improvements implemented, allowing for continuous evaluation of their effectiveness and identification of additional areas for improvement.

- Awareness and training: Based on the occupational health and safety policy, the promotion and exchange of best practices in occupational health and safety is encouraged, as well as awareness-raising, training, education and continuous information to promote safe behaviour and a culture of excellence.

  For Viscofan, the material aspects affecting safety are based on the characteristics of the position. This explains Viscofan's constant effort to standardise procedures and disseminate the company's policy on the subject among the workforce, making specific courses and information available to employees in their work areas.

  Coordination with suppliers and third parties on occupational health and safety applied to all Group activities is key.

- Investments in equipment: Viscofan promotes investment in the plants by seeking as far as possible the best available technologies in terms of health and safety at work.

- Audits: internal and external audits are carried out to assess the effectiveness of the measures implemented. Furthermore, Viscofan is working towards the goal of certifying all its plants under the ISO 45001 standard.

  In addition, the corporate operational sustainability team conducts comprehensive audits to assess and verify compliance with health and safety regulations at each facility. These audits not only review adherence to local and national laws, but are also based on an internal framework of standards.

  A key part of their work is the assessment of health and safety management systems, ensuring that plants have adequate procedures in place to minimise the occurrence of a negative impact.

Finally, Viscofan has a corporate objective to reduce the severity rate, see the goals sub-section of this ESRS.

On this basis, Viscofan considers that it has a strategy in place to address material incidents and risks with the aim of preventing illnesses and accidents in the work environment. This qualitative analysis is based on the premise that both in the medium and long term it seeks to improve the current status.

In addition, the collective agreements of the different locations in which the Viscofan Group is present determine certain specifications in terms of matters related to health and safety.

Coordination with suppliers and third parties on occupational **health and safety** applied to all Group activities is key.



The details of the Viscofan Group's health and safety indicators based on the provisions of ESRS S1-14 are as follows:

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| **Table of health and safety indicators** | **Men** | **Women** | **Total** | **Men** | **Women** | **Total** |
| % staff covered by health and safety management system | 100% | 100% | **100%** | 100% | 100% | **100%** |
| Number of deaths from work-related injuries and health problems | 0 | 0 | **0** | 0 | 0 | **0** |
| Number of accidents | 62 | 19 | **81** | 85 | 20 | **105** |
| Occupational diseases | 1 | 3 | **4** | 5 | 0 | **5** |
| Accident rate 1 | 0.13% | 0.09% | **0.12%** | 0.16% | 0.10% | **0.14%** |
| Severity Index 2 | 0.16 | 0.12 | **0.15** | 0.20 | 0.13 | **0.18** |
| Frequency Index 3 | 8.46 | 6.50 | **7.90** | 11.30 | 6.60 | **10.0** |
| Absenteeism rate 4 | 5.35% | 7.01% | **5.83%** | 4.19% | 4.43% | **4.26%** |

| | 2024 | 2023 |
|---|---|---|
| Days lost due to accidents, occupational accidents (work-related injuries and deaths) | **1,493** | 1,866 |

*Legend: 1. Number of hours lost per accident between hours worked. 2. Number of equivalent days lost due to accidents per thousand hours worked. 3. Number of accidents per million hours worked. 4. Hours lost per illness or accident / Total hours worked*

*Note: This information does not include data on non-employee workers as this is a phased-in disclosure requirement and therefore exempt from reporting in the first year of sustainability reporting as per Appendix C of ESRS 1.*

In the 2024 financial year, the number of accidents in the Group reduced by 23% compared to the previous year and the severity index also reduced thanks to the constant improvement in the health and safety management system described above.

# Work-life balance metrics

### ESRS S1-15. Phased-in disclosure requirement

The Viscofan Group is not reporting this information in this Sustainability Report as it is a phased-in disclosure requirement and is therefore exempt from reporting in the first year of the Sustainability Report as per Appendix C of ESRS 1.

# Compensation metrics (pay gap and total compensation)

### ESRS S1-16

Within the area of remuneration, 75% of the company's employees are covered by general collective bargaining agreements, therefore improving the minimum conditions set by the different employment legislation. Collective Bargaining Agreements regulate the remuneration received by the workers who sign them, and in particular establish criteria of equity between similar jobs, thus avoiding gender discrimination and the wage gap between equivalent jobs. The Group's average remuneration is €37,882 (€37,002 in 2023): €40,598 for men (€40,125 in 2023) and €31,293 for women (€29,545 in 2023). This difference in average remuneration corresponds to a multitude of factors, from the gender composition of the Group, to its geographical presence, the different distribution of jobs, their level of specialisation, the night shifts for a continuous production process of 24 hours, danger and seniority bonuses, etc., which are in line with the industrial context, the composition of the workforce and the history of the Viscofan Group.

In order to be able to carry out internal monitoring of possible gender-based pay differentials, the guidelines of the job evaluation project carried out in Spain in 2021 have been followed, with the aim of identifying comparable grades, i.e. those which, due to the nature of the functions or tasks effectively entrusted, the educational, professional or training conditions required for their exercise, the factors strictly related to their performance and the conditions in which these activities are carried out, are equivalent. This analysis was carried out with the help of the consulting firm

Willis Tower Watson, which made it possible to identify up to 21 equivalent grades within Viscofan.

Based on this experience, the equivalent in degrees was analysed internally for all the companies included in the scope of consolidation. Hence, the remuneration by degrees and gender was analysed in the different towns, to identify salary gaps, understood to be the difference between the fixed salaries of men and women with respect to the fixed salary of men in each of its degrees. Based on this analysis, Viscofan can monitor the performance of this indicator in the most significant degrees and therefore be able to establish the measures for its improvement.

The result of this analysis is summarised in the weighted pay gap of the Viscofan Group. In addition, the gender pay gap calculated in accordance with the provisions of point AR 101 of this ESRS is detailed below:

| Gender pay gap | 2024 | 2023 |
|---|---|---|
| Viscofan Group (Weighted) | 10.6% | 12.0 % |
| Viscofan Group | 22.9% | 26.4 % |

Furthermore, the ratio between the total annual remuneration of the highest paid person and the median total annual remuneration of all employees (excluding the highest paid person) is 55.9.

# Incidents, complaints and severe human rights impacts

## ESRS S1-17

Viscofan has the Ethics Channel. Integrity Line on which any interested person can file a complaint about, among others, cases of discrimination, including harassment and the grounds set out in point 102 of the ESRS S1. In this regard, no complaints have been received on this channel about this type or in relation to the issues defined in section 2 of the ESRS S1.

The figures of complaints have been obtained and aggregated from the computer system of the Ethics Channel. Integrity Line managed by the ethics and regulatory compliance committee and whose characteristics have been detailed in the ESRS G1 Business Conduct.

There have been no significant fines, penalties or damages as a result of the cases and claims listed above. See note 13.3 of Contingent Assets and Liabilities in the Annual Report to the Consolidated Financial Statements.

Furthermore, there have been no cases of serious incidents related to human rights, nor are there any fines, sanctions or compensation for this concept. See note 13.3 of Contingent Assets and Liabilities in the Annual Report to the Consolidated Financial Statements.



# 3.2. ESRS S4. Consumers and end-users

**With our products and global positioning we contribute to the nutrition and well-being of millions of people, which requires responsible management of the entire supply chain. From the selection of raw materials, the cooperation with our suppliers on efficiency, social and environmental challenges, to the relationship with our customers, helping them to meet the changing needs of consumers and solve their sustainability challenges, while facilitating food safety.**

## Current and potential incidents, risks and opportunities

### Positive

- Incidence: To make it easier to feed an affordable protein to millions of households around the world.
- Opportunity: Product safety and quality as a competitive advantage to lead the casing market.

### Negative

- Incidence: Food security crisis.
- Risk: Failure to meet quality standards or a food safety crisis can lead to lawsuits and reputational damage.
- Risk: Losing market position due to regulatory requirements in terms of food safety.

## Policies and commitments

- Code of Conduct.
- Business Practices Policy.
- Food Regulation Policy.
- Food Crisis Protocol. Product Withdrawal.
- Quality and Food Safety Management System.

## Sustainability goals

- 70% of our production plants with the highest AA rating in the Global Food Safety Initiative (GFSI) food safety certification. By 2024, this objective is met with 92% of the plants with this score.

## Head of Governance

- Board of Directors. Appointments, Remuneration and Sustainability Committee, Audit Committee.
- Executive Sustainability Committee.
- CEO.
- R&D and Corporate Quality Department.

## Support

- Corporate Department of Regulatory Affairs.
- Customer Service.

# 3.2.1. Strategy

Casings are an essential element in the production of sausages and therefore in the food chain, allowing access to protein for millions of consumers. However, the vast majority are not perceived by the end consumer, especially in the case of cellulosic and fibrous products that are peeled by meat processors before sale. An increasingly conscious consumer when making purchasing decisions, which requires more transparency about the environmental and social impact of products, functional performance, safety and traceability of production throughout the value chain.

This trend is supported by government authorities, non-governmental organisations, industry organisations and associations and consumers through regulation and certification.

In this context, Viscofan has a wide range of products in the casing market, with sales in more than 100 countries, resulting in a complex landscape of functional and regulatory requirements that require a holistic approach on the part of quality management.

This approach starts with the development of products and applications to meet the demands of our customers and consumers and to comply with regulatory requirements for quality and food safety. It continues in the production facilities themselves, built according to the requirements of food safety standards; through training programmes in food hygiene and product safety; control of raw materials, which must meet specifications previously agreed with approved suppliers; systems for detecting inadequate materials in the production process; protocols for action in the event of a food safety crisis; pest control; control of hazardous materials; personal hygiene and visitor policies.

## Interests and views of stakeholders

### ESRS 2 SBM-2

To define this approach Viscofan comprehensively addresses the expectations of customers and, by extension, consumers, authorities and associations by providing public commitments (e.g. policies, technical documents, the Code of Conduct and the Supplier Code of Conduct) in its efforts to continuously improve its offering and proactively comply with the latest and future requirements, and to provide appropriate transparency in its activities.

Specifically, for Viscofan, interaction with customers is a very valuable tool for incorporating the interests and opinions of consumers in the development of the value proposition of products, especially in the protection of risks that may affect health or safety. It is worth highlighting the satisfaction evaluation and the system for complaints and grievances.

Viscofan's sales team has a satisfaction evaluation system that allows it to directly collect customer feedback by measuring four main parameters (product quality, delivery service, economic competitiveness and technical assistance).

Viscofan also has an integrated, comprehensive complaints and claims system that facilitates dialogue and communication to record, identify, follow up and analyse any communication of dissatisfaction with the product or service provided by the Viscofan Group to its customers. It is a transversal continuous improvement system in which the departments involved must analyse the cause of the dissatisfaction and provide corrective actions to be established in the organisation to avoid its repetition. Any dissatisfaction is analysed, making it possible to control both the material that is returned as a result of the complaints and compensations paid to customers.

For more information on how Viscofan interacts with its customers and thus indirectly with consumers and end-users, please refer to the stakeholder-related section of ESRS 2 General Disclosures.

# Material issues, risks and opportunities and their interaction with strategy and business model

### ESRS 2 SBM-3, ESRS 2 IRO-1

As casings are an essential ingredient in the production of sausages, Viscofan works to meet quality and food safety requirements, with excellence being a priority as the integrity of the food that reaches the final consumer depends in part on our casings. However, we are not exempt from the possibility of a food safety incident (see description below of this material incident), which would pose a risk to Viscofan both at regulatory level due to non-compliance with product quality standards and reputational risk (see description of these risks below). In this case, our response is deeply rooted in our strategy and business model. We have developed rigorous protocols to manage and mitigate any risk, ensuring a quick and effective response to protect both our customers and end-users.

By complying with the requirements of ESRS 2 SBM-3 paragraph 48, we include all consumers and/or end-users who could be materially affected by a food safety incident, i.e. any consumer of a sausage manufactured with a casing supplied by Viscofan. This includes those who may be affected by our own operations and value chain, through our products and through our business relationships.

We have identified material risks and opportunities arising from impacts and dependencies on our consumers and or end-users through our materiality analysis.

Below are the main IROs, their classification by category and their description, as well as their interaction with Viscofan's business, strategy and financial planning in accordance with disclosure requirement SBM-3 of ESRS 2.

Viscofan's objective is to avoid or mitigate risks, actively deciding how to respond and, at the same time, we seek to take advantage of opportunities, incorporating them into our strategy.

It should be noted that, for the incidence and material risks of consumers and end users, Viscofan has specific response plans to anticipate or mitigate possible future financial impacts. Viscofan works to prevent the occurrence and guarantee at all times the excellence of its products and services for both customers and the end consumer. For this purpose, Viscofan has a food safety system described in detail in point 3.2.2. of this ESRS.

## Negative impact of food security crises

Viscofan's products, the casings, are part of the food chain and can therefore trigger an individualised food safety crisis incident, understood as the detection of a biological, chemical or physical hazard in food, feed or humans, which could result in, or indicate, a potential risk to public health, as defined in Decision (EU) 2019/300. Such an incident can be caused by a number of situations that can occur simultaneously:

- Conditions that put the population's health at risk.
- Failure to comply with any legal requirement.
- Threats within the Organisation (such as malicious contamination or sabotage, fires, etc.),
- Environmental threats (such as pandemics; disruption of essential services, such as water and energy supplies; floods and other natural disasters; failures/attacks in digital cybersecurity, etc.).

Within the categories established by ESRS S4 paragraph 10. a) this identified occurrence may affect consumers of products that may be intrinsically harmful to humans.

Viscofan has classified this incident into three types: emergency, major incident, and minor incident, depending on the effects on consumer food safety and also on Viscofan's brand image, each triggered by a management system.

In the 2024 financial year, there were no incidents or risks classified as emergencies or of a serious nature for which Viscofan had to activate the food safety crisis management procedure, or which gave rise to lawsuits or damage to Viscofan Group's reputation.

## Risk of non-compliance with quality standards or a food safety crisis that could lead to lawsuits and reputational damage.

Non-compliance with quality standards in the production and distribution of products with an impact on consumer health can lead to a deterioration of the company's reputation. News of this kind can spread quickly through social media and other media, leading to a loss of trust in the company and a decrease in sales.

Furthermore, in addition to health risks, non-compliance with quality standards may give rise to legal claims for negligence or damages, which may result in fines by the competent authorities and an obligation to compensate the affected parties.

In the 2024 financial year, there were no incidents or risks classified as emergencies or of a serious nature for which Viscofan had to activate the food safety crisis management procedure, or which gave rise to lawsuits or damage to Viscofan Group's reputation.

## Risk of loss of competitive position in the market due to regulatory requirements in terms of food safety and opportunity for competitive advantage to lead the casing market

Regulatory requirements in terms of food safety are strict and change frequently to protect consumer health. Should Viscofan fail to keep up with these changes and adapt its production processes, it could face regulatory penalties ranging from fines to a ban on the sale of its products.

This risk of loss of competitive position also affects as a positive opportunity in relation to the Viscofan Group's competitive advantage in terms of consumer health and safety as a lever to lead the packaging market.

In 2024, the Viscofan Group did not receive any relevant fines or penalties related to the failure to adapt its production processes to current regulations and any possible updates to these.

Viscofan seeks to lead the industry not only in innovation and quality, but also in food safety. We have a wide range of certificates that endorse our commitment to the highest safety standards, setting ourselves ambitious targets to obtain higher level ratings in these certifications (see more detailed description of this aspect in sections 3.2.2 and 3.2.3. of this ESRS), ensuring that our production processes and products comply with the regulations and requirements of our customers at a global level.

Thus, in 2024, there were no incidents or risks classified as emergencies or of a serious nature for which Viscofan had to activate the food safety crisis management procedure, or which gave rise to lawsuits or damage to Viscofan Group's reputation. In addition, Viscofan continued to maintain its global leadership in casings in the financial year.

## Positive impact by facilitating access to global food and different groups

One of our sustainability commitments is SDG 2: "Zero hunger". Belonging to the food market carries with it a great responsibility, associated with providing millions of people around the world with access to basic nutrition. On this basis, within its purpose, Viscofan seeks to reach as many people as possible. Therefore, the development of products and solutions adapted to the needs of groups is an opportunity for Viscofan.

- Halal: In order to sell our products for the production of sausages destined for this community, it is necessary to have a certification issued by the Muslim authority of the exporting country, which certifies that a specific food or pharmaceutical product meets the requirements of the Islamic Law for consumption by the Muslim population and Islamic communities. A demographic that represents approximately a quarter of the world's population.
- Kosher: Requirement for the consumption of food by the Jewish community.
- We also manufacture products of vegetable origin for vegans and vegetarians.
- Promotion with meat and food companies for the development of the sausage production industry in India.

For reasons of competitive sensitivity, Viscofan does not break down the current or expected financial effects of this positive impact. However, they are part of some growth axes within the financial objectives set in the Beyond25 Strategic Plan.

# 3.2.2. Incident, risk and opportunity management

## Policies related to consumers and end-users

### ESRS S4-1, ESRS 2 MDR-P

Viscofan has several policies and commitments in place to manage material product impacts on consumers and end users, as well as the related material risks and opportunities. In the case of Viscofan, the occurrence of the negative impact described above could affect the right to an adequate standard of living and, in particular, health and the quality of food.

It is based on Viscofan's Code of Conduct (see more detailed description in section G1 Business Conduct), based on internationally accepted conventions on the defence of human rights, in particular the United Nations Global Compact, the United Nations Norms on the Responsibility of Transnational Corporations in relation to Human Rights, the OECD Guidelines for Multinational Enterprises, the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.

Viscofan's Code of Conduct, based on the search for respect for people's human rights, establishes among its guidelines the quality, safety and protection of the environment with our products. In the particular case of quality, it typifies the following:

"Our products do not pose unacceptable risks to life or health as we comply with the technical regulations applicable to the approval and marketing of our products. Quality is an essential component of our brand."

On this basis, the following policy and protocol have been articulated.

### Food Regulation Policy

Its purpose is to ensure compliance with and adequacy to food regulations that are applicable to the activities and products of the Viscofan Group, identifying the necessary channels for their control, analysis and monitoring. This is an internal policy available to all employees on the corporate intranet, with the Corporate Regulatory Affairs Department being responsible for transparent communication of the food regulations applicable to the Group.

Food regulations govern the manufacture, processing and marketing of products intended for food consumption. It also covers products intended to be in contact with foodstuffs, such as packaging, plastics or inedible casings.

It must be complied with by Viscofan Group employees in all Group companies and is applicable to all activities related to food products, depending on their geographical scope of application at any given time.

The Corporate Regulatory Affairs Department is responsible for promoting, coordinating and supervising actions aimed at compliance with food regulations throughout the Viscofan Group, coordinating with those responsible for regulatory affairs in each of the companies that make up the Viscofan Group, who are responsible for food regulations in the territory in which the company operates, in application of the principles and content of this policy.

In complying with the policy, the Corporate Regulatory Affairs Department and the local Regulatory Affairs officers, considering interested parties, may contact external experts to obtain their opinion or, where appropriate, to coordinate or confirm their opinion and interpretation of the regulations applicable in their areas of activity.

In addition, the policy sets out methods to ensure that any new developments in food regulations applicable to Viscofan's activities are captured. These methods include, among others, membership of associations related to food regulations that inform of regulatory updates. It is worth highlighting the participation in the following alliances:

- Comité International de la Peliculle Cellulosique (CIPCEL). Based in Brussels, CIPCEL comprises the leading producers of regenerated cellulose film products.
- Collagen Casing Trade Association (CCTA). An association of leading producers of collagen casings worldwide that provides a forum for its members to discuss the development of legislation and actively promote the use of collagen casings.
- AINIA. Food technological centre based in Spain that supports the R&D tasks of its partners, especially in the areas of quality, food safety, sustainability, environment, design and industrial production.
- ANICE. The Spanish National Association of the Meat Sector is the biggest meat association in Spain to provide advice, represent and defend the sector's interests.

## Food Crisis Protocol. Product Withdrawal

Based on the food regulation policy, the Viscofan Group has a general protocol for action in the event of a food safety crisis; identifying the elements to be taken into account to respond efficiently to it; establishing guidelines for action in the event of a product withdrawal or recall being necessary; developing an adequate communication plan and establishing the necessary mechanisms to monitor and review the events and their causes after the incident has ended, thus avoiding a repetition of the same.

This protocol covers all activities from the time the food incident is identified until the crisis is closed.

This is an internal document available to all employees on the corporate intranet.

This protocol has been approved by the Chief Executive Officer and the Directors of the departments involved in the event of a food safety crisis and product withdrawal/recall (Commercial, Finance, Operations, R&D and Quality, Legal, Investor Relations, Communication and Sustainability).

It applies to all products manufactured and distributed by all Viscofan Group companies, whether they are in their facilities, in transit, in the facilities of their distributors or in those of customers and consumers.

# Processes for engaging with consumers and end-users on issues

### ESRS S4-2

Viscofan, with its main product, casings, facilitates the production of sausages and with the exception of collagen casings, the usual practice is to remove them from the final product before packaging and subsequent sale by our customers, the meat processors.

The Group has a quality system that seeks to comply with the applicable regulations in this area in order to guarantee product quality and avoid incidents as far as possible.

On this basis, Viscofan's collaboration in terms of product quality is closer with customers, with specific channels managed by the commercial department which, among other aspects, cover product quality. These are the complaints and claims system and the customer satisfaction evaluation system.

In the event of a possible food crisis incident (product withdrawal), Viscofan has a protocol in place that seeks to safeguard the health of consumers and end-users, for which the departments involved are responsible as set out in the protocol detailed earlier in this ESRS.

Operating procedures are established based on: i) initiation of the incident with its receipt and communication; ii) activation of the Technical Committee on Crisis and valuation (initial data, risks, classification, decision on whether to withdraw the product, registration of the valuation); (iii) crisis management (activation of the Crisis Committee, performance of the functions set out in the protocol, product withdrawal/recall, finalisation and reporting); (iv) Communication guidelines.

Likewise, in order to manage this type of incident, Viscofan facilitates direct collaboration with customers, distributors, authorities or other stakeholders based on the established communication channels described in the following section.

As established in the Food Crisis Protocol, Viscofan conducts a simulation at least once a year to evaluate the effectiveness of its food safety crisis management procedures. This simulation assesses various aspects, including the product withdrawal and recall process. Additionally, it examines the channels of communication and collaboration with consumers. The simulation involves customers, distributors, and other relevant contacts, such as certifiers, external laboratories, and public health authorities. Furthermore, depending on the nature of the simulated incident, the exercise may also involve different subsidiaries within the Viscofan Group. The department responsible for the simulation is Corporate Quality Management, in collaboration with local Quality Management.

# Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

**ESRS S4-3**

The Food Crisis Protocol, once an incident has started, and depending on its possible effects on the consumer, establishes channels to ensure that sufficient human, technical and financial resources are available to manage the crisis.

First, if applicable, a decision is made on the activation of the product withdrawal/recall process based on the crisis category and the location of the product. A measure aimed at achieving the return, both by customers and end-consumers, of unsuitable products.

Once the affected product has been identified, affected customers and distributors need to be notified of the withdrawal or recall and their involvement. In addition, they should be given specific instructions on what to do with the product concerned (withdraw it from sale, notify customers, return it to the supplier, destroy it, etc.). A framework document is to be drawn up in case it is necessary to report the incident to the competent health authority (in accordance with the legislation applicable in each country).

Likewise, a series of measures necessary for the optimal resolution of the incident are established, with periodic monitoring of these measures to assess their effectiveness, through the preparation of situation reports until the incident is over.

Furthermore, Viscofan does not have a specific procedure for remediation when it is determined that a product has caused a negative impact on consumers as these are isolated events that must be analysed individually in conjunction with customers, consumers and relevant authorities, which may vary depending on the different countries in which Viscofan sells its products.

## Communication channels

### Food safety crisis and product withdrawal/ recall protocol

In the specific case of a food safety crisis involving a product withdrawal, Viscofan has an action protocol in place that establishes the following communication channels, ensuring that all the agents in the value chain involved and affected are informed in a timely manner and can express their concerns:

- The crisis committee designates the role of a Spokesperson for crisis communication management. The Spokesperson is responsible for the constant contact with stakeholders and is therefore the receiver of requests and the sender of responses.
- The commercial department is in charge of contacting the affected customers to keep them informed based on the decisions made by the crisis committee.
- The Quality Management managers are the point of contact with the health authorities and the certification body Global Food Safety Initiative.

In the case of product withdrawal/recall seeking remediation or minimisation of the impact, once the affected product has been detected, it is necessary to notify the affected customers about the recall/recovery and its involvement. In addition, they must be provided with specific instructions on what they must do with the affected product (remove it from sale, notify customers, return to supplier, destroy it, etc.).

### Ethical Channel. Integrity Line

Viscofan has an Ethical Channel. Integrity Line that seeks to facilitate accessibility, knowledge and promotion so that employees, customers, suppliers or other interested stakeholders can express their concerns. See more details about it in ESRS G1 – Business Conduct.

## Effectiveness of communication channels

The crisis simulation exercise carried out by Viscofan aims to guarantee the effectiveness of this procedure and involves customers, distributors and other affected contacts, testing the correct functioning of the communication channels.

The Ethical Channel. Integrity Line is unique for all Group companies and for all violations or irregularities. It is accessible through the corporate website and the Viscofan intranet and has the following characteristics:

1. It will allow the communication of information 24 hours a day 7 days a week by completing a written form. This form is available in several languages.
2. At the request of the informant, the information may also be presented through a face-to-face meeting that must take place within a maximum period of seven days. Where appropriate, the whistleblower shall be warned that the communication will be recorded and informed of the processing of his or her personal data. The face-to-face meeting may be replaced by a video conference meeting or other secure telematic means that guarantee the identity of the whistleblower, and the security and confidentiality of the communication.

3.

4. Anonymous submissions are permitted.

Communications are made on the basis of a procedure that provides the necessary guarantees for informants and other parties concerned, in particular as regards protection against reprisals when using this system.

## Taking action

**ESRS S4-4, ESRS 2 MDR-A**

## Actions related to food safety incidents, opportunities and risks

However, in order to prevent, mitigate and repair an event of relative importance and the risks associated with it, Viscofan promotes a food safety and product quality system in its operations, seeking to ensure the safety of consumers with the packaging and ingredients used, and promoting an effective incident management system. Following on from this, Viscofan seeks excellence in food safety as a competitive advantage. The measures and resources allocated are as follows:

### Food safety and product quality system

Viscofan has a quality management system, managed and coordinated by the Corporate Quality Management department, which is based on the following guidelines to ensure that the measures implemented are necessary and appropriate to avoid, as far as possible, the occurrence of a negative impact:

- Hazard analysis and critical control point. Viscofan has a hazard analysis and critical control point (HACCP) system in place. Hence, an inter-disciplinary team assesses every step of the production process to detect possible hazards (physical, chemical and microbiological pollution, including allergens), identify critical control points, establish relevant controls and take any required corrective action. The system is annually updated in line with any changes in the production process.

- Compliance with applicable legislation. The production of casings is increasingly regulated in the area of food safety by countries and supranational institutions, creating a growing and constantly changing battery of rules. This regulatory framework directly affects the activity of different production plants due to laws in the country of origin and requirements in the receiving countries, and internationally recognised standards. Viscofan has a specific Patents and Regulatory Affairs department to update and monitor regulations.

- Product traceability and certification. Viscofan operates a product traceability system that enables us to identify, at any time and in full detail, the history of every unit and even sub-unit sold, from receipt of raw materials to product use by our customers. In Europe, Viscofan has fully implemented the food traceability system in accordance with Regulation (EC) 178/2002.

- Audit and certification. To ensure that our product safety and food hygiene systems comply with requirements, our production processes are audited internally on a regular basis. Our production facilities are also continuously audited by the health authorities, numerous customers and certification authorities. In this regard, all the Group's plants are Global Food Safety Initiative (GFSI) certified, which is an initiative of key food industry partners working together to drive continuous improvement in food safety management systems around the world.

Viscofan also has internationally recognised certifications for meat processors to approve their suppliers and market their products in the world's main distribution chains, and as part of its commitment to food safety and hygiene, it seeks to improve on the marks obtained with these certificates. The certificates demonstrating the Group's commitment to workplace safety, health and product quality are shown below:

Viscofan also holds internationally recognized certifications enabling meat processors to certify their suppliers and market their products in the world's leading distribution chains. As part of its commitment to food safety and hygiene, it seeks to improve the score obtained with these certificates. The certificates demonstrating the Group's commitment to safety, health, and product quality in its workplaces are shown below:

| Country | Plant | Certifications | |
|---|---|---|---|
| | | Food safety | Quality |
| **Spain** | Cáseda | BRCGS Packaging Materials | ISO 9001 |
| | | BRCGS Food Safety | |
| | Urdiain | BRCGS Packaging Materials | |
| **Czech Republic** | Ceske Budejovice | BRCGS Packaging Materials | ISO 9001 |
| | | BRCGS Food Safety | |
| **Germany** | Weinheim | BRCGS Food Safety | ISO 9001<br>ISO13485 |
| | Alfhausen | BRCGS Packaging Materials | ISO 9001 |
| **Serbia** | Novi Sad | BRCGS Packaging Materials | ISO 9001 |
| | | BRCGS Food Safety | |
| **Belgium** | Hasselt | BRCGS Packaging Materials | ISO 9001 |
| **China** | Suzhou | BRCGS Packaging Materials | ISO 9001 |
| | | BRCGS Food Safety | |
| **Canada** | Montreal | BRCGS Packaging Materials | |
| **US** | Danville | BRCGS Packaging Materials | ISO 9001 |
| | Montgomery | BRCGS Packaging Materials | ISO 9001 |
| | | BRCGS Food Safety | |
| | New Jersey | FSSC 22000 | ISO 9001 |
| **Mexico** | San Luis | BRCGS Packaging Materials | ISO 9001 |
| | | BRCGS Food Safety | |
| | Zacapu | BRCGS Packaging Materials | ISO 9001 |
| **Uruguay** | Pando | BRCGS Food Safety | ISO 9001 |
| **Brazil** | Itu | BRCGS Packaging Materials | ISO 9001 |
| | | BRCGS Food Safety | |
| | Ermelino | BRCGS Packaging Materials | |
| **Australia** | Sidney | FSSC 22000 | ISO 9001 |

## Product safety vis-à-vis consumers and end-users

The Quality Management and Regulatory Affairs departments, supported by Customer Service, are globally responsible for the food safety of the packaging and compliance with applicable laws, regulations and standards.

In this regard, in addition to third-party certifications, risk analyses are carried out for certain ingredients, as well as the monitoring, analysis and assessment of specific regulations and standards that may have an impact on the business.

## Product recall incident simulations

Every year Viscofan carries out simulations of a product recall incident, which are recorded in an internal information storage tool. The crisis drill, including product withdrawal/ recall, will involve customers, distributors, other affected contacts (certifier, external laboratories, public health, etc.), as well as the different subsidiaries of the group as appropriate.

In 2024, Viscofan carried out a crisis simulation exercise with satisfactory results.

## Actions related to relatively major food facilitation incidents

Communities: With a view to the production and marketing of Halal and kosher certified casings to facilitate the feeding of an affordable protein to these communities, Viscofan has such certifications in several plants.

Vegetarian, vegan and flexitarian population: Viscofan with its vegetable-based casings, both non-edible such as cellulose and fibrous, and edible such as the Veggie casing, contributes to the development of a wider variety of products. In particular, in 2024 it worked with several companies producing plant-based sausages to develop recipes to improve the taste and quality of the ingredients.

Development of the sausage production industry in India: With a sales office located in Bangalore staffed by sales and technical support people, and a product application plant, Viscofan has worked in 2024 with meat processors in the development and promotion of different recipes for both meat-based and plant-based sausages.

Desarrollo de la industria de producción de embutidos en India: con una oficina comercial ubicada en Bangalore formada por comerciales y personas de asistencia técnica, y una planta de aplicación de producto, Viscofan ha trabajado en 2024 con procesadores cárnicos en el desarrollo y promoción de distintas recetas tanto de embutidos basados en carne como de embutidos basados en plantas.



# 3.2.3. Metrics and targets

## Targets related to managing material adverse events, driving positive events and managing material risks and opportunities

### ESRS S4-5, ESRS 2 MDR-T

Viscofan does not have a specific target related to this aspect framed within the Sustainability Action Plan due to the fact that no specific indicator has been identified that can measure the objective of avoiding food safety incidents that could affect consumers and end users of the products and, by extension, reputation. However, it seeks to meet this objective by improving the management of food safety at the sites, and by seeking customer satisfaction. To this end, the elements that help to measure Viscofan's performance are as follows:

- Qualification of food safety certificates: Viscofan is seeking to improve its score under the GFSI certificate in this area, so that in 2024 92% of the plants have obtained the maximum score (AA) in the certificate, a considerable improvement compared to 45% five years ago and above the target of 70%.
- Customer satisfaction: the latest global customer satisfaction survey carried out in 2024 showed an overall customer satisfaction rating of 85, providing information that serves as a basis for catalysing improvements in customer service, and in particular product quality.
- Integrated Grievance and Grievance System: In 2024, a total of 3,612 complaints were registered in our systems, including both service and administrative or product complaints.



# 4

# Governance information



# 4.1. ESRS G1. Business Conduct

**We start from the essential premise that all Viscofan people act in accordance with the principles set out in the Code of Conduct and in the policies of the Compliance System. Compliance expectations that go beyond legal requirements and regulatory standards, and are the basis for achieving exemplary performance and quality in all products, processes and stakeholder dealings.**

**Viscofan promotes the development of its Regulatory Compliance System to guarantee actions to prevent misconduct, mitigate compliance risks and effectively protect people. Business conduct training ensures that all employees understand the behaviour expected of them.**

**Suppliers are also expected to meet the highest professional and ethical standards in the industry, as business conduct applies not only to Viscofan's own operations but also to responsible sourcing and supplier relations.**

## Current and potential incidents, risks and opportunities

### Positive

- Compliance through a culture of shared values
- Maintaining a good corporate reputation

### Negative

- Non-compliance with rules, regulations and laws. Financial penalties
- Loss of customers and business partners
- Decrease in the Viscofan share price

## Policies and commitments

The basis of the Regulatory Compliance System is Viscofan's Code of Conduct, complemented by specific policies in the areas of good governance, commercial, financial resources and taxation, information and systems, people and production.

## Sustainability objectives, measures and progress

- Audit on compliance with the Supplier Code of Conduct for 50% of suppliers of key raw materials by 2024 (met) and 100% by 2030
- Zero incidents of corruption

## Head of Governance

- Board of Directors
- Audit Committee of the Board of Directors
- Appointments, Remuneration and Sustainability Committee of the Board of Directors
- Ethics and Compliance Committee
- Legal department, secretary of the Board
- Local Compliance Officers

# 4.1.1. Governance

**ESRS G1, ESRS 2 GOV-1**

Viscofan's business conduct and compliance system is not only a matter of compliance with laws, but also a matter of values, an attitude that reflects a culture of shared values of tolerance and integrity in all the people who work at Viscofan and who contribute to achieving the objectives and conducting business conduct in a sustainable manner.

Viscofan considers that integrity and transparency contribute directly to achieving its objectives and managing its business in a sustainable manner. To ensure this, it has an ethics and compliance system whose objectives are to promote an ethical culture in the organisation that strengthens its competitiveness and long-term sustainability, reputation and ensures compliance with the regulatory system by all employees.

The ethics and regulatory compliance committee is the body responsible for overseeing and supervising the proper implementation and monitoring of the Group's compliance system, defined by the Board of Directors.

The Audit Committee supervises the effectiveness and functioning of the Ethics and Regulatory Compliance Committee and, to this end, receives periodic information from the Committee on compliance with the Internal Code of Conduct in matters relating to the Securities Market and the Code of Conduct and in particular, on the whistleblowing channel.

Based on the policy of diversity in the composition of the Board of Directors and the selection of directors, the directors of the Audit Committee have the necessary training and experience in the functions attributed to this committee by the Regulations of the Board of Directors. See curricula vitae described in the Annual Corporate Governance Report which forms part of the Directors' Report.

In addition, the Ethics and Compliance Committee is staffed by individuals with training and work experience in ethics, governance and compliance issues.

In addition, in each of the Group's companies there is a local compliance officer, who is the person appointed by the ethics and regulatory compliance committee in charge of monitoring and continuous training in the Group's compliance system for employees, managers and directors at the local level. This system has been widely disseminated and is published and available to employees on the Group's intranet.

# 4.1.2. Incident, risk and opportunity management

**ESRS G1-1, ESRS 2 IRO-1**

## Elements of the Ethics Regulatory Compliance System

This system has implemented elements in order to prevent, detect and respond to possible risks with a negative impact on the Group.

### PREVENT

- Internal Regulations
- Ethics and Compliance Risk Map
- Training

### REPLY

- Control Procedures
- System Monitoring and Supervision
- Ethics Channel. Integrity Line

### DETECT

- Disciplinary and Response System
- Review of the system based on detected incidents

At the recommendation of the Ethics and Regulatory Compliance Committee and subject to a report by the Audit Committee, the Board of Directors approved the Group's Compliance Plan, which contains action plans in different areas: improved internal regulations, annual update of the procedural compliance risk map, training plans, internal control improvement plans. In relation to the training plans, work is carried out in a transversal manner with the Human Resources Department to ensure the dissemination of the Code of Conduct, which in turn participates in the implementation of the annual compliance training plans.

Every three years, a compliance monitoring and follow-up plan is defined, based on the risk assessment to identify, analyse and prioritise those risks that should be included in the plan. It is a dynamic plan and reviewed with management and the audit committee to ensure that it is in line with the organisation's priorities. Communication and integration of all compliance risks in a comprehensive manner, in collaboration with all functional units performing specific compliance risk monitoring and control tasks, is essential.

In this way, the identification and assessment and updating of compliance and business ethics risks considers aspects such as geographical location, and the scope of transactions carried out by the different departments of Viscofan according to a business model based on the manufacture and marketing of packaging to customers through direct sales or through distributors. According to this business model, the areas of sales, purchasing and management are considered to be most susceptible to risk.

In addition, the compliance system covers specific issues such as market abuse regulation, data protection, conflicts of interest and corruption, and import and export trade with sanctioned countries.

The objective is that all relevant ethics and compliance risks of the company are monitored at least once a year.

Finally, Viscofan's compliance system has a reporting process by virtue of which the ethics and compliance committee reports at least twice a year to the Audit Committee on the development of the compliance plan for the year, which includes the proper functioning of the ethical channel and the management of those received through this channel. The committee in turn reports to the Board of Directors on the operation of the System and the improvement plans to increase its effectiveness.

Within the ethics and compliance committee, in addition to the experience mentioned in the previous section, specific training is promoted for the persons in charge of receiving complaints in the form of specific qualifications in compliance matters, or specific subjects such as money laundering.

## Business conduct and corporate culture policies

The prevention system is based on internal regulations, consisting of a Code of Conduct indicating ethical principles and behavioural guidelines, complemented by internal operational policies and procedures.

### Code of Conduct

It contains a set of binding principles and guidelines for each and every person in the Viscofan Group to guide actions and behaviour within the company and in relation to our shareholders, customers, suppliers and society in general, in accordance with Viscofan's corporate ethics, as well as local, national and international laws and regulations.

One of the functions of the Board of Directors is to ensure the correct application of the Code of Conduct, with the collaboration of the Ethics and Regulatory Compliance Committee, which supervises and monitors compliance with the Code and reports on a recurring basis to the Audit Committee.

### Internal regulations

The internal rules governing the functioning of the governing bodies, supplemented by the applicable rules to ensure good corporate governance at the Viscofan Group, are available on the Company's website within the Corporate Governance section, as well as in compulsory publications and registrations, on the website of the CNMV and in the Mercantile Registry of Navarre.

These internal regulations are mainly formed by the regulations of social bodies and committees:

- Articles of Association: These are the basic rules governing the Company and all its bodies. The articles set out the main features and operating principles of the General Shareholders' Meetings, the Board of Directors and its committees.
- Regulations of the General Shareholders' Meeting: This text lays down the regulations governing the General Meeting of Shareholders to ensure transparency and safeguard shareholders' rights, and their access to Company information. The rules stipulate the formalities of calling, attending, holding and recording General Meetings of Shareholders and of access to prior and General Meeting information by shareholders.
- Regulations of the Board of Directors: These determine the principles of action of the Board of Directors, including an evaluation mechanism, the rules of organisation and operation of the same, the rules of conduct of its members, the duties of the directors and the general principles that must govern its actions. They also govern committees existing within the Board of Directors, their organisational and operational rules, and their remit and powers.
- Audit Committee Regulations and Appointments, Remunerations and Sustainability Committee Regulations: These establish the scope and functions of each Committee, its composition and operation, relations with government bodies and other entities, as well as the possibility of requesting advice.
- Internal code of conduct on matters relating to the securities market: This Code lays down rules of conduct to ensure that the institutional and personal acts of the Viscofan Group's directors and employees strictly comply with current laws and regulations on transparency in the markets and to protect investors' interests.

Hence, within the regulatory compliance system, the Viscofan Group has approved procedural policies in the following areas:

| Scope | Policy |
|---|---|
| **Good governance** | • General sustainability policy<br>• Climate change policy<br>• Risk management and control policy<br>• Policy of Respect for Human Rights<br>• Anti-corruption policy<br>• Crime prevention policy<br>• Policy of communication with shareholders, institutional investors, proxy advisors and of economic-financial and non-financial and corporate information<br>• Board remuneration policy<br>• Diversity policy in the composition of the Board of Directors and selection of directors<br>• Policy to encourage shareholders to take part in the General Meeting of Shareholders: attendance fee<br>• Information management procedure<br>• Internal publication procedure<br>• Auditor and verifier relationship selection policy |
| **Commercial** | • Business practices policy<br>• Policy to outsource commercial services: distributors, agents and others<br>• Export control protocol |
| **Financial and tax resources** | • Internal control policy for financial and non-financial information<br>• Tax policy<br>• Transfer prices manual<br>• Anti-money laundering and terrorist financing policy |
| **Information and systems** | • Personal Data Protection Policy<br>• Confidentiality policy<br>• Authorisation policy on computer access and profiles<br>• Password policy<br>• Computer systems and networks management policy<br>• Policy on audiovisual information control<br>• Cybersecurity policy |
| **People** | • People management policy<br>• Diversity and equal opportunities policy<br>• Talent acquisition policy<br>• New employee integration policy<br>• Training policy<br>• Severance procedure<br>• Authorization policy<br>• Policy on Business Expenses<br>• Travel policy<br>• Knowledge management policy<br>• Conflict of interest management policy |
| **Production** | • Environmental policy<br>• Occupational health and safety policy<br>• Food Regulation Policy<br>• Food crisis protocol. Product withdrawal<br>• Policy for the management of goods purchases and the arrangement of services<br>• Transport management policy<br>• Code of conduct for suppliers and intermediaries<br>• Corporate management policy<br>• Good practice policy in animal research<br>• Pollution control and reduction policy |

## Ethics and compliance risk map

As part of the global risk system, Viscofan draws up an ethics and compliance risk map based on the following:

- Identification of risks, especially criminal offences and other non-compliance affecting the legal person
- Grouping in blocks in order to be able to devise common measures to combat groups of crimes and other non-compliances.
- Identification of the conduct in the exercise of which offences and breaches may be committed and the groups that may be involved.
- Association of details of offences and non-compliance for each block, especially those of a criminal nature, in accordance with Spanish regulations as the Group's parent company. However, each Viscofan Group company analyses the applicable regulations in the different countries in which it operates and develops local regulations for compliance where appropriate, informing and reporting them to the Ethics and Regulatory Compliance Committee.
- Identification of the mechanisms for monitoring and detecting crime and other non-compliance, both internal and external. Preventive controls have been identified, differentiating between policies and procedures that address the prevention of the behaviours identified, and specific controls.
- The estimate of the impact and probability, both inherent and residual, of each conduct is represented, obtaining the Viscofan Group's Ethics and Compliance heat map, which helps to guide the management of compliance risks.

The ethics and compliance risk map is reviewed and assessed annually at working meetings of the ethics and compliance committee led by the Group's compliance area. In addition, an annual CLA (Compliance List Assessment) is drawn up, which shows the perception of compliance risks throughout the Group, both by companies and by functional areas. The resulting valuation is provided to the Directorate General and the Audit Committee for oversight.

## Ethical channel – Integrity line

The ethics channel is a key element of the system and was modified during the 2023 financial year to adapt it to law 2/2023 of 20 February 2023, regulating the protection of people who report regulatory infractions and in the fight against corruption.

To facilitate supervision of compliance with Viscofan's Code and Ethics and regulations, employees and any person with a legitimate interest can access the Ethical Channel on Viscofan's web page under the Corporate Governance section, on the employee's Intranet or by email to officeofethics@viscofan.com or by post to the Ethics Committee at Viscofan's central offices (Berroa Industrial Park, C/Berroa 15-4 floor, 31192 Tajonar-Navarra, Spain) to notify any sign of conduct that they deem to be a possible risk.

The Ethics and Compliance Committee is the body responsible for commencing, on its own account or at the request of a third party, an investigation on events or practices that may give rise to a situation of risk for the Viscofan Group as a result of a breach of the Viscofan Group's Code of Conduct or prevailing regulations.

The established process that follows completed investigations pursues several objectives:

- Seek redress and assistance to those who may have been affected by non-compliance or irregularities, especially for non-compliance or irregularities of criminal relevance.
- Identify possible improvements in the implementation of the ethics and compliance system so that new measures can be put in place that would have prevented risks from materialising.
- Provide support to the Group's companies and monitor the implementation of the recommendations to ensure the improvements identified.
- Conduct global monitoring of cases. The information sent to the Ethics Committee throughout the company on possible infringements is recorded for a unified monitoring to identify trends and areas for improvement in the compliance system.

Viscofan has a general policy on the internal reporting and whistleblower protection system, which guarantees the right of employees and third parties to communicate information on the breaches provided for therein through an internal reporting channel and determines the obligation to process the communication in accordance with a procedure that meets the due guarantees for whistleblowers and other affected parties. Article 8. Guarantees and protection of the whistleblower establishes the following:

The whistleblower shall have the guarantees provided for by law and in particular:

1. Decide whether he or she would like to make the communication anonymously or non-anonymously.
2. Make the communication in writing and, upon request, in person or by videoconference
3. Indicate an address, e-mail address or safe place to receive the communications that he or she makes or renounce, if applicable, to receive communications.
4. Appear on his or her own initiative or when summoned, being assisted, if necessary and if he or she considers it appropriate and at his or her own expense, by a lawyer he or she appoints.
5. Exercise the rights conferred by personal data protection legislation.
6. Know the status of the processing of his or her complaint and the results of the investigation.

Likewise, persons who communicate or disclose reportable facts are entitled to the protection provided by law. In particular, acts constituting retaliation, including threats of retaliation and attempted retaliation against informants and third parties protected by the regulations in force, are expressly prohibited.

During 2024, the Ethics and Compliance Committee met five times and followed up on eleven communications received through the Ethics Channel/Integrity Line, six of which were accepted for processing, and in five of these cases, breaches of the Group's internal regulations or the principles of the Code of Conduct (not constituting a criminal or administrative offence) were confirmed, following the processing of the corresponding file and its investigation, the breach of the internal regulations and the Code of Conduct, and the necessary measures were proposed and adopted by the competent bodies.

## Promotion of corporate culture. Training and dissemination

This is the first and one of the most important strategies to foster a corporate culture in line with the Group's ethical principles and Code of Conduct to promote the prevention of non-compliance.

Training and dissemination of the corporate culture and compliance system empowers people to proactively do the right thing. On this basis, the Code of Conduct states that executives and managers should emphasise the importance of ethical and compliance-oriented conduct, make it a matter of course in day-to-day business and promote it through personal leadership and training.

Without prejudice to the role of the Ethics and Compliance Committee at corporate level, as the body responsible for the management of the System and the specific training plans it promotes, given the importance of adapting to the needs and local culture of the different countries in which the Group operates, the role of the local ethics and compliance officers is essential. They plan and develop the necessary training and communication actions at local level, with the support and monitoring of the ethics and compliance committee.

In this respect, Viscofan understands that training in human rights is a fundamental tool for raising employees' awareness in this area. The breakdown of the hours of training in this subject is as follows:

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| **Dedicated human rights training** | **Men** | **Women** | **Total** | **Men** | **Women** | **Total** |
| Training hours | 3,441 | 1,215 | 4,656 | 1,739 | 846 | 2,585 |
| % of total training hours | 7.08% | 5.52% | 6.59% | 3.10% | 3.30% | 3.20% |

Additionally, in 2024, in order to reinforce awareness and knowledge of regulatory compliance, specific training was provided in different areas:

- Antitrust and money laundering
- Conflict of interest
- Prevention of workplace harassment
- Internal Code of Conduct – Market Abuse

During the year, positions at risk have not been covered by specific training programmes.

The Group's compliance officer and member of the ethics and compliance committee has received specific training for the performance of their duties.

## Supplier relationship management

### ESRS G1-2

Viscofan expects suppliers to comply with applicable laws and to follow recognised environmental, social and governance standards. The Group also makes a global commitment to its suppliers and establishes relationships with them based on respect and trust, and on the quality of products and services.

As a result of this objective and commitment, Viscofan has implemented outstanding elements in supplier management:

## Codes, policies and commitments

Supplier Code of Conduct: approved in 2022 by the Board of Directors, seeks to extend Viscofan's culture to suppliers

of goods or services in terms of compliance with applicable laws and generally accepted standards, ethical behaviour, labour practices, the environment, the legality of goods and raw materials, and respect for the communities in which they operate. The implicit acceptance of the code is included in the Group's general conditions of purchase.

Sustainability Policy: This establishes commitments and actions for the responsible management of the supply chain from the point of view of human rights, respect for the environment and the fight against climate change.

Code of Conduct and Human Rights Policy: Viscofan rejects any type of child labour and, in accordance with this, a commitment similar to that included in our code of ethics is requested from suppliers.

Anti-Corruption Policy that includes the company's commitment to fight against bribery and corruption, and establishes the dealings and commercial relationship with third parties.

Ethical channel Integrity line: It allows the filing of anonymous complaints and is open to third parties so that any supplier or potential supplier can report facts or situations that may be contrary to the code of conduct or current legislation through the channel enabled for this purpose on the corporate website, on its home page, in a separate and easily identifiable section.

Payments: Viscofan does not have a specific supplier payment policy and has no plans to establish one for the time being, as the Group has an established supplier payment practice in all Group companies that promotes the payment of supplier invoices in due time and form regardless of their size. See payment practices and average payment period in section 4.1.3. of this ESRS.

## Selection, approval and verification of compliance with the Supplier Code of Conduct

Viscofan has established a supplier approval system that ensures non-discriminatory treatment in the selection processes of suppliers and contractors, while seeking to ensure their compliance with quality, safety and cost criteria.

In particular, the system for suppliers of raw materials and packaging includes a declaration of conformity with their performance commitments, in accordance with internationally accepted ethical principles and human rights.

Moreover, all suppliers of raw materials, packaging and maintenance must approve an internal approval procedure consisting of a verification, either in person or through the completion of a questionnaire. In both cases, among other matters, the following systems are assessed: quality management (ISO 9001, IFS), food safety management in the case of raw material suppliers (FSSC 22000, BRCGS Food Safety, BRCGS Packaging Materials), occupational health and safety management (OHSAS 18001/ISO 45001), environmental management (ISO 14001), energy management (ISO 50001) and human rights management (UN Global Compact, BSCI). In the specific instance of collagen, the acquisition of animal hide (mainly cows) is required. In Europe this must comply with the European regulations of welfare of animals at the time of slaughter.

As part of the 2022-2025 Sustainability Action Plan, a commitment has been made to carry out audits on compliance with the aforementioned Supplier Code of Conduct.

In this regard, within the multi-year incentive plan for the 2022-2024 period for Viscofan's executive directors, managers and other key personnel, the objective has been set to conduct audits on compliance with Viscofan's Supplier Code of Conduct in 2024 on a volume equivalent to 50% of purchases from suppliers of cellulose, collagen skins, cellulose paper and polyamide, a threshold reached by the end of 2024. This target has been extended to 100% by 2030.

# Prevention and detection of corruption and bribery

## ESRS G1-3

As stated in Principle 10 of the United Nations Global Compact, of which Viscofan is a signatory, "Business should work against corruption in all its forms, including extortion and bribery".

This principle governs at Viscofan, being expressed in the Code of Conduct, and it has been enacted and reinforced in recent years with the approval by the Board of Directors of the Anti-corruption Policy, and the Crime Prevention Policy, and the Prevention of Money Laundering and Terrorist Financing Policy, which, encompassed within the Regulatory Compliance System, demonstrate the Group's commitment to the permanent monitoring and sanctioning of fraudulent acts and conduct and the development of a business culture of ethics and honesty.

The fight against corruption is one of the central elements that defines our principles. In this regard, we are committed to the United Nations Convention against Corruption (UNCAC).

Both the Code of Conduct and these policies are available on the Viscofan website and on the internal intranet and training on them is encouraged.

To avoid any type of corruption, the regulations establish a series of guidelines, and communication and training is encouraged in this area on forbidden procedures that may form the scope of corruption: bribery, extortion, facilitating payments and influence peddling, gifts, business courtesies, donations and sponsorships and relationships with third parties.

In addition, the ethics and compliance committee carries out the more specific management of ethics and compliance risks, including the prevention and detection of corruption and bribery. This management has been described in section 4.1.2.

This Committee is made up of people separated from the management chain and in the event that they have any connection, it is established that they must be outside the matter in question.

The training on the prevention and detection of corruption and bribery has been detailed in the subsection Fostering corporate culture. Training and dissemination of this ESRS.

Further, the global risk committee carries out an analysis of fraud risks, and its different forms are regulated in various policies; and sets specific controls and mechanisms to reduce their likelihood of occurrence. The identified risks are: conflict of interest and internal fraud, private corruption, and fraud and misleading advertising. In particular, the positions most at risk of corruption and bribery are in the areas of sales, purchasing and management. The definition and assessment of these is reviewed, evaluated, and the controls in place in the organisation are identified to reduce the likelihood of their occurrence. The identification and assessment of risks and controls is included in the ethics and compliance risk map, specifically identifying those risks of a criminal nature.



# 4.1.3. Metrics and targets

**ESRS 2 MDR-T**

## Targets

### Supplier Audit in the Supplier Code of Conduct

The United Nations Global Compact, of which Viscofan is a signatory member, is committed to SDG 12. Responsible consumption and production. A commitment that Viscofan has voluntarily undertaken on the basis of the Supplier Code of Conduct, establishing a supplier audit target.

The objective is to audit 100% of the suppliers of the main raw materials (cellulose, collagen skins, abaca paper, polyamides), which represent around 50% of total purchases, by 2030. This is a target set for 2022, the year in which the Board of Directors approves the Supplier Code of Conduct.

In addition, and linked to the Long Term Incentive Plan for Executive Directors, Management and other key personnel, an intermediate target of this audit objective of 50% of suppliers has been set in 2024.

The development of this target is as follows

| | 2030 Commitment | 2024 Commitment | 2024 | 2023 | 2022 |
|---|---|---|---|---|---|
| Percentage of suppliers audited | **100%** | **50%** | 83% | 45% | 0% |

### Zero cases of corruption or bribery

**ESRS G1-4**

It should be reported that during the 2024 financial year there have been no acts that have been the subject of relevant legal actions relating to breaches of anti-corruption and anti-bribery laws, nor have any actions been taken to address breaches of anti-corruption and anti-bribery procedures and standards.

## Political influence and lobbying activities

**ESRS G1-5**

The Viscofan Group's Code of Conduct, within its guidelines, establishes that the relationship with public institutions must be guided by institutional respect, communication, transparency and legality. Also, that Viscofan does not make political contributions (donations to politicians, political parties or political organisations) or engage in political influence and lobbying. For its part, as a responsible member of society, Viscofan makes monetary donations or donations of its products for educational and scientific, artistic and cultural purposes, and for social and humanitarian projects. However, all donations must be transparent. This means, among other things, that the identity of the recipient and the destination of the donation must be clear and the reason and purpose of the donation must be justified and documented. Quasi-donations, i.e. donations that appear to be compensation for a service, but are substantially higher than the value of the service, are prohibited as they imply a violation of the principle of transparency.

The Code of Conduct expressly prohibits the following types of donations:

- To individuals and for-profit organisations,
- Payable into private accounts,
- Organisations whose objectives are incompatible with Viscofan's corporate principles, or
- That may damage Viscofan's reputation.

For their part, all sponsorships must be transparent, in accordance with a written agreement, for legitimate commercial purposes and in accordance with the consideration offered by the event organiser. Whereas contributions must not be promised, offered or made to secure an unjustified competitive advantage for Viscofan or for other improper purposes, or that may damage our reputation.

This activity is regulated by the Code of Conduct, the basic regulation of the Viscofan Group's regulatory compliance system. In this respect, the ethics and compliance committee is the body responsible for overseeing and supervising these activities, and the Audit Committee of the Board of Directors oversees the effectiveness and functioning of the ethics and compliance committee.

No specific financial policy contributions were made by Viscofan during 2024. Viscofan is also registered in the EU Transparency Register under the registration name Viscofan S.A. and identification number 634007348792-32.

No member of the Board of Management was appointed during 2024 who has held a comparable position in the civil service in the two years preceding such appointment in the current reporting period.

# Payment practices

### ESRS G1-6

Viscofan does not have a specific supplier payment policy; however, based on its commitment to this stakeholder group, all Group companies seek to pay supplier invoices in due time and form regardless of their size and category. In this respect, the usual payment practice is 45 days, which is applied to most of the payments made, with the average payment period for the Group being 34 days.[3]

This deadline is in line with Spanish law 15/2010, of 5 July, amending Law 3/2004, of 29 December, which establishes measures to combat late payment in commercial transactions. This regulation applies to Viscofan's Spanish companies whose average payment period in 2024 was less than the 60 days set out in article 4 of the law. See note 14 of the consolidated annual report for information on the average term of payments made to suppliers in commercial operations resident in Spain.

Viscofan does not have any relevant pending legal proceedings based on delays in payment. The Viscofan Group's legal proceedings are described in Note 13.3. Contingent assets and liabilities in the notes to the consolidated financial statements.



[3] *Average time it takes for the company to pay an invoice from the date on which the contractual or legal payment term begins to count, in days.*

# 5

# Other supplementary information to comply with Law 11/2018 of 28 December on non-financial information and diversity



Part of the information required by Law 11/2018 of 28 December on non-financial reporting and diversity has been reported throughout the sustainability report in accordance with Delegated Regulation (EU) 2023/2772 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards.

However, there is other information not included or partially included in the sustainability report that Viscofan reports below:

# Information on social and staff-related issues:

## Hiring and professional category

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| **Average workforce. Type of contract** | **Men** | **Women** | **TOTAL** | **Men** | **Women** | **Total** |
| Permanent contract | 3,459 | 1,373 | 4,832 | 3,500 | 1,365 | 4,864 |
| Temporary contract | 215 | 116 | 331 | 298 | 184 | 482 |
| TOTAL | 3,674 | 1,489 | 5,163 | 3,797 | 1,549 | 5,346 |

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| **Average workforce. Type of working day** | **Men** | **Women** | **TOTAL** | **Men** | **Women** | **Total** |
| Full time contract | 3,621 | 1,460 | 5,081 | 3,748 | 1,521 | 5,269 |
| Part time contract | 53 | 29 | 82 | 50 | 28 | 78 |
| TOTAL | 3,674 | 1,489 | 5,163 | 3,798 | 1,549 | 5,346 |

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| **Average workforce by category** | **Men** | **Women** | **TOTAL** | **Men** | **Women** | **TOTAL** |
| Management | 91 | 26 | 117 | 101 | 29 | 130 |
| Technicians and department heads | 940 | 382 | 1,322 | 944 | 360 | 1,304 |
| Administrative personnel | 61 | 180 | 241 | 54 | 187 | 241 |
| Specialised personnel | 681 | 216 | 897 | 692 | 224 | 916 |
| Workers | 1,901 | 685 | 2,586 | 2,007 | 749 | 2,756 |
| TOTAL | 3,674 | 1,489 | 5,163 | 3,798 | 1,549 | 5,346 |

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| **Average workforce by age and type of contract** | **Permanent contract** | **Temporary contract** | **TOTAL** | **Temporary contract** | **Temporary contract** | **TOTAL** |
| 17 - 34 years | 1,380 | 178 | 1,558 | 1,407 | 275 | 1,682 |
| 35 - 50 years | 2,157 | 117 | 2,274 | 2,134 | 163 | 2,297 |
| More than 50 years | 1,295 | 36 | 1,331 | 1,323 | 44 | 1,367 |
| TOTAL | 4,832 | 331 | 5,163 | 4,864 | 482 | 5,346 |

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| **Average workforce by category and type of contract** | **Permanent contract** | **Temporary contract** | **TOTAL** | **Permanent contract** | **Temporary contract** | **TOTAL** |
| Management | 115 | 2 | 117 | 129 | 1 | 130 |
| Technicians and department heads | 1,288 | 34 | 1,322 | 1,247 | 57 | 1,304 |
| Administrative personnel | 231 | 10 | 241 | 217 | 23 | 240 |
| Specialised personnel | 839 | 58 | 897 | 829 | 87 | 916 |
| Workers | 2,359 | 227 | 2,586 | 2,442 | 314 | 2,756 |
| TOTAL | 4,832 | 331 | 5,163 | 4,864 | 482 | 5,346 |

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| **Average workforce by category and part-time** | **Men** | **Women** | **TOTAL** | **Men** | **Women** | **TOTAL** |
| Management | 0 | 0 | 0 | 2 | 0 | 2 |
| Technicians and department heads | 12 | 9 | 21 | 13 | 6 | 19 |
| Administrative personnel | 0 | 8 | 8 | 1 | 8 | 9 |
| Specialised personnel | 16 | 6 | 22 | 15 | 6 | 21 |
| Workers | 25 | 6 | 31 | 20 | 7 | 27 |
| TOTAL | 53 | 29 | 82 | 50 | 28 | 78 |

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| **Average workforce by age and part-time** | **Men** | **Women** | **TOTAL** | **Men** | **Women** | **TOTAL** |
| 17 - 34 years | 13 | 5 | 18 | 11 | 7 | 18 |
| 35 - 50 years | 10 | 10 | 20 | 12 | 8 | 20 |
| More than 50 years | 30 | 14 | 44 | 27 | 13 | 40 |
| TOTAL | 53 | 29 | 82 | 50 | 28 | 78 |

## Dismissals

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| **Average workforce layoffs** | **Men** | **Women** | **TOTAL** | **Men** | **Women** | **TOTAL** |
| Management | 1 | 1 | 2 | 1 | 0 | 1 |
| Technicians and department heads | 20 | 7 | 27 | 12 | 3 | 15 |
| Administrative personnel | 1 | 4 | 5 | 1 | 3 | 5 |
| Specialised personnel | 10 | 4 | 14 | 11 | 4 | 15 |
| Workers | 60 | 12 | 72 | 65 | 34 | 99 |
| TOTAL | 92 | 28 | 120 | 91 | 44 | 135 |

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| **Average workforce layoffs** | **Men** | **Women** | **TOTAL** | **Men** | **Women** | **TOTAL** |
| 17 - 34 years | 37 | 11 | 48 | 49 | 16 | 66 |
| 35 - 50 years | 34 | 11 | 45 | 27 | 21 | 48 |
| More than 50 years | 21 | 6 | 27 | 15 | 6 | 21 |
| TOTAL | 92 | 28 | 120 | 91 | 44 | 135 |

## Training hours by professional category

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| **Training. Number of hours by category** | **Men** | **Women** | **Total** | **Men** | **Women** | **Total** |
| Management | 2,542 | 841 | 3,383 | 1,626 | 1,106 | 2,732 |
| Technicians and department heads | 18,830 | 8,705 | 27,535 | 19,136 | 8,978 | 28,114 |
| Administrative personnel | 1,049 | 1,576 | 2,624 | 1,064 | 3,955 | 5,019 |
| Specialised personnel | 8,115 | 3,901 | 12,017 | 11,300 | 6,109 | 17,410 |
| Workers | 18,078 | 6,967 | 25,044 | 22,691 | 5,835 | 28,526 |
| TOTAL | 48,614 | 21,990 | 70,604 | 55,817 | 25,984 | 81,801 |

## Remuneration

| Average remuneration (€) | 2024 | 2023 |
|---|---|---|
| Management * | 142,201 | 147,163 |
| Technicians and department heads | 53,531 | 51,965 |
| Administrative personnel | 36,239 | 35,647 |
| Specialised personnel | 30,474 | 29,717 |
| Workers | 29,687 | 29,092 |
| TOTAL | 37,882 | 37,002 |

| Average remuneration (€) | 2024 | 2023 |
|---|---|---|
| 17 - 34 years | 29,278 | 28,490 |
| 35 - 50 years | 35,327 | 34,019 |
| More than 50 years | 54,003 | 54,576 |
| TOTAL | 37,882 | 37,002 |

| Average remuneration (€) | 2024 | 2023 |
|---|---|---|
| Men | 40,598 | 40,125 |
| Women | 31,293 | 29,545 |
| TOTAL | 37,882 | 37,002 |

*Note: Excludes the remuneration of executive directors in both years*

The individualised remuneration of all members of the Board of Directors and executives is detailed in note 22 of the consolidated financial statements.

Moreover, the Group makes contributions to various different defined benefit plans. The relevant information is in note 13 of the consolidated annual accounts.

## Accessibility of sites

With regard to the accessibility of people with disabilities, Viscofan does not have a global standard that regulates the accessibility of disabled people at its offices and other sites. However, the company complies with all applicable local regulations and building codes in the countries in which it operates.

# Company information

## The company's commitments to sustainable development

In its Sustainability policy, the Viscofan Group has a firm commitment to Human Rights, undertaking to carry out its activities in a responsible manner and to generate positive impacts on the communities in which it operates.
The human rights principles and standards reflected in the 2030 Agenda for Sustainable Development encompass a wide range of social, economic and environmental objectives. Our of all of these, Viscofan has identified the Sustainable Development Goals (SDGs) where the company can generate the greatest positive impact, and to do so it has taken into account both the nature of its business activity and the corporate mission and vision.

- SDG 2 Zero Hunger:
- SDG 3 Good health and well-being
- SDG 6 Clean water and sanitation
- SDG 8 Decent work and economic growth
- SDG 12 Responsible consumption and production
- SDG 13 Climate action

In addition, in 2024, Viscofan implemented different social initiatives through the help of different bodies and institutions in the communities in which it is present, while collaborating with institutions or research centres.

Through projects to support local communities in various countries in which Viscofan is present, 275 thousand euros have been allocated in the year (228 thousand euros in 2023).

As part of these projects, Viscofan contributes with donations to the improvement of health facilities and equipment in hospitals, centres for the elderly, paediatric centres and centres for the care of disabled people in various countries. In addition, donations are made to various NGOs to support local projects and micro-projects in the fight against hunger and poverty.

Some of the most prominent local projects in 2024 are:

- DalecandELA Association: Viscofan collaborates with this non-profit association with the aim of giving visibility to this disease in order to promote research into solutions and therapies against ALS.
- Action Against Hunger: In 2024, Viscofan collaborated with the project to help the victims of the Dana, an atmospheric phenomenon that caused devastating effects in several municipalities in the Valencian Community (Spain). In addition to collaborating with the cause through a financial donation, Viscofan sent to the affected areas material such as gloves and masks, essential in the tasks of cleaning the stagnant mud to avoid infections that could trigger new pandemics.
- Escola e Cidadania Association (Brazil): Viscofan collaborated last year with the social project Futebol Escola e Cidadania with the aim of promoting sport and culture, as well as promoting entry into the labour market.

## Responsible taxation

Viscofan is aware of the social impact its activity generates: from direct or indirect employment generated by its implementations, to the financial benefit that it obtains from its activities at each of the different companies at which it operates (note 6 of Viscofan S.A.'s financial statements) for which it contributes through the corresponding taxes. In 2024, accrued income tax amounted to €49.1 million as a result of the Group's business activities in different countries. Additional information on taxes is detailed in note 17 to the consolidated financial statements. On the other hand, income associated with capital subsidies is detailed in note 19.2 of the consolidated financial statements.

As a result of the relationships described in the previous point, joint projects have arisen with which we have collaborated and for which we have received financial support through grants and loans from official bodies. In this vein, at 31 December, the financial statements included loans with the CDTI and the Ministry of Economy and Competitiveness in Spain, amounting to €15.5 million (note 15 to the consolidated financial statements).

# Appendix I. Traceability table with Law 11/2018

| Statement of Non-Financial Information, Table of Contents of Law 11/2018 | | | |
|---|---|---|---|
| **Scope** | **General disclosures** | **Standard used** | **Report section** |
| **Business model** | Brief description of the Group's business model including: | ESRS 2 SBM-1 | 1.1.ESRS 2. General Disclosures |
| | Business environment | | Strategy, business model and value chain |
| | Organisation and structure | | |
| | Markets in which it operates | | 1.1.ESRS 2. General Disclosures |
| | | | Our markets |
| | Organisational objectives and strategies | ESRS 2 SBM-1, Strategy, business model and value chain | 1.1.ESRS 2. General Disclosures |
| | | | Strategy, business model and value chain |
| | Main factors and trends that may affect future developments | ESRS 2 SBM-1, Basis and Scope | 1.1.ESRS 2. General Disclosures |
| | | | Basis and scope |
| **Policies** | Policies that the group applies, including:<br>1) The due diligence procedures applied in accordance with<br>identification, assessment, prevention and mitigation<br>of material risks and impacts.<br>2) The verification and control procedures, as well as<br>and the measures that have been adopted. | Throughout the report within each section (MDR-P) | 2.1. ESRS E1. Climate Change |
| | | | Policies related to climate change mitigation and adaptation |
| | | | 2.2. ESRS E2. Pollution |
| | | | Pollution-related policies |
| | | | 2.3. ESRS E5. Resource use and circular economy |
| | | | Policies related to resource use and circular economy |
| | | | 3.1. ESRS S1. Own workforce |
| | | | Policies related to own workforce |
| | | | 3.2. ESRS S4. Consumers and end-users |
| | | | Policies related to consumers and end-users |
| **Main non-financial risks** | The main risks related to these matters on the Group's activities, including, where relevant and proportionate, its business relationships, products or services that could have negative effects in such areas and | ESRS 2 IRO-1 | 1.1.ESRS 2. General Disclosures |
| | - How the Group manages those risks, | ESRS 2 IRO-2 | Information on the materiality assessment process |
| | - explaining the procedures used to detect and assess them in accordance with national, European and international reference frameworks for each issue. | | |
| | - Information should be included on the impacts that have been detected, providing a breakdown of them, in particular on the main risks in the short, medium and long term. | | |
| **Environmental dimension** | | | |

| | | | |
|---|---|---|---|
| **Environmental management** | 1. Current and foreseeable effects of company activities on environment issues and, where appropriate, health and safety. | ESRS 2 IRO-1 | Double materiality section and each IRO-1 in thematic environmental standards |
| | | ESRS 2 IRO-2 | |
| | | ESRS E1-1, ESRS 2 MDR-P | |
| | • Environmental assessment or certification procedures; | ESRS E2-1, ESRS 2 MDR-P | |
| | • Resources dedicated to the prevention of environmental risks; | ESRS E5-1, ESRS 2 MDR-P | |
| | • Application of the precautionary principle; | ESRS E2-1, ESRS 2 MDR-P | 2.2.ESRS E2. Pollution |
| | • Provisions and guarantees for environmental risks. | ESRS 2 IRO-1 | Quantification of IROs in Climate Risk Analysis, MDR-A. |
| | | ESRS 2 IRO-2 | |
| | | ESRS E1-3, ESRS 2 MDR-A | |
| | | ESRS E2-2, ESRS 2 MDR-A | |
| | | ESRS E5-2, ESRS 2 MDR-A | |
| **Contamination** | Measures to prevent, reduce or repair the carbon emissions that seriously affect the environment, taking into account any form of specific atmospheric pollution from an activity, including noise and light pollution. | ESRS E1-3, ESRS 2 MDR-A | 2.1.ESRS E1. Climate Change |
| | | ESRS E2-4, ESRS E2-5 | Actions and resources in relation to climate change policies |
| | | | 2.2.ESRS E2. Contamination |
| | | | Air, water and soil pollution and substances |
| **Circular economy, waste prevention and management** | Measures for waste prevention, recycling, reuse, other forms of recovery and disposal. Action to combat food waste. | ESRS E5-5 | 2.3.ESRS E5. Resource use and circular economy |
| | | ESRS E5-2, ESRS 2 MDR-A | Resource outflows |
| | | | Actions and resources related to resource use and circular economy |
| **Sustainable use of resources** | Water consumption and water supply in accordance with local limitations. | ESRS E5-4, ESRS 2 SBM-1 paragraph 42 | 2.3.ESRS E5. Resource use and circular economy |
| | | | Resource inflows |
| | The consumption of raw materials and the measures adopted to improve efficiency of use. | ESRS E5. Exact breakdown of raw material consumption | 1.1.ESRS 2. General Disclosures |
| | | | Classified and sensitive information |
| | Energy: Direct and indirect consumption; measures taken to improve energy efficiency. use of renewable energy. | ESRS E1-5 | 2.1.ESRS E1. Climate Change |
| | | ESRS E1-1 | Energy consumption and mix |
| | | | Transition plan for climate change mitigation |
| **Climate change** | The 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 | ESRS E1-6 | 2.1.ESRS E1. Climate Change |
| | | | Gross Scope 1, 2 and 3 GHG emissions and total GHG emissions |
| | The measures adopted to adapt to the consequences of climate change. | ESRS E1-1, | 2.1.ESRS E1. Climate Change |
| | | | Transition plan for climate change mitigation |
| | Voluntarily set medium- and long-term reduction targets to reduce GHG emissions; and means implemented for this purpose. | ESRS E1-4, ESRS 2 MDR-T | 2.1.ESRS E1. Climate Change |
| | | | Targets related to climate change mitigation and adaptation |
| **Protection of biodiversity** | Measures taken to protect or restore biodiversity | Non material | Non material |
| | Impacts caused by activities or operations in protected areas | Non material | Non material |
| **Social and personal dimension** | | | |

| | | | |
|---|---|---|---|
| **Employment** | Total number and distribution of employees by country, gender, age, country and professional classification | GRI 2-7 | 5. Other complementary information to comply with Law 11/2018 |
| | | GRI 405-1 | |
| | | | 3.1. ESRS S1. Own workforce |
| | | ESRS S1-6 | Characteristics of the Company's employees |
| | Total number and distribution of employment contract types | GRI 2-7 | 5. Other complementary information to comply with Law 11/2018 |
| | Annual average of types of employment contracts (permanent, temporary and part-time) by gender, age and occupational classification | GRI 2-7 | 5. Other complementary information to comply with Law 11/2018 |
| | Number of dismissals by gender, age and professional classification | GRI 3-3 | 5. Other complementary information to comply with Law 11/2018 |
| | | | |
| | | ESRS S1-6 Characteristics of the Company's employees | 3.1. ESRS S1. Own workforce |
| | | | Characteristics of the Company's employees |
| | Salary gap | GRI 3-3 | 5. Other complementary information to comply with Law 11/2018 |
| | | GRI 405-2 | |
| | | | 3.1. ESRS S1. Own workforce |
| | | S1-16 | Compensation metrics (pay gap and total compensation) |
| | Average remuneration and its evolution disaggregated by sex, age and professional classification or of equal value | GRI 3-3 | 5. Other complementary information to comply with Law 11/2018 |
| | | GRI 405-2 | |
| | The average remuneration of directors and executives, including variable remuneration, allowances, severance payments, payment to long-term savings provisions and any other benefit broken down by gender | GRI 3-3 | 5. Other complementary information to comply with Law 11/2018 |
| | | GRI 2-20 | |
| | | GRI 405-2 | |
| | Implementing disconnection policies | ESRS S1-1, ESRS 2 MDR-P | 3.1. ESRS S1. Own workforce |
| | | | Policies related to own workforce |
| | Disabled employees | S1-12 | 3.1. ESRS S1. Own workforce |
| | | | Persons with disabilities |

| | | | |
|---|---|---|---|
| **Work organisation** | Organisation of working time | S1-3 | 3.1. ESRS S1. Own workforce |
| | | | Processes to remediate negative impacts and channels for own workers to raise concerns |
| | Number of hours of absenteeism | ESRS S1-14 | 3.1. ESRS S1. Own workforce |
| | | | Health and safety metrics |
| | Measures aimed at facilitating work-life balance by encouraging co-responsibility of both parents | GRI 3-3 | 5. Other complementary information to comply with Law 11/2018 |
| | | GRI 401-3 | |
| | | | 3.1. ESRS S1. Own workforce |
| | | S1-15 Phased in | Work-life balance metrics |
| **Health and safety** | Occupational health and safety conditions | ESRS S1-4, ESRS 2 MDR-A | 3.1. ESRS S1. Own workforce |
| | | | Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions |
| | Occupational accidents (frequency and seriousness) broken down by gender | ESRS S1-14 | 3.1. ESRS S1. Own workforce |
| | | | Health and safety metrics |
| | Occupational diseases, broken down by gender | ESRS S1-14 | 3.1. ESRS S1. Own workforce |
| | | | Health and safety metrics |
| **Social relationships** | Organisation of social dialogue, including procedures for informing, consulting and negotiating with staff | ESRS S1-2 | 3.1. ESRS S1. Own workforce |
| | | | Processes for engaging with own workforce and workers' representatives about impacts |
| | Mechanisms and procedures that the company has in place to promote the participation of workers in the management of the company, in terms of information, consultation and participation | ESRS S1-2 | 3.1. ESRS S1. Own workforce |
| | | | Processes for engaging with own workforce and workers' representatives about impacts |
| | Percentage of employees covered by a collective bargaining agreement by country | ESRS S1-8 | 3.1. ESRS S1. Own workforce |
| | | | Collective bargaining coverage and social dialogue |
| | The review of collective bargaining agreements, especially in the area of occupational health and safety | ESRS S1-2 | 3.1. ESRS S1. Own workforce |
| | | ESRS S1-14 | Processes for engaging with own workforce and workers' representatives about impacts |
| | | | 3.1. ESRS S1. Own workforce |
| | | | Health and safety metrics |
| **Training** | The policies implemented in the area of training. | ESRS S1-1 | 3.1. ESRS S1. Own workforce |
| | | | Policies related to own workforce |
| | Total hours of training by professional category | GRI 404-1 | 5. Other complementary information to comply with Law 11/2018 |
| **Accessibility** | Universal accessibility for persons with disabilities | GRI 3-3 | 5. Other complementary information to comply with Law 11/2018 |

| | | | |
|---|---|---|---|
| **Equality** | Measures adopted to promote equal treatment and opportunities between men and women. | ESRS S1-5, ESRS 2 MDR-T | 3.1. ESRS S1. Own workforce |
| | | | Diversity. Increasing the percentage of women in management positions |
| | Equality plans. | ESRS S1-1 | 3.1. ESRS S1. Own workforce |
| | | | Policies related to own workforce |
| | Measures adopted to promote employment. | ESRS S1-1 | 3.1. ESRS S1. Own workforce |
| | | | Employees |
| | | | Long-term loyalty and commitment |
| | | | Social protection, economic stability and personal balance |
| | Protocols to counter sexual harassment due to gender. | ESRS S1-17 | 3.1. ESRS S1. Own workforce |
| | | ESRS G1-1, ESRS 2 IRO-1 | Incidents, complaints and severe human rights impacts |
| | | | 4.1. ESRS G1. Business Conduct |
| | | | Ethical channel – Integrity line |
| | | | Promotion of corporate culture. Training and dissemination |
| | The integration and universal accessibility of persons with disabilities. | GRI 3-3 | 5. Other complementary information to comply with Law 11/2018 |
| | Policy against any type of discrimination and, where appropriate, to manage diversity. | ESRS S1-1 | 3.1. ESRS S1. Own workforce |
| | | | Policies related to own workforce |
| **Information on respect for human rights** | | | |
| **Human rights** | Implementation of human rights due diligence procedures; prevention of risks of human rights violations and, where appropriate, measures to mitigate, manage and redress possible abuses committed | ESRS S1-3 | 3.1. ESRS S1. Own workforce |
| | | | Processes to remediate negative impacts and channels for own workers to raise concerns |
| | Reports on cases of human rights violations | GRI 406-1 | 5. Other complementary information to comply with Law 11/2018 |
| | Promotion and enforcement of the provisions contained in the International Labour Organization's core conventions on freedom of association and the right to collective bargaining; | ESRS S1-1 | 3.1. ESRS S1. Own workforce |
| | | ESRS S1-1, ESRS 2 MDR-P | Employees |
| | | | Policies related to own workforce |
| | Elimination of discrimination in respect of employment and occupation | ESRS S1-1, ESRS 2 MDR-P | 3.1. ESRS S1. Own workforce |
| | | | Policies related to own workforce |
| | The elimination of forced or compulsory labour | ESRS S1-1, ESRS 2 MDR-P | 3.1. ESRS S1. Own workforce |
| | | | Policies related to own workforce |
| | The effective abolition of child labour | ESRS S1-1, ESRS 2 MDR-P | 3.1. ESRS S1. Own workforce |
| | | | Policies related to own workforce |

| | | | |
|---|---|---|---|
| **Information related to the fight against corruption and bribery** | | | |
| **Corruption and bribery** | Measures adopted to prevent corruption and bribery | G1-3 | 4.1. ESRS G1. Business Conduct |
| | | | Prevention and detection of corruption and bribery |
| | Measures taken to combat money laundering | | 4.1. ESRS G1. Business Conduct |
| | | | Prevention and detection of corruption and bribery |
| | Contributions to foundations and non-profit organisations | GRI 2-28 | 5. Other complementary information to comply with Law 11/2018 |
| | | GRI 201-1 | |
| **Company information** | | | |
| **Commitment of the company to sustainable development** | Impact of the company's activities on employment and local development | ESRS 2 IRO-1, ESRS 2 IRO-2 | 1.1. ESRS 2. General Disclosures |
| | The impact of the company's activity on local populations and the territory | | Information on the materiality assessment process |
| | Relationships with local community representatives and dialogue systems with them | ESRS 2 SBM-2 | 1.1. ESRS 2. General Disclosures |
| | | | Interests and views of stakeholders |
| | Association or sponsorship actions | GRI 3-3 | 5. Other complementary information to comply with Law 11/2018 |
| | | GRI 201-1 | |
| **Subcontractors and suppliers** | Inclusion of social, gender equality and environmental issues in procurement policy | ESRS G1-2 | 4.1. ESRS G1. Business Conduct |
| | | | Supplier relationship management |
| | Consideration of social and environmental responsibility in relations with suppliers and subcontractors | ESRS G1-2 | 4.1. ESRS G1. Business Conduct |
| | | | Supplier relationship management |
| | Supervision and audit systems and their outcome | ESRS 2 SBM-3, ESRS E2-6 (phased in) | 2.2.ESRS E2. Contamination |
| | | ESRS S1-14 | Environmental management system oriented towards pollution prevention |
| | | | 3.1. ESRS S1. Own workforce |
| | | | Health and safety management system |
| **Consumers** | Health and safety measures for customers | GRI 3-3 | 5. Other complementary information to comply with Law 11/2018 |
| | Grievance systems, complaints received and their resolution | ESRS S4-3 | 3.2. ESRS S4. Consumers and end-users |
| | | | Processes to remediate negative impacts and channels for consumers and end-users to raise concerns |
| **Tax information** | Profits obtained by country | GRI 3-3 | 5. Other complementary information to comply with Law 11/2018 |
| | Income tax paid | GRI 207-4 | |
| | Public grants received | GRI 201-4 | |
| **Other indicators** | | | |
| **Dissemination of Viscofan's taxonomy** | Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 and its delegated acts | | 2.4. European taxonomy of environmentally sustainable economic activities |

# ANNUAL CORPORATE GOVERNANCE REPORT FOR LISTED COMPANIES

(This is a free translation of the original document in Spanish. In the event of any discrepancy between this translation and the original Spanish document, the original Spanish version will prevail.)

## ISSUER IDENTIFICATION DETAILS

| | |
|---|---|
| Financial year end: | 31/12/2024 |
| COMPANY TAX ID: | A-31065501 |

Registered Name:

**VISCOFAN, S.A.**

Registered address:

CALLE BERROA N.15, 4 PLANTA, POLÍGONO INDUSTRIAL BERROA, 31192 (TAJONAR) NAVARRA

## A. OWNERSHIP STRUCTURE OF THE COMPANY

A.1. Complete the following table on share capital and attributed voting rights. Include, where appropriate, loyalty shares, as at the close of the financial year:

Indicate whether the company by-laws provide for double votes originating from loyalty shares:
[ ] Yes
[ √ ] No

| Date of last change | Share capital (euros) | Number of indirect | Number of total voting rights |
|---|---|---|---|
| 25/01/2019 | 32,550,000.00 | 46,500,000 | 46,500,000 |

On 16 December 2024, the deeds to reduce and increase capital relating to 662,369 shares resulting from the second edition of the Viscofan Flexible Remuneration dividend programme, as approved by the General Shareholders' Meeting on 18 April 2024, were filed at the Companies Register of Navarre. The capital reduction and increase were carried out at the same nominal value and, consequently, the Company's share capital figure and the number of shares representing it remain unchanged.

On 19 June 2024, the deeds to reduce and increase capital relating to 675,954 shares resulting from the first edition of the Viscofan Flexible Remuneration dividend programme, as approved by the General Shareholders' Meeting on 18 April 2024, were filed at the Companies Register of Navarra. The capital reduction and increase were carried out at the same nominal value and, consequently, the Company's share capital figure and the number of shares representing it remain unchanged.

Indicate if there are different classes of shares with different rights associated with them:
[ ] Yes
[ √ ] No

A.2. Detail the direct and indirect owners of significant holdings at year-end, including directors that have a significant shareholding:

| Name or company name of the shareholder | % voting rights attributed to the shares | | % of voting rights from financial instruments | | % total voting rights |
|---|---|---|---|---|---|
| | Direct | Indirect | Direct | Indirect | |
| CORPORACIÓN FINANCIERA ALBA S.A. | 14.25 | 0.00 | 0.00 | 0.00 | 14.25 |
| APG ASSET MANAGEMENT N.V. | 9.99 | 0.00 | 0.00 | 0.00 | 9.99 |
| SANTIAGO DOMECQ BOHÓRQUEZ | 0.00 | 5.02 | 0.00 | 0.00 | 5.02 |
| SETANTA ASSET MANAGEMENT LIMITED | 0.00 | 3.96 | 0.00 | 0.00 | 3.96 |

Details of the indirect investment:

| Name or company name of the indirect shareholder | Name or company name of the direct shareholder | % voting rights attributed to the shares | % of voting rights from financial instruments | % total voting rights |
|---|---|---|---|---|
| SETANTA ASSET MANAGEMENT LIMITED | OTHER COMPANY SHAREHOLDERS | 3.96 | 0.00 | 3.96 |
| SANTIAGO DOMECQ BOHÓRQUEZ | ANGUSTIAS Y SOL S.L. | 5.02 | 0.00 | 5.02 |

Indicate the most significant movements in the shareholding structure during the year:

| Most significant movements |
|---|
| There were no significant changes in the ownership structure during the year. |

A.3. Regardless of the percentage, indicate as at the end of the financial year the shareholdings of the members of the board of directors with voting rights attributed to shares of the company or through financial instruments, excluding those directors identified in section A.2.

| Name of director (person or company) | % voting rights attributed to shares (including loyalty votes) | | % of voting rights from financial instruments | | % total voting rights | Of the total % of voting rights attached to the shares, indicate, if applicable, the % of additional votes attached to loyalty voting shares | |
|---|---|---|---|---|---|---|---|
| | Direct | Indirect | Direct | Indirect | | Direct | Indirect |
| JOSÉ DOMINGO DE AMPUERO Y OSMA | 0.17 | 0.00 | 0.00 | 0.00 | 0.17 | 0.00 | 0.00 |
| JOSÉ ANTONIO CANALES GARCÍA | 0.08 | 0.00 | 0.00 | 0.00 | 0.08 | 0.00 | 0.00 |
| JAIME REAL DE ASÚA Y ARTECHE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| LAURA GONZÁLEZ MOLERO | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| AGATHA ECHEVARRÍA CANALES | 0.09 | 0.00 | 0.00 | 0.00 | 0.09 | 0.00 | 0.00 |

| Name of director (person or company) | % voting rights attributed to shares (including loyalty votes) | | % of voting rights from financial instruments | | % total voting rights | Of the total % of voting rights attached to the shares, indicate, if applicable, the % of additional votes attached to loyalty voting shares | |
|---|---|---|---|---|---|---|---|
| | Direct | Indirect | Direct | Indirect | | Direct | Indirect |
| MARIA CRISTINA HENRÍQUEZ DE LUNA BASAGOITI | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| ANDRÉS ARIZKORRETA GARCÍA | 0.01 | 0.00 | 0.00 | 0.00 | 0.01 | 0.00 | 0.00 |
| JAVIER FERNÁNDEZ ALONSO | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| VERÓNICA PASCUAL BOÉ | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| Total % of voting rights of the held by members of the board of directors: | 5.37 |
|---|---|

Details of the indirect investment:

| Name of director (person or company) | Name or company name of the direct shareholder | % voting rights attributed to shares (including loyalty votes) | % of voting rights from financial instruments | % total voting rights | Of the total % of voting rights attached to the shares, indicate, if applicable, the % of additional votes attached to loyalty voting shares |
|---|---|---|---|---|---|
| N/D | | | | | |

Indicate the total percentage of voting rights represented on the board of directors:

| Total percentage of voting rights represented on the board of directors: | 19.62 |
|---|---|

A.4. Describe, if applicable, the family, commercial, contractual or corporate relationships between significant shareholders, to the extent known to the Company, unless they are immaterial or result from the ordinary course of business, except those shown in the section A.6:

| Related name (person or company) | Type of relationship | Short description |
|---|---|---|
| N/D | | |

A.5. Where applicable, indicate any commercial, contractual or corporate relationships between holders of significant shareholdings, and the company and/or its group, unless they are of little relevance or due to ordinary trading or exchange activities:

| Related name (person or company) | Type of relationship | Short description |
|---|---|---|
| N/D | | |

A.6. Describe the relationships, unless they are scarcely relevant to the two parties, between the significant shareholders or those represented on the board, and the directors, or their representatives, in the case of legal entity administrators.

Explain, if applicable, how significant shareholders are represented. Specifically, indicate the directors who have been appointed on behalf of significant shareholders, those whose appointment would have been encouraged by significant shareholders, or those who are linked to significant shareholders and/or entities of their group, with a specification of the nature of such associating relationships. In particular, mention, where appropriate, the existence, identity and position of board members, or representatives of directors of the listed company who are, in turn, members of the administrative body, or their representatives, in companies that hold significant shareholdings of the listed company or in entities of the group of said significant shareholders.

| Name or company name of the associated director or representative | Name or company name of the related significant shareholder | Company name of the significant shareholder's group company | Relationship/position description |
|---|---|---|---|
| SANTIAGO DOMECQ BOHÓRQUEZ | ANGUSTIAS Y SOL S.L. | ANGUSTIAS Y SOL S.L. | Corporate. Santiago Domecq holds 100% of the share capital of Angustias y Sol S.L. |
| JAVIER FERNÁNDEZ ALONSO | CORPORACIÓN FINANCIERA ALBA S.A. | CORPORACIÓN FINANCIERA ALBA S.A. | Professional. Javier Fernández Alonso is the General Manager of Corporación Financiera Alba S.A. |

A.7. Indicate whether the company has been informed of any shareholder agreements that may affect it as set out under articles 530 and 531 of the Corporate Enterprises Act. Where applicable, briefly describe them and list the shareholders bound by such agreement:

[ ] Yes
[ √ ] No

Indicate whether the company is aware of the existence of concerted actions amongst its shareholders. If so, describe them briefly:

[ ] Yes
[ √ ] No

Expressly indicate whether any of such agreements, arrangements or concerted actions have been modified or terminated during the fiscal year:

A.8. Indicate whether any person or organisation exercises or may exercise control over the company pursuant to article 5 of the Securities Exchange Act. If so, identify names:

[ ] Yes
[ √ ] No

A.9. Fill in the following tables about the Company's treasury stock: At year-end:

| Number of direct shares | Number of indirect shares (*) | % of total share capital |
|---|---|---|
| 690,795 | | 1.49 |

(*) Via:

| name or company name of the direct shareholder | Number of direct shares |
|---|---|
| N/D | |

Explain the significant changes that occurred during the year:

| Explain the significant changes |
|---|

During this period, the Company acquired a total of 1,560,966 treasury shares by virtue of the powers granted to it by the General Shareholders' Meeting.

Within the framework of the first edition of the flexible remuneration programme approved by the General Meeting of Shareholders, the Company received a total of 37,138 own shares. Under this programme, all shares were delivered by means of a share capital increase involving 675,954 shares, and a capital reduction was carried out through the redemption of 675,954 treasury shares in order to avoid share dilution among those shareholders who did not take part in the capital increase.

Subsequently, within the framework of the second edition of the flexible remuneration programme approved by the General Shareholders' Meeting, the Company received a total. of 24,659 own shares. Under this programme, all shares were delivered by means of a share capital increase of 662,369 shares, and a capital reduction was carried out through the redemption of 662,369 treasury shares in order to avoid share dilution among those shareholders who did not take part in the capital increase.

Moreover, in 2024, a total of 12,740 treasury shares were delivered to Viscofan personnel within the framework of the company's variable remuneration plans.

As of 31 December 2024, the company thus holds 690,795 treasury shares representing 1.49% of the voting rights.

A.10. Describe the conditions and term of the current mandate from the general shareholders' meeting to the Board of Directors to issue, buy back and transfer treasury shares.

Extract of the Minutes of the General Shareholders Meeting held on 27 April 2023 on second call, the following resolution was adopted by majority:

To authorise the Board of Directors, with express power of substitution, for the derivative acquisition of shares in the Company, directly or through Viscofan Group companies, in accordance with articles 146, 509 and concordant articles of the Capital Companies Act and, if appropriate, to reduce the share capital to redeem treasury stock and consequent amendment of article 5 of the Articles of Association. Delegation of necessary powers to the Board of Directors so it can implement resolutions.

The conditions were as follows:

(a) Purchases may be made directly by the Company or by any of its subsidiaries under the same terms as this resolution.
(b) Purchases will be made in one or more times through purchase, exchange or any other transactions permitted by law.
(c) Purchases may be made at any time up to the maximum amount allowed by law.
(d) Purchases may not be made at a price lower than the share's par value and 15% higher than the listed price of the share in the Spanish Stock Exchange Interconnection System at the time the purchase order is entered.
(e) The authorisation is granted for a period of five years from the date this resolution is passed.
(f) As a result of the purchase of shares, including those that the Company or the person acting in its own name but on behalf of the Company had previously acquired and had in its portfolio, the resulting equity may not be reduced below the amount of the share capital plus reserves that are legally or statutorily restricted, in accordance with the provisions of article 146.1(b) of the Corporate Enterprises Act.

It is expressly resolved that the own shares purchased as a result of this authorization, as well as those previously purchased by virtue of the previous authorisation granted on 25 May 2018, may be used either for disposal or redemption, or application of the remuneration systems referred to in the third paragraph article 146(a) of the Corporate Enterprises Act and especially be used, in whole or in part, for delivery to the beneficiaries of any remuneration plan(s) for directors, managers and employees of the Company that, as the case may be, are approved.

In order to be able to redeem any treasury shares of Viscofan S.A. held on its balance sheet, charged to profits or unrestricted reserves and for the amount that is convenient or necessary at any given time, reduce the share capital to the maximum of treasury shares at any given time, it delegates to the Board of Directors the execution of the previous capital reduction resolution. The Board may carry out such execution one or more times within a maximum period of five years, from the date of this resolution and carry out all processes, procedures and authorisations that are necessary or required by the Corporate Enterprises Act and any other provisions that are applicable. In particular, authority is delegated to the Board so that, within the period and limits indicated for such execution, it may fix the date(s) of the specific capital reduction or reductions, its timing and opportuneness, taking account of market conditions, price, the economic and financial position of the Company, its cash, reserves and performance and any other aspect that might influence such decision; specify the amount of the capital reduction; determine whether the reduction is made either from a restricted reserve, or from unrestricted reserves and provide, where appropriate, any guarantees and fulfil any legally prerequisites; amend Article 5 of the Articles of Association to reflect the new share capital amount; apply for the delisting of the redeemed securities and, in general, pass any resolutions necessary, for the purposes of such redemption and consequent reduction of capital and designate the persons who can intervene in such formalisation.

This resolution revokes and nullifies, in the amount not used, the authorisation granted at the General Shareholders' Meeting held on 25 May 2018 in its fifth item on the agenda.

A.11. Estimated floating capital:

| | % |
|---|---|
| Estimated floating capital | 64.94 |

A.12. Indicate whether there is any restriction (statutory, legislative or of any other nature) on the transferability of securities and/or any restriction on voting rights. In particular, report the existence of any type of restrictions that may make it difficult to take control of the company through the acquisition of its shares in the market, as well as authorisation or prior notice systems that are applicable to the acquisitions or transfers of the company's financial instruments by sectoral regulations.

[ ] Yes
[ √ ] No

A.13. Indicate whether the General Meeting has agreed to adopt measures to neutralise a public takeover bid, pursuant to Act 6/2007.

[ ] Yes
[ √ ] No

If so, explain the measures approved and the terms and conditions under which the restrictions would become inefficient:

A.14. Indicate whether the company has issued securities that are not traded on a regulated market in the EU.

[ ] Yes
[ √ ] No

Where applicable, indicate the different types of shares, and what rights and obligations each share class confers.

## B. GENERAL SHAREHOLDER'S MEETING

B.1. Indicate and, if applicable, explain whether there are differences with the minimum requirements set out in the Corporate Enterprises Act ("CEA") in connection with the quorum needed to hold a valid General Shareholders' Meeting.

[ ] Yes
[ √ ] No

B.2. Indicate, and where applicable give details, whether there are any differences from the minimum standards established under the Corporate Enterprises Act (CEA) for the adoption of corporate resolutions:

[ ] Yes
[ √ ] No

B.3. Indicate the rules applicable to amendments to the company by-laws. In particular, report the majorities established for amending the Bylaws, and, if applicable, the rules established to safeguard member rights when amending the Bylaws.

There is no specific regulation for the amendment of articles of association other than that provided for by the applicable regulations themselves, relating to the requirements established by art. 194 of the Capital Companies Act for the quorum of constitution reinforced in special cases and by the other provisions of Title VIII "The amendment of the articles of association" of the aforementioned regulation.

The requirements for passing resolutions to modify company bylaws set forth in article 20 of the Bylaws and articles 18 and 22 of the Regulations of the General Shareholders' Meeting match those stated above.

B.4. Indicate the data on attendance at the general shareholders' meetings held the year to which this report refers and the previous two years:

| | Attendance information | | | | |
|---|---|---|---|---|---|
| General Shareholders Meeting Date | % shareholders present | % Attending by proxy | % voting remotely | | Total |
| | | | Electronic vote | Other | |
| 29/04/2022 | 19.90 | 62.20 | 0.00 | 0.60 | 82.70 |
| Of which free float | 0.04 | 51.83 | 0.00 | 0.60 | 52.47 |
| 27/04/2023 | 20.10 | 63.70 | 0.00 | 2.30 | 86.10 |
| Of which free float | 0.55 | 55.52 | 0.00 | 2.30 | 58.37 |
| 18/04/2024 | 20.23 | 62.34 | 0.00 | 1.03 | 83.60 |
| Of floating capital | 0.67 | 53.95 | 0.00 | 1.03 | 55.65 |

B.5. Indicate whether there have been any items on the agenda at the general meetings held during the year that, for any reason, have not been approved by the shareholders.

[ ] Yes
[ √ ] No

B.6. Indicate if there is a statutory restriction that establishes a minimum number of shares necessary to attend the general shareholders' meeting, or to vote remotely.

[ √ ] Yes
[ ] No

| | |
|---|---|
| Number of shares necessary to attend the General Shareholders' meeting: | 100 |
| Number of shares necessary to vote remotely | 1 |

B.7. Indicate whether it has been established that certain decisions, other than those established by law, involving an acquisition, transfer, contribution of essential assets to another company or other similar corporate operations must be submitted for the approval of the general shareholders' meeting.

[ ] Yes
[ √ ] No

B.8. Indicate the address and means of access through the company website to the information on corporate governance and other information on the general meetings that must be made available to shareholders on the company's website.

The information is published on Viscofan's website whose address is: www.viscofan.com

The information relating to Corporate Governance is available on the Corporate Governance tab, which can be found at the top of the website homepage.

The information relating to the General Shareholders Meetings is available on the Investor Relations tab, located at the top of the website homepage. Once inside the tab, the information can be accessed by selecting the General Shareholders' Meeting section. Moreover, as of the date of publication of the notice to hold a new General Meeting, a direct link is enabled on the company's Home Page where the notice of meeting is found and in accordance with the shareholders' right to information, there is also access to legally-required documentation and other documentation for information purposes.

## C. CORPORATE GOVERNANCE STRUCTURE

### C.1. Board of directors

C.1.1 Maximum and minimum number of directors established in the bylaws and the number set by the general meeting:

| | |
|---|---|
| Maximum number of Directors | 12 |
| Minimum number of Directors | 5 |
| Total number of Directors set by the board | 10 |

C.1.2 Fill in the following table on the Board members:

| Name of director (person or company) | Representative | Type of directorship | Position on the board | Date first elected | Date of last election | Election procedure |
|---|---|---|---|---|---|---|
| JOSÉ DOMINGO DE AMPUERO Y OSMA | | Other External | CHAIRMAN | 27/02/2009 | 27/04/2023 | VOTE AT THE GENERAL SHAREHOLDERS' MEETING |
| JOSÉ ANTONIO CANALES GARCÍA | | Executive | DIRECTOR | 11/04/2014 | 29/04/2022 | VOTE AT THE GENERAL SHAREHOLDERS' MEETING |
| JAIME REAL DE ASÚA Y ARTECHE | | Independent | VICE-CHAIRMAN | 11/04/2014 | 29/04/2022 | VOTE AT THE GENERAL SHAREHOLDERS' MEETING |
| ANDRÉS ARIZKORRETA GARCÍA | | Independent | DIRECTOR | 29/04/2022 | 29/04/2022 | VOTE AT THE GENERAL SHAREHOLDERS' MEETING |
| AGATHA ECHEVARRÍA CANALES | | Other External | DIRECTOR | 24/06/1998 | 29/04/2022 | VOTE AT THE GENERAL SHAREHOLDERS' MEETING |
| SANTIAGO DOMECQ BOHÓRQUEZ | | Nominee | DIRECTOR | 21/04/2016 | 18/04/2024 | VOTE AT THE GENERAL SHAREHOLDERS' MEETING |
| LAURA GONZÁLEZ MOLERO | | Independent | DIRECTOR | 25/05/2018 | 29/04/2022 | VOTE AT THE GENERAL SHAREHOLDERS' MEETING |

| Name of director (person or company) | Representative | Type of directorship | Position on the board | Date first elected | Date of last election | Election procedure |
|---|---|---|---|---|---|---|
| MARIA CRISTINA HENRÍQUEZ DE LUNA BASAGOITI | | Independent | DIRECTOR | 29/04/2022 | 29/04/2022 | VOTE AT THE GENERAL SHAREHOLDERS' MEETING |
| JAVIER FERNÁNDEZ ALONSO | | Nominee | DIRECTOR | 23/06/2022 | 27/04/2023 | VOTE AT THE GENERAL SHAREHOLDERS' MEETING |
| VERÓNICA PASCUAL BOÉ | | Independent | DIRECTOR | 20/12/2023 | 18/04/2024 | VOTE AT THE GENERAL SHAREHOLDERS' MEETING |

| Total number of directors | 10 |
|---|---|

Indicate any dismissals that have occurred on the Board of Directors as a result of resignation or by agreement at the General Shareholders' Meeting during the reporting period.

| Name of director (person or company) | Condition of director at time of severance | Date of last election | Date of leaving | Specialised committee's he/she belonged to | Indicate whether the termination took place before the end of the term of office |
|---|---|---|---|---|---|
| JOSÉ MARÍA ALDECOA SAGASTASOLOA | Independent | 29/04/2022 | 18/04/2024 | APPOINTMENTS, REMUNERATION AND SUSTAINABILITY COMMITTEE | YES |

| Cause of removal, if before the end of the term of office and other remarks; information on whether the director has sent a letter to the other members of the board and, in the case of removals of non-executive directors, explanation or opinion of the director who has been removed by the general meeting |
|---|
| Twelve years after his first appointment, the Lead Director, José María Aldecoa, forfeited his independent status. To ensure that independent directors continue to account for at least 50% of the composition of the Board, Mr Aldecoa, preceded by a letter dated 25 January 2024 addressed to the Chair and the entire Board of Directors, tendered his resignation, effective from the date of the 2024 Annual General Meeting as a director and member of the various committees on which he sat before the end of his bylaw-mandated term due to expire in 2026. |

C.1.3 Fill in the following tables on the Board members and their different kinds of directorship:

| EXECUTIVE BOARD MEMBERS | | |
|---|---|---|
| Name of director (person or company) | Position within company organisation | Profile |
| JOSÉ ANTONIO CANALES GARCÍA | CEO | Degree in Economics and Business from Deusto Business School, Advanced course of studies in International Transport & Distribution at the London School of Foreign Trade. He has a deep knowledge of the casing business, thanks to his experience within the Viscofan Group, where he joined in 1996 as General Manager of Viscofan do Brazil, from where he led the expansion of the Viscofan Group in South America until his appointment in 2006 as General Manager of Viscofan, S.A. and the Group of companies of which it is the parent company. He has made a significant contribution in strengthening Viscofan's leadership and its international expansion. Since January 2024, he has held the position of Chief Executive Officer. He also sits on the advisory board of ABE Capital Partners and is a trustee on behalf of the Viscofan Group of the Cetena Foundation (CEMITEC), and until 2019 he was a director of Maxam Corporation Holding, S.L. He is also a member of the Board of Directors of ACERMAS, Asociación Centro Rafaela María de Acción Social, for the integration of people with mental disabilities. In 2014 he joined the Board of Directors of Viscofan S.A. as Executive Director. Since 1 January 2024, he has held the position of CEO of the Viscofan Group. |

| | |
|---|---|
| Total number of Executive Directors | 1 |
| % of total directors | 10.00 |

| EXTERNAL NOMINEE DIRECTORS | | |
|---|---|---|
| Name of director (person or company) | Name or business name of the significant shareholder represented or proposing nomination | Profile |
| SANTIAGO DOMECQ BOHÓRQUEZ | ANGUSTIAS Y SOL S.L. | He has studied at the Faculty of Economic and Business Sciences of the Universidad Pontificia Comillas-ICADE (Madrid) and at the Faculty of Economic and Business Sciences of the University of Cádiz (UCA). Specialisation course in Managing Agrifood Companies (DEA) at the International Institute San Telmo (Seville). In his extensive professional experience as a businessman, he has been, among others, director of Coca-Cola Iberian Partners, S.L. until 2015 and previously since 1997 director of Refrescos Envasados del Sur, S.A. (RENDELSUR), a company that was integrated into Coca-Cola Iberian |

| EXTERNAL NOMINEE DIRECTORS | | |
|---|---|---|
| Name of director (person or company) | Name or business name of the significant shareholder represented or proposing nomination | Profile |
| | | Partners S.L. in 2013. He has also been a director of Algar Aguas de Cádiz, S.A. He is currently a Member of the Provincial Board of Cádiz, a member of the Los Alcornocales Nature Reserve and Member of the Provincial Environment Council. He is the Sole Director of Angustias y Sol, S.L and of its group of subsidiary companies operating in the financial, agriculture and livestock sectors, among others. Nominee Director at Viscofan SA representing Angustias y Sol S.L. and member of its Appointments, Remuneration and Sustainability Committee. |
| JAVIER FERNÁNDEZ ALONSO | CORPORACIÓN FINANCIERA ALBA S.A. | Degree in Business Administration and Management from the University of Deusto, with Honours, specialising in Finance. He has extensive experience in business management and administration. He is currently the Managing Director of Corporación Financiera Alba, S.A. In 2000, he started his career in investment banking (mergers and acquisitions) at Goldman Sachs in London and subsequently joined ABN AMRO in Madrid in 2002. In 2006, he joined the Investment Department of Corporación Financiera Alba S.A. and was appointed Deputy Director of Investments in 2007, Director of Investments in 2012 and General Manager as of 2020. On behalf of Alba, he is currently a member of the Board of Directors of CIE Automotive S.A, Ebro Food S.A., Profand Fishing Holding S.L and the vehicles Rioja y Rioja Acquisition S.à r.l. (Naturgy). Previously, he was Director, among others, of Acerinox, ACS, Dragados, ACS Servicios y Concesiones, Euskaltel, Parques Reunidos and Clínica Baviera. In addition, he is a member of the Investment Committee of two funds managed by Artá Capital SGEIC, S.A. and of several of the group's private equity vehicles. Since June 2022, he has been a nominee director of Viscofan, S.A. on behalf of Corporación Financiera Alba and a member of its Audit Committee. |

| | |
|---|---|
| Total number of nominee directors | 2 |
| % of total directors | 20.00 |

| EXTERNAL INDEPENDENT DIRECTORS | |
|---|---|
| Name of director (person or company) | Profile |
| LAURA GONZÁLEZ MOLERO | Ms González Molero holds a Degree in Pharmacy, specialising in industry, from the Universidad Complutense de Madrid, an Executive MBA from the IE Business School awarded in 1999 and has taken advanced courses in prestigious international academic institutions such as Insead, IMD and Harvard. He has held top executive positions in major international corporations in the Healthcare and Chemical sectors in Europe and America. She was Chairwoman for Latin America at Merck Serono Biopharmaceuticals and Bayer Healthcare, having resided in Brazil and the United States, where she was responsible for more than two thousand five hundred employees and managed business figures in excess of one billion dollars, which has made her an international benchmark in these sectors. Her work as an executive has been rewarded on numerous occasions. She has also been an independent director of Bankia SA until its merger with Caixabank in March 2021 and of Ezentis SA until June 2022. Between 2010 and 2016 she was an independent director of Viscofan and a member of its Appointments and Remuneration Committee, where she carried out important work in promoting and consolidating the functions of the Committee, in addition to bringing diversity to the Board's decision-making through her participation in the various debates and deliberations where her criteria and opinion have contributed to the development of the Viscofan Group until the conclusion of her mandate as an independent director in 2016, when her professional commitments prevented her from considering her renewal as a director. She is currently an independent director of Acerinox SA, Banco Sabadell, President of the Asociación para el Progreso de la Dirección (ApD), member of the Advisory Board of ISS in Spain. Effective March 20, 2025, she ceases to be a director of Banco Sabadell and, effective March 21, 2025, she assumes the position of chairwoman of DKV Seguros y Reaseguros. She is a member of the Board of Directors of Viscofan S.A. and sits on its Audit Committee and its Appointments, Remuneration and Sustainability Committee. |
| JAIME REAL DE ASUA Y ARTECHE | Industrial engineer, specialising in industrial organisation from the ETSII (Bilbao). He is currently non-executive Chairman of the Board of Directors of Elecnor S.A., Chairman of its Executive Committee, and a member of its Appointments, Remuneration and Sustainability Committee. He is also director of the Elecnor Services and Projects Committee belonging to the Elecnor Group, Deputy Chairman of Cantiles XXI, S.L, and director of Onchena S.L. He is also a member of the BBVA Advisory Board of the Northern Zone and of the Business Circle, and member of the Board of Trustees of the Fundación Adey. He was also Chairman and director of Adhorna Prefabricación S.A. until its merger by absorption into Elecnor in 2015 and director of Celeo Concesiones e Inversiones, S.L.U., also part of the Elecnor Group, and director of Enerfín Sociedad de Energía SL, until 2024. He likewise sat on the boards of Internacional de Desarrollo Energético, S.A. (IDDE) between 1987 and 2012 (IDDE) and of Tasdey S.A. At the same time, from 1981 until 2011 he was linked to Grupo Cementos Portland Valderrivas, where he held different management positions and was a member of the Board of Directors of various companies of this Group. He is currently Deputy Chairman of the Board of Directors of Viscofan S.A., Lead Director, and Chairman of its Appointments, Remuneration and Sustainability Committee. |
| VERÓNICA PASCUAL BOÉ | Ms Pascual Boé holds a degree in Aeronautical Engineering from the Polytechnic University of Madrid, a Master in Business Administration (MBA) from the Collège des Ingénieurs de Paris and an Executive Master in Positive Leadership and Strategy (EXMPLS) from IE Business School. She also holds several postgraduate degrees from INSEAD, Stanford, and Harvard Business School. She is an entrepreneur who has led for 18 years a group of companies linked |

| EXTERNAL INDEPENDENT DIRECTORS | |
|---|---|
| Name of director (person or company) | Profile |
| | to digital transformation headed by ASTI Mobile Robotics Group, a company based in Spain, France, Germany and the United States, dedicated to the supply of autonomous vehicle systems for the automation of industrial processes in sectors such as automotive, food, cosmetics, pharmaceuticals and retail. As of August 2021, ASTI Mobile Robotics was integrated into ABB Robotics and Ms Pascual became Global Manager of Autonomous Mobile Robotics until January 2023. She currently leads her family office, ALBP Corp, one of whose main objectives is to invest in technology-based projects. Ms Pascual also chairs the ASTI Technology and Talent Foundation, a foundation created for the development of STEM talent for young people from an early age. She is also the Chair of Endeavor Spain, member of the Advisory Board of Telefónica Tech and director of the companies Telefónica S.A., General de Alquiler de Maquinaria, S.A. (GAM), Telefónica Audiovisual Digital, Marsi Bionics and Viscofan. She began her career on the international stage at the Department of Strategic Management of Human Resources of the multinational industrial group Bouygues. In 2004, she joined the family company ASTI, having held different positions in the company's management (Technical and Commercial Management). At the end of 2006, she took over as CEO and, in 2008, opted for the acquisition of the company. Previously, she has held various positions, including, among others, the following: Promoter and Founder of Digital Innovation Hub of Burgos, through ASTI of DIHBU (2018); Chair of the Industry 4.0 Working Group of the Junta de Castilla y León (2016-2018); Chair of the Industry 4.0 Commission and Deputy Chair of Talent Development of AMETIC (2016-2018); member of the Advisory Council of the University System Quality Agency (2015-2016); member of the Advisory Board of EAE Business School (2015-2016); member of the Governing Council of APD Castilla y León (2014-2015); member of the Board of Directors of Empresa Familiar Castilla y León (2001-2013). She has been an independent director of Viscofan since December 2023 and sits on its Appointments, Remuneration and Sustainability Committee. |
| ANDRÉS ARIZKORRETA GARCÍA | Degree in Economics from the University of Deusto. He has extensive experience in General Management as CEO of a listed company with a wide projection in the Spanish industrial business environment. Accustomed to international business development, he has been able to successfully implement his company in all global markets. He has spent his entire professional career at CAF. He started in the economic area in 1980 in an internal control post and progressed until 1982, when he became responsible for accounting, administration and people in the areas related to manufacturing. This experience gave him in-depth knowledge of CAF factory environments and the understanding of operations. In 1987, he was appointed Personnel Director of the Company and in 1989 he became Director of the Beasain and Irún plants. In 1992, he became part of the Board of Directors and was appointed as the Company's Managing Director. In 2006, he was appointed as CEO of the CAF Group until 2015, the year in which he was appointed as the Company's Executive Chairman, holding the post of Non-Executive Chairman since 2021. His current responsibilities in addition to his roles at CAF are at Orkestra Instituto Vasco de Competitividad, where he is a member of the Board. He is also Chairman of Circulo de Empresarios Vascos (Basque Business Circle), a member of the Academy of Science, Arts and Letters (Jakiunde), of the Board of Trustees of the Donostia International Physic Center Foundation, and of the Board of Trustees of the José María Calvo Foundation. He has been a member of the Board of Directors of Viscofan SA since April 2022, Chairman of its Audit Committee, and a member of its Appointments, Remuneration and Sustainability Committee. |

| EXTERNAL INDEPENDENT DIRECTORS | |
|---|---|
| Name of director (person or company) | Profile |
| MARIA CRISTINA HENRÍQUEZ DE LUNA BASAGOITI | Ms Henríquez de Luna Basagoiti holds a degree in Business Administration from Universidad Pontificia Comillas (ICADE E2). She has extensive experience and financial knowledge of best multinational practices in various sectors and vast international experience, both on developed and developing markets and she has worked in Spain, Germany, Peru, Mexico, Switzerland and the United Kingdom. Between 1989 and 2010, she spent her career at Procter & Gamble, where she joined as a Financial Analyst (1989-1991), then coupling posts of varying responsibility: Manager of Finance, Cosmetics and Fragrances, (1991-1994), Director of Finance and Accounting for Peru, Ecuador and Bolivia (1994-2001), Tesorera Latam (2001-2004), Financial and Accounting Director, Latam North (2004-2006) and Vice Chairman of Finance and Accounting for Western Europe (2006-2010), where she led a financial organisation for a region with €18 billion in revenues. In 2010, she joined GSK as Senior Vice President Finance for Pharma Europe and, two years later, also assumed financial responsibility for the Global Franchises. In 2014, she was appointed President and CEO in Spain, with responsibility for Iberia and Israel. In May 2023, as a result of a strategic restructuring process at GSK in Europe, she stood down as country head for Portugal and Israel and is currently Chair and CEO of GSK in Spain. She is also currently lead director of Meliá Hotels International S.A. and a member of its Audit and Compliance Committee. She is Deputy Chair of Fundación de Ciencias de la Salud, Deputy Chair of Farmaindustria, and a member of its Governing Board and Board of Directors. She sits on the Executive Committee and Board of Trustees of Fundación SERES, Sociedad y Empresa Responsable. Since 2022, she has been an Independent Director of Viscofan, S.A. and a member of its Audit Committee. |

| | |
|---|---|
| Total number of independent directors | 5 |
| % of total directors | 50.00 |

Indicate whether any director considered an independent director is receiving from the company or from its group any amount or benefit under any item that is not the remuneration for his/her directorship, or maintains or has maintained over the last year a business relationship with the company or any company in its group, whether in his/her own name or as a significant shareholder, director or senior manager of an entity that maintains or has maintained such a relationship.

Where applicable, include a reasoned statement from the Board with the reasons why it deems that this director can perform his/her duties as an independent director.

| Name of director (person or company) | Description of the relationship | Motivated declaration |
|---|---|---|
| N/D | | |

| OTHER EXTERNAL DIRECTORS |
|---|
| Identify all other external Directors and explain why these cannot be considered nominee or independent Directors and detail their relationships with the company, its executives or its shareholders: |

| Name of director (person or company) | Reasons | Company, senior manager or shareholder to which Director has ties | Profile |
|---|---|---|---|
| AGATHA ECHEVARRÍA CANALES | For having remained on the Board of Directors for more than 12 years | ----- | Law degree and Business Studies graduate from Universidad Pontificia de Comillas (ICADE). She has broad professional experience in a number of multi-nationals, including the audit firm Touche and Ross, S.A., British Petroleum España, S.A. and the investment bank Charterhouse Limited in which she was Managing Director and Director of its Spanish subsidiary and founder and director of D+A Documentación y Análisis S.A. She has advised family-owned companies on their business strategies and is currently a director of Iberpapel SA, as a member of the Investment Committee and the Appointments and Remuneration Committee, and of Banca March, as a member of its Audit Committee, Remuneration Committee and Appointments, Sustainability and Corporate Governance Committee. She is member of the Board of Directors of Viscofan S.A. and member of its Audit Committee. |
| JOSÉ DOMINGO DE AMPUERO Y OSMA | For having remained on the Board of Directors for more than 12 years | ----- | Industrial Engineer from Bilbao's Higher School of Industrial Engineers and Master of Business Administration from the University of Southern California. Los Angeles. USA. His extensive career has led him to hold various key positions, such as Deputy Chairman of Naviera Vizcaína, Chairman of S.A. de Alimentación, Deputy Chairman of BBVA Bancomer (México), Chairman of Bodegas y Bebidas, |

| OTHER EXTERNAL DIRECTORS | | | |
|---|---|---|---|
| Identify all other external Directors and explain why these cannot be considered nominee or independent Directors and detail their relationships with the company, its executives or its shareholders: | | | |
| Name of director (person or company) | Reasons | Company, senior manager or shareholder to which Director has ties | Profile |
| | | | Deputy Chairman of Banco Bilbao Vizcaya Argentaria S.A., Deputy Chairman of Iberdrola, and Chairman of Cementos Lemona S.A. He also sits on the Boards of Directors of Tubacex S.A., Corporación Financiera Alba and the Asociación para el Progreso de la Dirección. He is currently Chairman of Autopista Vasco-Aragonesa S.A and Autovia del Camino S.A. Among other business activities, he is member of the Basque Business Circle, and its former chairman, member of the Board of Caridad de la Santa y Real Casa de Misericordia of Bilbao, and its former chairman. He was Executive Chairman of the Viscofan Group from 27 February 2009 until 31 December 2023, contributing to the enhancement of the Group's leadership and its growth and geographic expansion. He has served as the Company's non-executive Chairman since 1 January 2024. |

| | |
|---|---|
| Total number of other external directors | 2 |
| % of total directors | 20.00 |

Indicate any changes that may have occurred during the period in the type of directorship of each director:

| Name of director (person or company) | Date of the change | Former category | Current category |
|---|---|---|---|
| JOSÉ DOMINGO DE AMPUERO Y OSMA | 01/01/2024 | Executive | Other External |

C.1.4 Complete the following table with the information relating to the number of female directors at the end of the last four years, as well as the category of each:

| | Number of female directors | | | | % of total female directors of each category | | | |
|---|---|---|---|---|---|---|---|---|
| | FY 2024 | FY 2023 | FY 2022 | FY 2021 | FY 2024 | FY 2023 | FY 2022 | FY 2021 |
| Female Executives | | | | | 0.00 | 0.00 | 0.00 | 0.00 |
| Female Nominee Directors | | | | | 0.00 | 0.00 | 0.00 | 0.00 |
| Independent | 3 | 3 | 3 | 2 | 60.00 | 50.00 | 50.00 | 40.00 |
| Other external | 1 | 1 | 1 | 1 | 50.00 | 100.00 | 100.00 | 50.00 |
| Total | 4 | 4 | 4 | 3 | 40.00 | 36.36 | 36.36 | 27.27 |

C.1.5 Indicate whether the company has diversity policies in relation to the company's board of directors with regard to issues such as age, gender, disability, or professional training and experience. As a minimum, small and medium-sized companies, in accordance with the definition contained in the Accounts Auditing Law, will have to inform of the policy they have established in relation to gender diversity.

[ √ ] Yes
[ ] No
[ ] Partial policies

If you have ticked yes, describe these diversity policies, their objectives, the measures and the way in which they have been applied and their results during the year. The specific measures adopted by the board of directors and the appointments and remuneration committee should also be indicated to achieve a balanced and diverse presence of directors.

In case the company does not apply a diversity policy, explain the reasons why.

| Description of the policies, objectives, measures and manner in which they have been applied, as well as the results obtained |
|---|

This point has been answered in section H - OTHER INFORMATION OF INTEREST as the maximum size allowed by the electronic format of the CNMV has been exceeded.

C.1.6 Describe the measures, if any, agreed upon by the nomination committee to ensure that selection procedures do not contain hidden biases which impede the selection of female directors and that the company deliberately seeks and includes women who meet the target professional profile among potential candidates, making it possible to achieve a balance between men and women. Also indicate whether these measures include encouraging the company to have a significant number of female senior executives:

| Explanation of measures |
|---|

Based on the internal regulations explained in section C.1.5 above, the Appointments, Remuneration and Sustainability Committee must ensure that persons of both genders who have the necessary profile for the position of director are taken into consideration.

As described in section C.1.5 above, in view of the vacancy left by Ms Carmen de Pablo Redondo, in the 2023 financial year, the Appointments, Remuneration and Sustainability Committee conducted a search for the most suitable candidates to join the Board of Directors on the basis of the provisions of said Policy, and finally proposed the appointment of Ms Verónica Pascual Boé as new director, maintaining the number of directors of the least represented gender on the board at 36%.

Likewise, the Appointments, Remuneration and Sustainability Committee, in compliance with Recommendation 14 of the GGC, in relation to the prior analysis of the Company's needs and the competencies required by the Board of Directors on the composition of the Board for the 2024 General Shareholders' Meeting, issued a report on 15 February 2024 proposing that membership of the Board of Directors be reduced from eleven (11) to ten (10) members, considering that this would maintain a balanced and diverse composition and, in particular, that women account for 40% of the total number of members of the Board of Directors (compared to 36% as of 31 December 2023), thus reaching the target of female representation set out in Recommendation 15 of the GGC.

Following the General Shareholders' Meeting held in April 2024, this change was implemented and the percentage of female representation on the Board effectively reached this threshold. Changes in the composition of the Board of Directors in 2024 are disclosed in section C.1.2. of this Annual Corporate Governance Report.

Meanwhile, diversity policy in the composition of the Board of Directors and the selection of directors determines that the Company will also foster diversity policies that encourage the Company to have a significant number of senior managers through effective equality of opportunities, measures to reconcile personal and family life and ensuring the presence of candidates representing the underrepresented gender in all internal recruitment processes for management positions.

Further to this, within the Sustainability Action Plan approved by the Board of Directors, Viscofan has set itself the objective of increasing the percentage of women in management positions from 15.6% in 2018 to 30% in 2030. With this objective in its sights, the Group is working to identify and promote female talent, as reflected in the increase in the percentage of women in management positions, which in 2024 increased to 22.2% compared to the 2018 level.

When, despite any measures that might have been adopted, the number of female directors or in senior management is low or zero, explain the reasons:

| Explanation of reasons |
|---|

See previous point.

C.1.7 Explain the conclusions of the Appointments Committee regarding verification of compliance with the policy aimed at establishing an appropriate composition of the Board of Directors.

The Appointments, Remuneration and Sustainability Committee considers that the Policy on Diversity in the Composition of the Board of Directors and the Selection of Directors approved by the Board itself in December 2024 is adequately complied with, with the aim of updating the previous Policy on the Selection of Directors and Diversity on the Board of Directors, approved and in force since December 2020, to bring it in line with regulatory changes and best corporate governance practices.

In particular, in application of the policy, the Committee has concluded that the composition of the Board of Directors satisfies the recommendations of the CBG and best practices and standards of corporate governance:

(i) the number of members of the Board of Directors is within the limits laid down in the Articles of Association (article 25, which sets the minimum number of members of the Board of Directors at 5 and the maximum number at 12), within the range of between five (5) and fifteen (15) members indicated in Recommendation 13 of the CGG and is a number of directors in line with that of other companies comparable to Viscofan.
(ii) non-executive directors would continue to constitute the vast majority of the Board of Directors (9 out of 10), in accordance with Recommendation 15 of the CGG.
(iii) The number of independent directors is 50% of the total number of members, in compliance with Recommendation 17 of the CGG.
(iv) The percentage of nominee directors out of the total number of non-executive directors (2 out of 9) is in line with the proportion existing between the share capital of the Company represented by such directors and the rest of the share capital, in accordance with Recommendation 16 of the CGG.
(v) The percentage of women directors out of the total Board of Directors is 40%, thus reaching the target of female representation set out in Recommendation 15 of the GGC.

Ultimately, as a result of the application of the policy, the Committee concludes that the members of the Board of Directors are, on the whole, of recognised solvency, competence, experience and merit: (i) in the Company itself, in the Group and in the global industrial sector in which it operates, (ii) in finance, accounting, auditing and risk management, both financial and non-financial, (iii) in sustainability, regulatory compliance and corporate governance, (iv) in the digital sector and new technologies, (v) in different geographic markets and (vii) in management, leadership and business strategy, as well as (vii) each of its members, a high level of honour and training, extensive and diverse international experience and the necessary availability for the dedication that the exercise of their position demands.

C.1.8 Explain, where applicable, the reasons why nominee directors have been appointed at the behest of a shareholder whose holding is less than 3% of the capital:

| Name or company name of the significant | Reasons |
|---|---|

| | |
|---|---|
| N/D | |

Indicate whether formal petitions have been ignored for presence on the Board from shareholders whose holding is equal to or higher than that of others at whose behest nominee directors were appointed. Where applicable, explain why these petitions have been ignored:

[ ] Yes
[ √ ] No

C.1.9 Indicate, if any, the powers and faculties delegated by the board of directors, including those relating to the possibility of issuing or buying back shares, to board members or board committees:

| Name of director (person or company) or committee | Short description |
|---|---|
| JOSÉ ANTONIO CANALES GARCÍA | In his capacity as First Exectutive, he has been granted powers of representation, powers relating to acquisition or disposal, powers relating to personnel, collections, payments, contracts, auctions and transactions, current, credit or savings accounts, bills of exchange and commercial paper, securities, bonds and guarantees and complementary powers to the above. |

C.1.10 Identify any members of the Board holding positions as directors, representatives of directors or managers in other companies belonging to the listed company's group:

| Name of director (person or company) | Name of the Group Company | Position | Does the director hold executive functions? |
|---|---|---|---|
| AGATHA ECHEVARRÍA CANALES | SUPRALON VERPACKUNGS AG | DIRECTOR | NO |
| JOSÉ ANTONIO CANALES GARCÍA | VECTOR PACKAGING EUROPE NV | CHAIRMAN | NO |
| JOSÉ ANTONIO CANALES GARCÍA | VECTOR EUROPE NV | CHAIRMAN | NO |
| JOSÉ ANTONIO CANALES GARCÍA | VISCOFAN DE GMBH | CHAIRMAN | NO |
| JOSÉ ANTONIO CANALES GARCÍA | VISCOFAN CZ S.R.O. | CHAIRMAN | YES |
| JOSÉ ANTONIO CANALES GARCÍA | VISCOFAN DO BRASIL SOCIEDADE COMERCIAL E INDUSTRIAL LTDA | CHAIRMAN | NO |
| JOSÉ ANTONIO CANALES GARCÍA | VISCOFAN TECHNOLOGY SUZHOU CO. LTD. | CHAIRMAN | NO |
| JOSÉ ANTONIO CANALES GARCÍA | VISCOFAN URUGUAY S.A. | CHAIRMAN | NO |
| JOSÉ ANTONIO CANALES GARCÍA | VISCOFAN USA INC | CHAIRMAN | NO |
| JOSÉ ANTONIO CANALES GARCÍA | VISCOFAN ESPAÑA S.L.U | CHAIRMAN | NO |

| Name of director (person or company) | Name of the Group Company | Position | Does the director hold executive functions? |
|---|---|---|---|
| JOSÉ ANTONIO CANALES GARCÍA | ZACAPU POWER S. DE R.L. DE C.V. | CHAIRMAN | NO |
| JOSÉ ANTONIO CANALES GARCÍA | VISCOFAN CANADA INC | CHAIRMAN | NO |
| JOSÉ ANTONIO CANALES GARCÍA | VISCOFAN CENTROAMÉRICA COMERCIAL SOCIEDAD ANÓNIMA | CHAIRMAN | NO |
| JOSÉ ANTONIO CANALES GARCÍA | VISCOFAN DE MEXICO S. DE R.L. DE C.V. | CHAIRMAN | NO |
| JOSÉ ANTONIO CANALES GARCÍA | VISCOFAN JAPAN GK | SHOKUMU-SHIKKOSHA (DUTY EXECUTOR) | NO |
| JOSÉ ANTONIO CANALES GARCÍA | VISCOFAN (THAILAND) CO. LTD | DIRECTOR | NO |
| JOSÉ ANTONIO CANALES GARCÍA | SUPRALON VERPACKUNGS AG | CHAIRMAN | NO |
| JOSÉ ANTONIO CANALES GARCÍA | VISCOFAN FRANCE SARL | GÉRANT | NO |
| JOSÉ ANTONIO CANALES GARCÍA | SUPRALON PRODUKTIONS UND VERTRIEBS GMBH | DIRECTOR | NO |
| JOSÉ ANTONIO CANALES GARCÍA | VISCOFAN GLOBUS AUSTRALIA PTY LTD | DIRECTOR | NO |
| JOSÉ ANTONIO CANALES GARCÍA | VISCOFAN GLOBUS NEW ZEALAND LTD | DIRECTOR | NO |

With effect from 1 January 2024, Mr Jose Domingo de Ampuero y Osma ceased to hold executive office and, as a consequence, also ceased to hold the various positions he held until that date in other companies of the group.

C.1.11 Detail the positions of board member, director, general manager, or representative thereof, that the board members or representatives of members of the board of directors of the company hold in other entities, listed or not:

| Identification of the director or representative | Company name of the company, listed or not | Position |
|---|---|---|
| JOSÉ DOMINGO DE AMPUERO Y OSMA | AUTOPISTA VASCO ARAGONESA S.A. | CHAIRMAN |
| JOSÉ DOMINGO DE AMPUERO Y OSMA | AUTOVÍA DEL CAMINO S.A. | CHAIRMAN |
| SANTIAGO DOMECQ BOHÓRQUEZ | ANGUSTIAS Y SOL S.L. | SOLE ADMINISTRADOR |
| SANTIAGO DOMECQ BOHÓRQUEZ | MODERNIZACIÓN DE CULTIVOS S.L. | SOLE ADMINISTRADOR |

| Identification of the director or representative | Company name of the company, listed or not | Position |
|---|---|---|
| SANTIAGO DOMECQ BOHÓRQUEZ | JAIMEJUAN S.L.U. | SOLE ADMINISTRADOR |
| SANTIAGO DOMECQ BOHÓRQUEZ | CULTIVOS VARIOS S.L.U. | SOLE ADMINISTRADOR |
| SANTIAGO DOMECQ BOHÓRQUEZ | AGRÍCOLA DE JÉDULA S.L.U. | SOLE ADMINISTRADOR |
| SANTIAGO DOMECQ BOHÓRQUEZ | CALDERETONES S.L.U. | SOLE ADMINISTRADOR |
| SANTIAGO DOMECQ BOHÓRQUEZ | PUERTO DE GÁLIS S.L.U. | SOLE ADMINISTRADOR |
| SANTIAGO DOMECQ BOHÓRQUEZ | ARRAIJANOSA S.L.U. | SOLE ADMINISTRADOR |
| SANTIAGO DOMECQ BOHÓRQUEZ | INMOBILIARIO LEBRERO S.A. | CHAIRMAN-CHIEF EXECUTIVE OFFICER |
| SANTIAGO DOMECQ BOHÓRQUEZ | RODIN, S.A. | DIRECTOR |
| SANTIAGO DOMECQ BOHÓRQUEZ | AINA 2949, S.L.U. | SOLE ADMINISTRADOR |
| JAIME REAL DE ASÚA Y ARTECHE | ELECNOR S.A. | CHAIRMAN |
| JAIME REAL DE ASÚA Y ARTECHE | CANTILES XXI S.L. | VICE-CHAIRMAN |
| JAIME REAL DE ASÚA Y ARTECHE | RACAZ SEIS S.L. | JOINT AND SEVERAL DIRECTOR |
| JAIME REAL DE ASÚA Y ARTECHE | ONCHENA, S.L. | DIRECTOR |
| ANDRÉS ARIZKORRETA GARCÍA | CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A. | CHAIRMAN |
| AGATHA ECHEVARRÍA CANALES | IBERPAPEL S.A. | DIRECTOR |
| AGATHA ECHEVARRÍA CANALES | BANCA MARCH S.A. | DIRECTOR |
| AGATHA ECHEVARRÍA CANALES | MERINECHEA S.L. | JOINT AND SEVERAL DIRECTOR |
| LAURA GONZÁLEZ MOLERO | ACERINOX S.A. | DIRECTOR |
| LAURA GONZÁLEZ MOLERO | BANCO DE SABADELL, S.A. | DIRECTOR |
| LAURA GONZÁLEZ MOLERO | APD, Asociación para el Progreso de la Dirección | CHAIRMAN |

| Identification of the director or representative | Company name of the company, listed or not | Position |
|---|---|---|
| JAVIER FERNÁNDEZ ALONSO | CIE AUTOMOTIVE, S.A. | DIRECTOR |
| JAVIER FERNÁNDEZ ALONSO | EBRO FOODS, S.A. | DIRECTOR |
| JAVIER FERNÁNDEZ ALONSO | PROFAND FISHING HOLDING, S.L. | DIRECTOR |
| JAVIER FERNÁNDEZ ALONSO | DEYA CAPITAL IV, SCR, S.A. | DIRECTOR |
| JAVIER FERNÁNDEZ ALONSO | RIOJA, S.A.R.L. | DIRECTOR |
| JAVIER FERNÁNDEZ ALONSO | RIOJA ACQUISITION, S.A.R.L. | DIRECTOR |
| MARIA CRISTINA HENRÍQUEZ DE LUNA BASAGOITI | MELIA HOTELS INTERNATIONAL, S.A. | INDEPENDENT LEAD DIRECTOR |
| MARIA CRISTINA HENRÍQUEZ DE LUNA BASAGOITI | GLAXO, S.A. | CHAIRMAN-CHIEF EXECUTIVE OFFICER |
| MARIA CRISTINA HENRÍQUEZ DE LUNA BASAGOITI | SMITHKLINE BEECHAM FARMA, S.A. | CHAIRMAN-CHIEF EXECUTIVE OFFICER |
| MARIA CRISTINA HENRÍQUEZ DE LUNA BASAGOITI | GLAXOSMITHKLINE, S.A. | CHAIRMAN-CHIEF EXECUTIVE OFFICER |
| MARIA CRISTINA HENRÍQUEZ DE LUNA BASAGOITI | DESARROLLO ENERGÍA SOLAR ALTERNATIVA, S.L. | JOINT AND SEVERAL DIRECTOR |
| MARIA CRISTINA HENRÍQUEZ DE LUNA BASAGOITI | FUNDACIÓN DE CIENCIAS DE LA SALUD | VICE-CHAIRMAN |
| MARIA CRISTINA HENRÍQUEZ DE LUNA BASAGOITI | FARMAINDUSTRIA | VICE-CHAIRMAN |
| MARIA CRISTINA HENRÍQUEZ DE LUNA BASAGOITI | NAVODRES, S.A. | JOINT AND SEVERAL DIRECTOR |
| VERÓNICA PASCUAL BOÉ | GENERAL DEL ALQUILER DE MAQUINARIA, S.A. (GAM) | DIRECTOR |
| VERÓNICA PASCUAL BOÉ | TELEFONICA, S.A | DIRECTOR |
| VERÓNICA PASCUAL BOÉ | ALBP. CORP, S.L.U. | SOLE ADMINISTRADOR |
| VERÓNICA PASCUAL BOÉ | ALBP SCR | SOLE ADMINISTRADOR |
| VERÓNICA PASCUAL BOÉ | ALBP REAL ESTATE | SOLE ADMINISTRADOR |
| VERÓNICA PASCUAL BOÉ | TELEFONICA AUDIOVISUAL DIGITAL, S.L.U. | DIRECTOR |

| Identification of the director or representative | Company name of the company, listed or not | Position |
|---|---|---|
| VERÓNICA PASCUAL BOÉ | ASTI TALENT AND TECHNOLOGY FOUNDATION | CHAIRMAN |
| VERÓNICA PASCUAL BOÉ | ENDEAVOR FOUNDATION | CHAIRMAN |
| VERÓNICA PASCUAL BOÉ | MARSI BIONICS | DIRECTOR |
| JAIME REAL DE ASÚA Y ARTECHE | ENERFIN SOCIEDAD DE ENERGÍA S.L. (until May 2024) | DIRECTOR |

Of the above list, the related positions are as follows:
- JOSÉ DOMINGO AMPUERO: AUTOPISTA VASCO ARAGONESA S.A.
- SANTIAGO DOMECQ BOHÓRQUEZ: ANGUSTIAS Y SOL S.L.
- JAIME REAL DE ASÚA Y ARTECHE: ELECNOR, S.A.
- JAIME REAL DE ASÚA Y ARTECHE: ENERFIN SOCIEDAD DE ENERGÍA S.L. (until May 2024)
- JAIME REAL DE ASÚA Y ARTECHE: CANTILES XXI, S.L.
- JAIME REAL DE ASÚA Y ARTECHE: ONCHENA, S.L.
- ANDRÉS ARIZKORRETA: CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A.
- AGATHA ECHEVARRÍA CANALES: IBERPAPEL S.A.
- AGATHA ECHEVARRÍA CANALES: BANCA MARCH, S.A.
- LAURA GONZÁLEZ MOLERO: ACERINOX, S.A.
- LAURA GONZÁLEZ MOLERO: BANCO SABADELL, S.A.
- JAVIER FERNANDEZ ALONSO: EBRO FOODS, S.A.
- JAVIER FERNANDEZ ALONSO: PROFAND FISHING HOLDING, S.L.
- CRISTINA HENRIQUEZ DE LUNA BASAGOITI: MELIA HOTELS INTERNATIONAL, S.A.
- VERONICA PASCUAL BOÉ: GENERAL DE ALQUILER DE MAQUINARIA, S.A. (GAM)
- VERONICA PASCUAL BOÉ: TELEFONICA, S.A
- VERONICA PASCUAL BOÉ: TELEFONICA AUDIOVISUAL DIGITAL, S.L.U.

Indicate, where relevant, other remunerated activities of the board members or representatives of the board members, whatever their nature, other than those indicated in the above table.

| Identification of the director or representative | Other remunerated activities |
|---|---|
| JOSÉ ANTONIO CANALES GARCÍA | MEMBER OF THE ADVISORY BOARD OF ABE CAPITAL PARTNERS |
| JAVIER FERNÁNDEZ ALONSO | MANAGING DIRECTOR OF CORPORACIÓN FINANCIERA ALBA, S.A. |
| LAURA GONZÁLEZ MOLERO | ISS ESPAÑA - MEMBER OF THE ADVISORY BOARD |
| VERÓNICA PASCUAL BOÉ | - MEMBER OF THE TELEFÓNICA TECH ADVISORY BOARD. - GENERAL MANAGER OF ALB CORP, S.L.U. |
| MARIA CRISTINA HENRÍQUEZ DE LUNA BASAGOITI | GENERAL DIRECTOR OF GLAXOSMITHKLINE, S.A |
| JAIME REAL DE ASÚA Y ARTECHE | - MEMBER OF THE COMMITTEE OF ELECNOR SERVICIOS Y PROYECTOS S.A. - MEMBER OF THE APPOINTMENTS, REMUNERATION AND SUSTAINABILITY COMMITTEE OF ELECNOR S.A. |

C.1.12 Indicate and, if applicable, explain whether the Company has established rules regarding the maximum number of boards of directors of which its directors may be members, identifying, if applicable, where this is regulated:

[ √ ] Yes
[ ] No

| Explanation of the rules and identification of the document where it is regulated |
|---|
| According to that established in article 23 of the Board of Directors Regulations the directors of the Company may not form part of more than three Board of Directors of listed companies, in addition to that of Viscofan, S.A. |

C.1.13 Indicate the amounts of the following items relating to the overall remuneration of the board of directors:

| | |
|---|---|
| Remuneration accrued during the year in favour of the Board of Directors (thousands of euros) | 6,718 |
| Cumulative amount of funds of current directors in long-term savings schemes with consolidated economic rights (thousands of euros) | |
| Cumulative amount of funds of current directors in long-term savings schemes with unconsolidated economic rights (thousands of euros) | |
| Cumulative amount of funds of former directors in long-term savings schemes (thousands of euros) | |

C.1.14 Identify members of senior management that are not in turn executive directors, and indicate the total remuneration accruing to them during the year:

| Name (person or company) | Position(s) |
|---|---|
| ANDRES DÍAZ | MANAGING DIRECTOR EUROPE, MIDDLE EAST AND AFRICA |
| GABRIEL LARREA | MANAGING DIRECTOR NORTH AMERICA |
| JUAN NEGRI | MANAGING DIRECTOR PACIFIC ASIA |
| LUIS BERTOLI | MANAGING DIRECTOR SOUTH AMERICA |
| ÓSCAR PONZ | MANAGING DIRECTOR NEW BUSINESS |
| MARÍA DEL CARMEN PEÑA | CHIEF FINANCIAL OFFICER VISCOFAN GROUP |
| JESÚS CALAVIA | CHIEF OPERATIONS OFFICER VISCOFAN GROUP |
| IGNACIO GOÑI | CHIEF COMMERCIAL OFFICER VISCOFAN GROUP |
| JOSÉ ÁNGEL ARRARÁS | CHIEF R&D AND QUALITY OFFICER VISCOFAN GROUP |
| JOSE ANTONIO CORTAJARENA | SECRETARY OF THE BOARD OF DIRECTORS AND CHIEF LEGAL OFFICER VISCOFAN GROUP |
| ARMANDO ARES | CHIEF INVESTOR RELATIONS, COMMUNICATION AND SUSTAINABILITY OFFICER VISCOFAN GROUP |
| BEATRIZ SESMA | CHIEF HUMAN RESOURCES OFFICER VISCOFAN GROUP |
| JOSÉ IGNACIO RECALDE | CHIEF DIVERSIFICATION AND TECHNOLOGY OFFICER VISCOFAN GROUP |
| ALEJANDRO BERGAZ | HEAD OF INTERNAL AUDIT OF THE VISCOFAN GROUP |
| DOMINGO GONZÁLEZ | CHIEF STRATEGY OFFICER VISCOFAN GROUP |
| BORJA LÓPEZ | CHIEF DIGITAL TRANSFORMATION OFFICER VISCOFAN GROUP |

| | |
|---|---|
| Number of women in senior management | 2 |
| Percentage over total members of senior management | 12.50 |

| | |
|---|---|
| Total senior management remuneration (thousands of euros) | 11,842 |

In 2024, Domingo González was appointed Chief Strategy Officer of the Viscofan Group, with the aim of driving the strategic transformation in the second phase of the Beyond25 strategic plan.

Also in 2024, Armando Ares was appointed Chief Sustainability Officer to meet the growing demand for sustainability rendering it necessary to promote projects and ensure coordination on this key matter throughout the Group. He combines this position with his duties as Chief Investor Relations and Communications Officer of the Viscofan Group.

In July 2024, Borja López joined the Viscofan Group as Chief Digital Transformation Officer.

C.1.15 Indicate whether there has been any change in the Board regulations during the year:

[ ] Yes
[ √ ] No

C.1.16 Indicate procedures for selection, appointment, re-election and removal of directors. List the competent bodies, the procedures to be followed and the criteria to be employed in each procedure.

This point has been answered in section H - OTHER INFORMATION OF INTEREST as the maximum size allowed by the electronic format of the CNMV has been exceeded.

C.1.17 Explain to what degree the self-assessment has led to significant changes in its internal organisation and the procedures applicable to its activities:

| Description of amendments |
|---|

The transition to a non-executive chairmanship model and the appointment of a First Executive became effective in 2024.

Meanwhile, as a result of the annual assessment of the Board, Committees and Executive Chairman in 2023, the target of 40% of women on the Board of Directors was achieved following the 2024 Annual General Meeting, and the number of members of the Appointments, Remuneration and Sustainability Committee and its composition were reviewed to incorporate more members of the least represented gender.

Describe the assessment process and the areas assessed by the board of directors, assisted, where applicable, by an external consultant, regarding the operation and composition of the board and its committees and any other area or aspect that has been subject to assessment.

| Description of the assessment process and assessed areas |
|---|

Pursuant to Article 18 of Board of Director Regulations, each year the Board of Directors will evaluate:

a) the quality and efficiency of the Board's operations, based on a report drawn up by the Appointments Committee;
b) the diversity of board membership and responsibilities;
c) the performance of their functions by the Chairman of the Board and by the chief executive of the company, based on the report submitted by the Appointments Committee.
d) the performance and contribution of individual directors, with particular attention to the Chairpersons of the committees.
e) the functioning and composition of the Board's committees, based on a report drawn up by each Committee.

Based on the results of this evaluation, the Board should propose an action plan to correct any shortcomings detected.

The performance assessment in 2024 was carried out internally through the use of a questionnaire that is updated annually and is divided into nine sections:

1. Size, structure and composition of the Board.
2. The Board's Mandate
3. Functioning and dynamics of the Board
4. Fulfilment of mandate
5. Assessment of the non-executive Chairman

6. Assessment of the First Executive
7. Evaluation of the secretary of the Board
8. Operation of committees
a) Functioning of the Audit Committee
b) Functioning of the Appointments, Remuneration and Sustainability Committee
9. Fulfilment of the 2024 Action Plan

At the end of each section, the advisors can expand on their answers with additional explanations and add any other comments they deem appropriate.

During the year, the evaluation process was led by the Appointments, Remuneration and Sustainability Committee. The evaluation of the Executive Chairman has been led by the Lead Director and the Audit Committee has also conducted its own self-assessment.

The results are anonymised and presented on a consolidated basis and are discussed by the Board of Directors, after which it approves the action plan to correct the areas of improvement detected.

C.1.18 For the years in which the assessment has been assisted by an external consultant, explain the business relationships that the consultant or any company of its group maintains with the company or any company of its group.

Not applicable.

C.1.19 Indicate the circumstances under which Directors are obliged to resign.

In accordance with the provisions of Art. 26 of the Rules and Regulations of the Board, the directors shall adopt the measures required to avoid situations of conflict with the company interest and with their duties towards the company and its group of companies, and they shall be obliged to inform the Board, prior to occurrence or as soon as they are aware of the existence thereof, with the obligation to immediately resign should the said conflict persist or should their presence on the board be contrary to the company's interests.

Furthermore, according to article 30 of the Board of Director Regulations, Directors serve at the pleasure of the Board of Directors and if the Board considers it appropriate, they will tender their resignation under the following circumstances:

a) When they become subject to any of the disqualifications or prohibitions set down in law.
b) When their remaining on the Board could undermine the Company's interests or when the reasons for which they were elected no longer apply.
c) Directors representing a controlling shareholder will tender their resignations when the shareholder they represent sells a substantial part of its stake.

C.1.20 Are reinforced qualified majorities required, other than the legal majorities, for some type of resolution?

[ ] Yes
[ √ ] No

If applicable, describe the differences.

C.1.21 Explain whether there are specific requirements, other than those regarding directors, to be appointed Chairman of the Board of Directors.

[ ] Yes
[ √ ] No

C.1.22 Indicate whether the bylaws or the Board Regulations establish an age limit for directors:

[ ] Yes
[ √ ] No

C.1.23 Indicate whether the bylaws or the Board Regulations establish a limited term of office or other stricter requirements in addition to those legally provided for independent directors, other than that established by law:

[ ] Yes
[ √ ] No

C.1.24 Indicate whether the bylaws or the Board of Directors Regulations establish specific rules for proxy voting in the Board of Directors in favour of other directors, the way this is done and, in particular, the maximum number of proxies a director may have, and whether it has established any limit regarding the categories that may be delegated beyond the limits stipulated by legislation. If so, briefly give details on such standards.

The Rules and Regulations of the Board of Directors on its Article 7 – Functioning of the Board, establishes the following:

"The Directors must personally attend the sessions that are held, either in person or remotely in accordance with the provisions laid out in the Law and in these Regulations. Notwithstanding the foregoing, the directors may grant a proxy to another director. Non-executive directors may only grant a proxy to another non-executive director.

The Board of Directors shall be quorate when its meetings are attended in person or by proxy by the majority of its members."

Furthermore, article 14 of the Regulations establishes the following with regard to Board Committees:

"Directors must attend the meetings in person, either in person or online. However, the directors may grant a proxy to another director. Non-executive directors may only grant a proxy to another non-executive director."

C.1.25 Indicate the number of meetings the Board of Directors has held during the year. Where applicable, indicate how many times the Board has met without the Chairman in attendance. In calculating this number, proxies given with specific instructions will be counted as attendance.

| | |
|---|---|
| Number of Board Meetings | 12 |

| | |
|---|---|
| Number of Board Meetings not attended by the Chairman | 0 |

Indicate the number of meetings held by the coordinating director with the other directors that have not been attended or without representation by any executive directors:

| | |
|---|---|
| Number Meetings | 2 |

Indicate the number of meetings of the Board's different committees have held during the year:

| | |
|---|---|
| Number of Audit Committee Meetings | 13 |
| Number of meetings of the APPOINTMENTS, REMUNERATION AND SUSTAINABILITY COMMITTEE | 9 |

C.1.26 Indicate the number of meetings held by the Board of Directors during the year and provide information about member attendance:

| | |
|---|---|
| Number of meetings attended by at least 80% of the directors in person | 12 |
| % of meetings attended in person of the total votes during the year | 100.00 |
| Number of meetings attended by all the directors in person, or by proxy with specific instructions | 12 |
| % of votes issued, attended by all the directors in person and proxies with specific instructions, out of all votes during the year | 100.00 |

C.1.27 Indicate whether the individual and consolidated financial statements presented for Board authorisation for issue are certified beforehand:

[ √ ] Yes
[ ] No

Where applicable, identify the person(s) who has (have) certified the Company's individual and consolidated financial statements to be filed by the Board:

| Name | Position |
|---|---|
| JOSÉ ANTONIO CANALES GARCÍA | FIRST EXECUTIVE |
| MARÍA DEL CARMEN PEÑA | CHIEF FINANCIAL OFFICER VISCOFAN GROUP |

* From 1 January 2024, First Executive.

C.1.28 Explain the mechanisms, if any, established by the Board of Directors to ensure that the final accounts that the Board of Directors present to the general shareholders' meeting are drawn up in accordance with accounting regulations.

In order to ensure that the annual accounts submitted to the general meeting of shareholders are drawn up in accordance with accounting regulations, the Board of Directors has entrusted this function to the Audit Committee as stipulated in article 15 of the Board Regulations:

"C) In relation to information systems and internal control:

(b) Overseeing and assessing the process of preparing and presenting the compulsory financial and non-financial information relating to the Company and its group, ensuring that the system of internal control of financial reporting (ICFR) is correctly designed and that all legal requirements have been met, and defining an appropriate consolidation perimeter, taking into account, among other aspects, possible complex corporate structures, instrumental or special purpose entities, the correct application of accounting standards and presenting recommendations or proposals to the Board of Directors, designed to safeguard their integrity.

(d) Reviewing, analysing and discussing the financial statements and other relevant financial and non-financial information with the senior management team and the internal and external auditors so as to ensure that the information is reliable, understandable and relevant, and that the accounting standards and criteria used for the preceding year have been duly followed.

"D) In relation to the external auditor:

(b) Ensure that the financial statements finally prepared by the Board are presented to the General Shareholders' Meeting without limitations or qualifications in the auditor's report and in the event that the auditor has included any qualifications in its audit report, issue its opinion on the content and scope of such audits or qualifications, which will be explained by the Chairman of the Committee during the General Shareholders' Meeting.

(d) Monitoring the decisions of the senior management team regarding any adjustments recommended by the external auditor, and to hear and, where applicable, mediate any disagreements between both parties.

(e) (iv) It shall ensure that the external auditor has a yearly meeting with the Board of Directors in a plenary session, to inform it of the work undertaken and developments in the Company's risk and accounting positions"

E) Reporting to the Board, prior to the latter making any respective decisions provided for in current regulations, in the Bylaws and in these Regulations, particularly with regards to: (a) The financial and non-financial information that the Company must make public from time to time, ensuring that it is prepared in accordance with the same principles and practices as the annual accounts and, to this end, considering the appropriateness of a limited review by the external auditor. "

In addition, Article 6 of the Regulations of the Audit Committee, Functions relating to auditing, states the following:

"g) Supervise the content of the audit reports before issuance and, where appropriate, of the limited review reports of intermediate accounts ensuring that said content and the opinion on the annual accounts are drafted clearly, precisely and without limitations or exceptions by the auditor, explaining them to the shareholders (if any). In this regard, together with the auditor, the Committee must oversee the significant findings derived from its work and, where appropriate, propose to the Board of Directors the measures it deems appropriate to address the shortfalls found by the auditor."

For practical purposes, the Audit Committee will ensure compliance with the necessary mechanisms established to perform continuous control over the preparation of financial information at every level, from its start to its consolidation in the Viscofan Group companies.

Both the corporate financial department and the internal audit department have collaborated closely with the Audit Committee to establish, put in place and monitor the most appropriate controls for guaranteeing the truthfulness of the financial information, and to ensure that it is drawn up in accordance with prevailing accounting regulations to provide a true and fair view of the Group's financial position.

The internal audit function also includes in its annual plans the continuous review of reporting controls at the different subsidiaries, both in the financial departments and outside them in those areas also involved in preparing the information: operations, human resources, purchasing and commercial, etc.

Likewise, the Audit Committee, the internal audit management and corporate finance management hold informative and follow-up meetings with the external auditors throughout the year, both to inform them of the characteristics of the internal control system and its implementation in all the companies of the Group, as well as to involve them in its compliance and to maintain two-way communication that allows for better monitoring of the improvements implemented. All with the aim of continuing to guarantee the operation of the Group's financial information with greater control at all levels.

Furthermore, the company has maintained a policy of pre-closing the year on 31 October in order to anticipate and correct any incidents that may have arisen during the year.

C.1.29 Is the company Secretary a director?

[ ] Yes
[ √ ] No

Complete if the Secretary is not also a Director:

| Name or corporate name of Secretary | Representative |
|---|---|
| JOSE ANTONIO CORTAJARENA | |

C.1.30 Indicate the specific mechanisms established by the company to preserve the independence of the external auditors, as well as, if any, mechanisms to preserve the independence of financial analysts, investment banks and rating agencies, including how the legal provisions have been implemented in practice.

- INDEPENDENCE OF THE EXTERNAL AUDITORS

Article 15 of the Board of Directors Regulations, confers upon the Audit Committee the following duties relating to the external auditor:

"D) In relation to the external auditor:

(e) Safeguarding the independence of the auditor, paying particular attention to any circumstances or issues that could jeopardise such independence, including that their remuneration does not compromise their quality or independence, and any others relating to the process of auditing the accounts:

(i) For this purpose, it shall be ensured that the Company publicly discloses to the National Securities Market Commission (CNMV), as a relevant event, any replacement of the auditor and includes a statement regarding any possible disagreement with the outgoing auditor and the details thereof. If the auditor resigns, then it shall explore the underlying causes.
(ii) The Audit Committee shall likewise ensure that the company and the auditor adhere to current regulations safeguarding the independence of the auditors, and those governing the provision of non-audit services and the limits on the concentration of the auditor's business.
(iii) iii) It shall establish a suitable relationship with the auditor to receive information on matters that may jeopardise the auditor's independence, so that it may be examined by the Committee, and any other matters related to the process of performing the audit, and, where necessary, authorise services that are not forbidden by the provisions of the current regulations.
(v) Annually receiving from the auditors their statement of independence in relation to the related party or parties, in addition to a statement relating to additional services provided and the fees received by the external auditor or by the persons and entities related thereto, in accordance with the audit provisions set out in the regulations.
(vi) It shall annually issue, prior to the report on the auditing of the accounts, a report expressing its opinion on the independence of the auditor, containing the valuation of any additional services provided, considered on an individual basis and as a whole, in relation to the status of independence or to the rules governing the audit."

During 2024, the Audit Committee supervised and monitored the arrangement of non-audit services at all Group companies, as specified in the

pre-approval policy on external audit services.

The Audit Committee received the declaration of independence from PwC, Auditores S.L., in which they declare compliance with the requirements to ensure their independence as external auditors in terms of the commissioning and subsequent course of the audit, audit services and other services, as well as the existence of procedures aimed at identifying and evaluating threats that may arise from circumstances related to audited entities and that could pose a significant threat to their independence.

In view of these considerations, the Audit Committee believes that the requirements needed to ensure the independence of the external auditors PwC have been met. This finding is reflected in a report unanimously approved by the Audit Committee at its meeting held on 19 February 2025 and submitted for approval by the Board of Directors.

- INDEPENDENCE OF FINANCIAL ANALYSTS, INVESTMENT BANKS AND RATING AGENCIES

Article 5 of the Regulations of the Board of Directors includes the following powers among those reserved exclusively for the Board of Directors sitting in full session, in addition to those reserved for the Board by law:

"g) Determining the policy on information to shareholders, markets and public opinion."

With regard to analysts and investment banks, the mechanisms envisaged under Article 37 of the Regulations of the Board of Directors – Shareholder and Securities Markets Communications, coupled with the company's commitment to monitoring applicable law, ensure that independence is upheld and that the information is made available to everyone at the same time and under the same conditions, thus ensuring equal access to such information.

Viscofan, through its Investor and Shareholder Relations department, aims to create value for the investment community by improving accessibility, transparency of information and disclosing relevant financial and non-financial information, along with information on its strategy and operations to help them gain a better understanding of the company.

To guarantee this flow of information and provide certainty to shareholders, the market and other stakeholders about the transparency of the information and access to it, Viscofan has a policy of communication with shareholders, institutional investors, proxy advisors and economic-financial, non-financial and corporate information, defined in accordance with good practices and good governance recommendations applicable to listed companies. This Policy establishes that the Board of Directors of Viscofan is competent to manage and oversee the information provided to shareholders and markets and relations with shareholders, institutional investors and proxy advisors, as well as that relating to the communication of economic-financial, non-financial and corporate information through the channels it deems appropriate so as to help maximise the outreach and quality of the information made available to the market, investors and other stakeholders, adopting the appropriate measures to protect the exercise of their rights within the framework of the need to defend the company's best interests."

The independence of financial analysts is safeguarded by the Investor Relations Department, which ensures their objective, fair and non-discriminatory treatment.

Aside from the information posted on the website www.viscofan.com and available from the official registers of the CNMV, Viscofan, as a listed company, has various specific communication channels in place, including presentations at seminars and events held by the financial community, roadshows with institutional investors, whether organised by the company or by brokers, earnings presentations, General Shareholders' Meeting, visits and tours of Viscofan's head offices, telephone calls to a telephone number dedicated exclusively to investor and shareholder services, as well as e-mails.

C.1.31 Indicate whether the company has changed its external auditor during the year. If so, identify the incoming and outgoing auditors:

[ ] Yes
[ √ ] No

If there has been any disagreement with the outgoing auditor, describe the content thereof:

[ ] Yes
[ √ ] No

C.1.32 Indicate whether the audit firm does other work for the company and/or its group other than the audit. If so, declare the amount of fees received for such work and the percentage that the previous amount represents over the total fees charged for auditing work to the company and/or its group:

[ √ ] Yes
[ ] No

| | Company | Group companies | Total |
|---|---|---|---|
| Amount of non-audit work (thousands euros) | 124 | 47 | 171 |
| Amount of non-audit work / Amount of audit work (in %) | 48.63 | 6.70 | 17.87 |

The increase in the amount of other non-audit work in 2024 (EUR 171 thousand) compared to the previous year (EUR 53 thousand) is due to the change of the verificator of the consolidated Non-Financial Information Statement and Sustainability Report for 2024 from Deloitte S.L. to PricewaterhouseCoopers Auditores S.L., the latter being in charge of the financial audit.

C.1.33 Indicate whether the audit report on the annual financial statements for the previous year contained any qualifications. If so, indicate the reasons given to the shareholders at the General Shareholders' Meeting by the chairman of the audit committee to explain the content and scope of these qualifications.

[ ] Yes
[ √ ] No

C.1.34 Indicate the number of consecutive years during which the current audit firm has been auditing the individual and/or consolidated financial statements for the company. Indicate the percentage of the number of years audited by the current audit firm to the total number of years in which the annual financial statements have been audited:

| | Individual | Consolidated |
|---|---|---|
| Number of consecutive years | 8 | 8 |

| | Individual | Consolidated |
|---|---|---|
| Number of years audited by current audit firm / number of years the company or its group have been audited (%) | 23.53 | 25.81 |

C.1.35 Indicate and, where applicable, give details on the existence of a procedure for directors to obtain the information they need to prepare the meetings of the governing bodies with sufficient time:

[ √ ] Yes
[ ] No

| Description of procedure |
|---|

This aspect is regulated by Article 19 of the Board of Directors Regulations. Right to Information

The Board members will receive the information required to carry out their work in due time and detail with respect to the matters in question, unless there are urgent reasons for its convening or constitution on an exceptional basis.

The call to meeting shall indicate the items on the agenda upon which the directors must arrive at a decision or resolution or, in urgent cases, the prior consent of the majority of those present shall be required.

The directors may gather additional information when considered advisable. The request shall be channelled through the Secretary of the Board."

C.1.36 Indicate, and where appropriate detail, if the company has established rules that oblige directors to report and, if applicable, to resign where situations arise that may affect them, whether or not they are related to their actions in the company itself and that may harm the credit or reputation of the company:

[ √ ] Yes
[ ] No

| If so, describe such rules: |
|---|

It has been reported in point C.1.19 above

C.1.37 Indicate, unless special circumstances apply that have been entered into the minutes, whether the Board has been informed or in any way discovered circumstances affecting a director, whether or not they are related to their actions in the company itself and that may harm the credit or reputation of the company:

[ ] Yes
[ √ ] No

C.1.38 Detail significant agreements reached by the Company that come into force, are amended or concluded in the event of a change in the control of the company stemming from a public takeover bid, and its effects.

No significant agreements have been made with these characteristics.

C.1.39 Individually identify in the case of directors and in aggregate terms for the other cases, and indicate in detail any agreements between the company and its directors, managers or employees that have guarantee or ring-fencing severance clauses for when such persons resign or are wrongfully dismissed or if the contractual relationship comes to an end due to a public takeover bid or other kinds of transactions.

| Number of beneficiaries | 1 |
|---|---|
| Beneficiary type | Description of the agreement |
| JOSÉ ANTONIO CANALES GARCÍA – FIRST EXECUTIVE | JOSÉ ANTONIO CANALES GARCÍA: Indemnity of two years' fixed salary for cases provided for in the remuneration policy, with two years of non-competition. |

Indicate whether, apart from the events provided for by the regulations, these contracts should be disclosed to and/or approved by the company or group governance bodies: If so, specify the procedures, foreseen assumptions and the nature of the bodies responsible for their approval or communication:

| | Board of directors | General shareholders' meeting |
|---|---|---|
| Body that authorises the provisions | √ | √ |

| | Yes | No |
|---|---|---|
| Is the General Meeting informed of the clauses? | √ | |

C.2. Board of Directors Committees

C.2.1 Detail all the Board Committees, their members and the proportion of executive, nominee, independent and other external directors sitting on them:

| APPOINTMENTS, REMUNERATION AND SUSTAINABILITY COMMITTEE | | |
|---|---|---|
| Name | Position | Category |
| JAIME REAL DE ASÚA Y ARTECHE | CHAIRMAN | Independent |
| SANTIAGO DOMECQ BOHÓRQUEZ | DIRECTOR | Nominee |
| ANDRÉS ARIZKORRETA GARCÍA | DIRECTOR | Independent |
| LAURA GONZÁLEZ MOLERO | DIRECTOR | Independent |
| VERÓNICA PASCUAL BOÉ | DIRECTOR | Independent |

| | |
|---|---|
| % Executive Directors | 0.00 |
| % Nominee Directors | 20.00 |
| % Independent Directors | 80.00 |
| % of other external directors | 0.00 |

Explain the committee's duties including, if applicable, those in addition to the duties provided by law, and describe the procedure and organisational and operational rules and summarise the main actions taken during the year. Indicate the most important actions taken during the financial year for each of the duties, and how these duties (attributed by law, the bylaws or other corporate resolutions) were put into practice.

This point has been answered in section H - OTHER INFORMATION OF INTEREST as the maximum size allowed by the electronic format of the CNMV has been exceeded.

| AUDIT COMMITTEE | | |
|---|---|---|
| Name | Position | Category |
| ANDRÉS ARIZKORRETA GARCÍA | CHAIRMAN | Independent |
| MARIA CRISTINA HENRÍQUEZ DE LUNA BASAGOITI | DIRECTOR | Independent |
| LAURA GONZÁLEZ MOLERO | DIRECTOR | Independent |
| AGATHA ECHEVARRÍA CANALES | DIRECTOR | Other External |
| JAVIER FERNÁNDEZ ALONSO | DIRECTOR | Nominee |

| | |
|---|---|
| % Executive Directors | 0.00 |
| % Nominee Directors | 20.00 |
| % Independent Directors | 60.00 |
| % of other external directors | 20.00 |

Explain the committee's duties including, if applicable, those in addition to the duties provided by law, and describe the procedure and organisational and operational rules and summarise the main actions taken during the year. Indicate the most important actions taken during the financial year for each of the duties, and how these duties (attributed by law, the bylaws or other corporate resolutions) were put into practice.

This point has been answered in section H - OTHER INFORMATION OF INTEREST as the maximum size allowed by the electronic format of the CNMV has been exceeded.

Identify the Directors who has been appointed on the basis of knowledge and experience of accounting or auditing, or both and state the date on which they were appointed as Chairman.

| | |
|---|---|
| Names of directors with experience | ANDRÉS ARIZKORRETA GARCÍA / MARIA CRISTINA HENRÍQUEZ DE LUNA BASAGOITI |
| Date that the chairman was appointed to post | 24/04/2024 |

C.2.2 Fill in the following table with information on the number of female directors sitting on Board Committees at the end of the last four years:

| | Number of female directors | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | FY 2024 | | FY 2023 | | FY 2022 | | FY 2021 | |
| | Number | % | Number | % | Number | % | Number | % |
| APPOINTMENTS, REMUNERATION AND SUSTAINABILITY COMMITTEE | 2 | 40.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| AUDIT COMMITTEE | 3 | 60.00 | 3 | 60.00 | 4 | 80.00 | 3 | 50.00 |

C.2.3 Indicate, where applicable, the existence of regulations for the Board Committees, where they can be consulted and any amendments made to them during the year. Indicate whether an annual report on the activities of each committee has been drawn up voluntarily.

The Audit Committee and the Appointments, Remuneration and Sustainability Committee are regulated under article 33 of the Company By-Laws, registered in the Commercial Register and published on the company's website (www.viscofan.com).

Article 14 of the Regulations of the Board of Directors describes the general and common aspects of the various committees attached to the Board of Directors. More precisely, Article 15 regulates the Audit Committee, while Articles 16 and 17 govern the Appointments, Remuneration and Sustainability Committee. The Regulations of the Board of Directors are available to the public on the Company's website. They have also been communicated to the CNMV and are filed with the Companies Registry.

The Audit Committee and the Appointments, Remuneration and Sustainability Committee are governed by their own regulations that are published on the corporate website, in the Corporate Governance section under Regulations and Policies.

Both Committees, within the framework of the annual process for assessing their performance, prepared and presented a report to the Board of Directors detailing the activity undertaken by each committee during the 2024 financial year in compliance with their duties, and which is explained in greater detail in the above section C.2.1.

A summary of the annual activity report for both Committees was presented to the General Shareholders' Meeting by their respective Chairpersons.

The Audit Committee also drafted an annual report on auditor independence and a report on related transactions, both of which were made available to the shareholders.

During the year there have been no changes to the regulation of the Board of Directors' Committees.

## D. RELATED-PARTY TRANSACTIONS AND INTRA-GROUP TRANSACTIONS

D.1. Explain, where appropriate, the procedure and competent bodies for approving operations with related and intragroup parties, indicating the internal criteria and general rules of the entity that govern the obligations concerning the abstention of affected directors or shareholders and detailing the internal procedures for regular information and control established by the company concerning those related transactions whose approval have been delegated by the board of directors.

Approval corresponds to the Board of Directors as one of the matters reserved exclusively for the Board by virtue of Article 5 of the Board Regulations:

"f) The approval of the related transactions under the terms provided for by law, except when their approval falls within the remit of the General Shareholders' Meeting.

The Board shall approve related-party transactions following a favourable report from the Audit Committee, and without prejudice to the cases for delegation provided for by law. The directors who are directly or indirectly affected, due to the performing the operation with a person related to them, must abstain from participating in the deliberation and voting of the agreement in question."

In parallel, the Audit Committee Regulations establish the following in article 11):

The Committee will also have the following functions:

"a) In relation to related transactions, ensure that rigorous and transparent processes are established to ensure that the transactions comply with the corporate interest, strictly complying with applicable law and the corporate governance regulations of the Company. To this end, it will inform the General Shareholders' Meeting or the Board of Directors prior to the latter adopting any of the corresponding resolutions and will supervise the internal procedure established by the Company for those whose approval has already been delegated."

Likewise, Article 22 of the Regulations of the General Meeting of Shareholders stipulates the following in Article 22. Point C. Conflict of interest:

"The shareholder may not exercise the voting right that pertains to their shares when the matter being addressed aims to: d) the approval of related transactions, when envisaged legally".

D.2. Individually detail any transactions that are considered significant due to their amount or nature performed between the company or its subsidiaries and shareholders holding more than 10% more of the voting rights or represented on the board of directors of the company, indicating the competent body for their approval and whether any affected shareholder or director abstained. In the case that the competent body was the General Meeting, indicate whether the proposed resolution was approved by the Board without the vote against by the majority of the independent directors:

| | Name or corporate name of the shareholder or any of its subsidiaries | % Stake | Name or company name of the company or subsidiary | Amount (in thousands of Euros) | Approving body | Identification of the significant shareholder or director who has abstained | The proposal before the General Meeting, where appropriate, was approved by the board without a vote against by the majority of the independent directors |
|---|---|---|---|---|---|---|---|
| N/D | | | | | | | |

| | Name or corporate name of the shareholder or any of its subsidiaries | Nature of relationship | Type of operation and other information necessary for its evaluation |
|---|---|---|---|
| N/D | | | |

Pursuant to article 231 of the Spanish Corporate Enterprises Act, none of the companies forming part of the Viscofan Group have performed transactions with related parties. In addition, in 2024 the Group carried out transactions with Banca March S.A., a financial institution related to Corporación Financiera Alba, S.A., which held a 14.25% stake in the Company at 31 December 2024 (14.25% at 31 December 2023). In January 2024, the credit account opened in 2023 with a limit of EUR 10 million was renewed. The account may be rolled over annually until January 2026. In addition, in 2023, the company signed a gas hedging contract for 100,000 MWh, of which nothing remained open at year-end. During 2024 and 2023, no additional services were provided by companies related to the shareholder: All transactions take place in normal market conditions.

D.3. Individually detail any transactions that are considered significant due to their amount or nature performed by the company or its subsidiaries with the directors or senior managers of the company, including those transactions carried out with entities that the director or senior manager controls or jointly controls, and also indicating the competent body for their approval and whether any affected shareholder or director abstained. In the case that the competent body was the General Meeting, indicate whether the proposed resolution was approved by the Board without the vote against by the majority of the independent directors:

| | Name or corporate name of directors or senior managers or their controlled or jointly controlled entities | Name or corporate name of the subsidiary company or entity | Relationship | Amount (in thousands of Euros) | Approving body | Identification of the significant shareholder or director who has abstained | The proposal before the General Meeting, where appropriate, was approved by the board without a vote against by the majority of the independent directors |
|---|---|---|---|---|---|---|---|
| N/D | | | | | | | |

| | Name or corporate name of directors or senior managers or their controlled or jointly controlled entities | Nature of the transaction and other information necessary for its evaluation |
|---|---|---|
| N/D | | |

D.4. Individual report on the significant intragroup transactions that are considered significant due to their amount or nature carried out by the company with its parent company or other entities belonging to the parent's group, including subsidiaries of the listed company, except when no other related party of the listed company has interests in these subsidiaries or these are wholly owned, either directly or indirectly by the listed company.

In any event, provide information on any intragroup transaction with companies established in countries or territories considered tax havens:

| Corporate name of the group company | Brief description of the transaction and other information necessary for its evaluation | Amount (in thousands of Euros) |
|---|---|---|
| N/D | | |

D.5. Individually detail the transactions that are considered significant due to their amount or nature performed by the company or its subsidiaries with other related parties which are done so in accordance with the International Accounting Standards adopted by the EU, which have not been reported in previous headings.

| Corporate name of the related party | Brief description of the transaction and other information necessary for its evaluation | Amount (in thousands of Euros) |
|---|---|---|
| N/D | | |

D.6. Detail the mechanisms established to detect, determine and resolve any possible conflicts of interest between the company and/or its group, and its directors, managers and/or significant shareholders or other related parties.

This point has been answered in section H - OTHER INFORMATION OF INTEREST as the maximum size allowed by the electronic format of the CNMV has been exceeded.

D.7. Indicate whether the company is controlled by another entity in accordance with Article 42 of the Commercial Code, listed or not, and whether it has a direct business relationship with this company or any of its subsidiaries (other than the listed company) or undertakes any activity relating to any of them.

[ ] Yes
[ √ ] No

## E. RISK CONTROL SYSTEMS

### E.1. Explain the scope of the company's financial and non-financial Risk Control and Management System, including those of a tax-related nature.

The Viscofan Group risk management system is governed by the Risk Control and Management Policy, whose purpose is to establish the basic principles and general action framework to identify, manage and control all manner of risks to which the Viscofan Group may be exposed and that may affect the creation of value that is sustainable and shared for its stakeholders. The Policy takes the form of several specific policies regulating the Group's main risks. It is applied at all Group companies and is mandatory for all its directors, managers and employees. The Policy is implemented according to the basic principles of integration in management, adaptation to change, transparent reporting and adoption of continuous improvement and international best practices in good governance. The Risk Management System is based on ISO 31000 and includes the following activities:

a. Identifying the main risks taking into account their impact on the creation of sustainable and shared value for the Viscofan Group's stakeholders within the Strategic Plan in force at any given time and assessing their probability of occurrence and impact in order to prioritise them accordingly.
b. Determining risk appetite by establishing tolerances and suitably monitoring their development with key risk indicators.
c. Implementing a control system integrated into the internal rules and regulations of the Viscofan Group, including the identification and assessment of the controls and contingency plans necessary to mitigate the impact in case the risks materialise.
d. Assessing the effectiveness of the control system and its application, as well as its compliance by all Viscofan Group employees.
e. Establishing action plans in the event that the occurrence of one of the main risks negatively affects the creation of long-term sustainable value, taking residual risk to an acceptable risk level. As a direct consequence of this reduction in the level of risk, it will be necessary and appropriate to reassess and prioritise these risks, forming a continuous process of risk management.
f. Auditing of the system by the Internal Audit Division.

Within the framework of the integral risk control and management system, the Viscofan Group has drawn up risk maps which represent the key risks, based on their impact and probability. This will serve as a management tool which enables informed decision making, defined in Risk Records which identify the key risk indicators together with their corresponding tolerances, the associated controls and management measures and, where appropriate, the action plans to be implemented. These records enable the Company to assess and monitor its risks and determine the most appropriate response to them, and they are periodically reviewed and updated.

The Global Risk Committee met three times in 2024 to update the risk map, monitor the main risks through monographs and monitor key risk indicators.

The organisation's risk map was defined in accordance with the code of conduct, internal regulations and the current Strategic Plan, which includes different types of risks (market, business, operational, credit, social, environmental, climate change, technological, legal and regulatory), and is presented adopting the COSO methodology, grouping the existing risks in four categories in accordance with type of objective they affect: strategic, operational, information and compliance.

### E.2. Identify the corporate bodies responsible for drawing up and enforcing the financial and non-financial Risk Control and Management System, including tax-related risks.

BOARD OF DIRECTORS
In accordance with Art. 5 of the Company Board of Directors Regulations, relating to "Exclusive Powers", the financial and non-financial risk control and management policy, including tax risks, and the regular monitoring of internal information and control systems constitute one of the issues that may only be heard and addressed by the Board of Directors in full session.

AUDIT COMMITTEE
A specific duty of the Audit Committee is to oversee the suitability of the control procedures and policies implemented and to review the internal control systems and financial and non-financial risk management, in order to ensure that the main risks are identified, managed and effectively disseminated. The Audit Committee will establish monitoring mechanisms, including appearances by executives in relation to risk management and periodic reporting to the Board on the situation and implementation of the integral risk control and management system.

INTERNAL AUDIT
Their purpose is to promote the application of Risk Management in all activities and supervise to ensure that significant risks are suitably identified, assessed, managed and controlled. They have a broad presence on specific risk Committees.

ETHICS AND REGULATORY COMPLIANCE COMMITTEE
It is the body responsible for supervising the risks specific to the Group with regard to criminal liability or any other non-compliance, and for assessing, implementing and monitoring the Compliance System. It is responsible for regularly reporting on the implementation and monitoring of the Group's compliance system and reporting on it to the Audit Committee, as well as for proposing its review and/or updating. In particular, with regard to the Ethics Channel/Integrity Line, it is the body responsible for opening, on its own account or at the request of a third party, the investigation of any situation that may involve a breach of rules and regulations in the Viscofan Group.

GLOBAL RISK COMMITTEE
The purpose of the Global Risk Committee is to identify and assess the main risks threatening the Viscofan Group, going into depth in the

exposure of the organisation thereto to prepare the recommendations and actions required to manage the risks within the established margins.

CREDIT RISK COMMITTEE
It is established as a supervisory and control body for those risks related to customer payment management. The objective of this Committee is to delve into the prevention, monitoring and solution of the risk, via the creation and implementation of the instruments considered most appropriate at the time.

INVESTMENTS COMMITTEE
Its main purpose is to control and supervise compliance with the Investment Plan approved by the Board of Directors. To achieve this, it meets on a quarterly basis for the purposes of performing periodic follow-up checks on the correct application of approved investments and controlling the efficient use of Group resources and investments.

CYBERSECURITY COMMITTEE
It is in charge of defining the strategic objectives of the Group's Cybersecurity, ensuring the secure management of information and assuring the state of protection, as well as periodically monitoring compliance with regulations, risk projects and situations and incidents.

SUSTAINABILITY COMMITTEE
This is the body responsible for coordinating and supervising the Sustainability Action Plan, the initiatives, work plans and long-term objectives for the same. The committee reports to the Appointments, Remuneration and Sustainability Committee, the Board of Directors' internal body responsible for the supervision, development and improvement of the Company's sustainability policies. In particular, the Committee carried out and coordinated, with the support of a third party in accordance with the new Corporate Sustainability Reporting Directive (CSRD), a double materiality analysis to determine the material information to be disclosed in the consolidated Statement of Non-Financial Information and Sustainability Report. This analysis was carried out on the basis of Viscofan's sustainability impacts, risks and opportunities in its own operations and along the value chain.

SENIOR MANAGEMENT
It is responsible for identifying and assessing the risks faced by the Group in the course of its activity and taking appropriate measures to prevent these risks from occurring or, if they do occur, to reduce or eliminate their impact. Therefore, it plays a fundamental role in designing and implementing control mechanisms and ensuring their fulfilment across the organisation.

## E.3. Indicate the main financial and non-financial risks, including tax risks, and to the extent that those derived from corruption (the latter being within the scope of Royal Decree Law 18/2017) that could affect the attainment of business objectives, are significant.

The management and control activities enable the impacts and risks to be anticipated and detected and the threats to be examined and measured that may prevent the Viscofan Group from attaining its objectives, as well as the creation of value that is sustainable and shared with the stakeholders.

During the 2024 financial year, the comprehensive risk management and control system assessed these risks and identified those that were most critical (by expected impact and probability of occurring), as well as considering new risks and evaluating their development. All these risks are included in the Viscofan Group's risk control and management system, and this includes the methodology required for the identification and ongoing inclusion of new risks.

Based on this identification process, which is reflected in the Group's Global Risk Matrix, the main sources of risk to which the Viscofan Group may be exposed in the coming years are as follows:

- The competitive environment within the sector, both with regard to competitors and the appearance of substitute products and the search for new business opportunities.
- Cybersecurity due to exposure as a result of leadership in the sector and greater mobility and connectivity.
- Rising energy prices, and the shortage of natural gas in Europe
- Environmental risks and those resulting from climate change. In particular, the increase in the price of CO2 emission allowances.
- The lack of raw materials and the general increase in prices.
- Risk of loss of own know-how, associated with technology, innovation and experience accumulated over the years.
- Work-related accidents that could affect people's physical integrity.
- Risk that technologies and technical infrastructures associated with production processes could be disrupted.
- Variations in the rate of exchange, especially the appreciation of the Euro against the USD.
- The fiscal environment, that affects commercial and financial transactions and is subject to tax regulations and norms in different countries.
- Meeting expectations with regard to the group's stakeholders and Viscofan's reputation.
- Risk of loss of human capital, so attracting and developing talent to avoid their departure is essential.
- Risk of loss of human capital, so attracting and developing talent to avoid their departure is essential.
- Material damages resulting from impairment or a sudden loss of value due to extraordinary circumstances.
- The integrity of financial and non-financial information.
- Customer satisfaction linked to product quality, customer service and services provided.

The main financial risks are disclosed in Note 21 of the Viscofan Group's annual report. Meanwhile, the material impacts and risks relating to the natural environment and people are disclosed in the Statement of Non-Financial Information and Sustainability Report, which is an integral part of the management report.

E.4. Identify if the company has risk tolerance levels, including tax risk.

The Viscofan Group's risk control and management system includes establishing the levels of tolerance to the risk, including tax risks, both at an individual and a joint level for each risk. Their management falls within the framework of the risk control and management policy, the specific policies approved by the Board of Directors and the resulting risk management procedures. It includes the Fiscal Policy that enables the Board of Directors to establish fiscal strategy with a view to guaranteeing the application of action principles that will enable fiscal risk to be minimised.

In the 2024 financial year, low tolerance levels for risk continued to be established resulting in proactive management of the main risk indicators.

Risks are prioritised in terms of their impact and probability based on quantitative and qualitative criteria, and this makes it possible to create a risk map for the Viscofan Group based on the establishment of risk appetite. Furthermore, the main risk indicators are identified for each risk and these are instruments for establishing tolerance to risk by setting threshold or reference values.

The Viscofan Group has also monitored during the financial year the values of the risk indicators and the defined thresholds, so where these thresholds were exceeded the required management measures were taken to redirect the risks to the defined tolerance level. This management applies to the materialised risks and the response plans described in sections E.5 and E.6 below.

E.5. State what financial and non-financial risks, including tax-related risks, have occurred during the financial year.

This point has been answered in section H - OTHER INFORMATION OF INTEREST as the maximum size allowed by the electronic format of the CNMV has been exceeded

E.6. Explain the response and supervision plans for the main risks of the company, including tax risks, and the procedures followed by the company to ensure that the board of directors responds to the new challenges that arise.

The different committees met monthly and quarterly and their results were supervised by the Audit Committee, which during its meetings was informed by the Internal Audit Division and reports of the Global Risk Committee are reviewed at least every quarter and reported to the Board of Directors.

Viscofan Group's integral risk control and management system described in sections E.1 (scope) and E.2 (responsible bodies) was applied in response to and to supervise the main risks that materialised in the 2024 financial year. These risks and the plan to respond to and supervise them is detailed in section E.5 above.

Aside from the specific actions and strategies for the risks that materialised during the year, the main plans and actions carried out in 2024 within the framework of the integrated impact and risk control and management system were as follows:

- Projects to improve the levels of service, quality and productivity have continued to be promoted in order to better protect market share and the pricing strategy has been adapted to the market situation and the development of production costs.
- The sustainability strategy and action plan, together with the related policies approved by the Board of Directors, were monitored.
- The required insurance policies were taken out in all the Viscofan Group's areas of risk (personal, assets, third-party and environmental liability.).
- The Digital Transformation Plan, as well as the Cybersecurity Plan in the areas of Operations Technology (OT) and Information Technology (IT), were approved.
- Innovation and diversification as a source of competitive advantage and growth.
- The development of people and cohesion plans to maintain and promote the Viscofan Group's culture and values adapted to the specific circumstances prevalent in each of the countries in which it operates.
- In order to prevent the risk of accidents, specific awareness campaigns are being carried out, promoting training in safety and making investments in this regard. In 2024, this notably included investments to adapt the Danville plant to ISO standards and to upgrade machines and facilities, especially in converting, with the aim of improving their safety level or eliminating non-conformities; as well as investments to improve fire protection capabilities.

## F. SYSTEMS OF INTERNAL RISK MANAGEMENT AND INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR)

Describe the mechanisms comprising the risk management and control systems for financial reporting (ICFR) in the entity.

### F.1. The entity's control environment.

Give information, describing the key features of at least:

F.1.1 Which bodies and/or functions are responsible for: (i) the existence and maintenance of an adequate and effective ICFR; (ii) its implementation; and (iii) its supervision.

The Board of Directors of VISCOFAN, S.A. is responsible for the internal system of control over financial reporting at all Viscofan Group companies and has approved a policy setting out the basic principles, general framework of action and the roles and responsibilities of the system of internal control system over financial reporting.

The Corporate Finance area is responsible for the implementation and supervision of the ICFR. In addition, all other Group Departments are to cooperate in the dissemination of the ICFR within their area of responsibility. As such, each Department shall be responsible for applying the controls corresponding to their area and for coordinating with the other departments in applying the ICFR.

In accordance with Article 15.C. of the Regulations of the Board of Directors, the Audit Committee's duties include supervising the effectiveness of the company's internal control, internal audit and risk management systems. This point mentions that the Committee's powers include supervising the process of preparing and presenting the mandatory financial information on the Company and the Group.

F.1.2 Whether, especially in the process of drawing up the financial information, the following elements exist:

- Departments and/or mechanisms responsible for: (i) the design and review of the organisational structure; (ii) the clear definition of lines of responsibility and authority, with an adequate distribution of tasks and functions; and (iii) ensuring that sufficient procedures exist for their correct dissemination within the entity.

In the first instance, the Board of Directors, as established in its own Regulations, is responsible for approving the definition of the corporate structure. In addition, at the proposal of the chief executive, the Board decides on the appointment and removal of senior executives. The General Management and the Corporate Human Resources Division are responsible for the design and review of the organisational structure and for the definition of the lines of responsibility and authority, and the appropriate distribution of tasks and roles.

The Corporate Human Resources Division has procedures for updating corporate-level organisational structures and those of each of the Group subsidiaries. Dissemination is via the corporate Human Resources Management platform and the corporate intranet, with the current organisation charts of each company and any major changes being managed and published on the latter.

The Corporate Finance Division has organisational structure charts with the composition of the financial departments of each subsidiary company, as well as information about the tasks performed by different members of these departments. Each team has a person responsible for the ICFR at local level, responsible for disseminating it to the rest of the departments involved, checking that each one of them carries out the checks allocated and regularly reporting on the operation of the system.

- Code of conduct, approval body, degree of dissemination and instruction, principles and values included (indicating whether specific mention is made of recording the transactions and drawing up of the financial information), body in charge of analysing non-compliance and proposing corrective measures and sanctions.

the body responsible for approving the Code of Conduct is the Board of Directors, subject to a report by the Audit Committee and that the recommendation of the Ethics and Regulatory Compliance Committee. The code affects the Boards of Directors, Senior Management and the rest of the Group's employees in their daily professional performance, regarding the relations and interactions they have with all their stakeholders.

The Code of Conduct in force in the Viscofan Group was approved by the Board of Directors in January 2022. This Code has been communicated and made available on the website, www.viscofan.com in the Corporate Governance, Regulations and Policies section.

At the recommendation of the Ethics and Regulatory Compliance Committee and subject to a report by the Audit Committee, the Board of Directors approved the Group's Compliance Plan, which contains action plans in different areas: improved internal regulations, annual update of the compliance risk map, training plans and internal control improvement plans. In relation to the training plans, the company works on a cross-cutting basis with the Department of Human Resources which, aside from guaranteeing the publication of the Code of Conduct, participates in

the implementation of annual Compliance Training Plans.

Additionally, each of the Group companies has a Local Compliance Head, who is the person appointed by the Ethics and Compliance Committee to monitor the Group's Regulatory Compliance System and responsible for ensuring that all local employees, technicians and managers receive ongoing training.

This Ethics and Compliance system, including the Internal Control of the Financial and Non-Financial Information policy, has been widely disseminated and is available to employees on the Group Intranet.

In addition to the Code of Conduct, Viscofan has an Internal Code of Conduct for the Securities Markets (ICC), which ensures, among other aspects, compliance with the legislation on market abuse. Thus, under the responsibility of the Secretary to the Board of Directors, all people affected by the Internal Code of Conduct (which also applies to the members of the Board of Directors, senior management and personnel who on a recurring basis may have access to information classified as inside information), repeatedly receive notifications concerning the presentation of results with the prohibition of trading with Company shares, monitoring the register of transactions and finally, when the information may be considered as inside information, the opening of the corresponding transaction and list of insiders. The Compliance Training Plan includes training activities relating to the ICC.

Lastly, the Viscofan Compliance System has a reporting process in place by virtue which the Ethics and Compliance Committee report to the Audit Committee at least twice a year regarding the implementation of the Compliance Plan for the year, which includes the correct functioning of the Whistleblowing Channel and the management of claims received through this channel. The Committee then reports to the Board of Directors regarding the functioning of the System and the Improvement plans to increase its efficiency.

- Whistle-blowing channel, to allow financial and accounting irregularities to be communicated to the Audit Committee, as well as possible non-compliance with the code of conduct and irregular activities in the organization, reporting where applicable if this is confidential in nature And if permitted, perform anonymous communications regarding the rights of the accuser and the accused.

As established in the Code of Conduct, all members of the Viscofan Group must behave with full respect for local laws and regulations and all of them have a duty to report and cooperate to prevent breaches of this duty to respect the applicable regulations in each case. For this purpose, since 2011, Viscofan has had a Whistleblower Channel, as an internal reporting channel, available to employees and other stakeholders, through which they can raise issues related to non-compliance with the law and the Code of Conduct.

In this context, based on Directive 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law ("Whistleblowing Directive"), Law 2/2023 of 20 February on the protection of persons who report breaches of Union law and the fight against corruption ("Law 2/2023") introduced new developments in this area during 2023.

To address these developments the Governing Board has approved the General Policy that sets out the general principles of the Viscofan Group's Internal Reporting and Whistleblower Protection System (the "Policy"), which guarantees the right of employees and third parties to communicate information on the breaches provided for therein through an internal reporting channel and determines the obligation to process the communication in accordance with a procedure that meets the due guarantees for whistleblowers and other affected parties.

The Policy provides for the need to establish an information management procedure (the "Information Management Procedure"). The Viscofan Ethics and Regulatory Compliance Committee, as the Body Responsible for the Internal Reporting System, is responsible for the diligent management of such procedure. The purpose of the Information Management Procedure is to develop the minimum content and principles set forth in the Policy in relation to the Information Management Procedure.

The Policy, the general principles of the Internal Reporting System, the Ethics Channel/Integrity Line and the Information Management Procedure are public on the corporate website (www.viscofan.com), on its home page, in a separate and easily identifiable section, as well as on the corporate intranet, which may be linked to the website.

- Periodic training and refresher courses for employees involved in preparing and revising the financial information, and in ICFR assessment, covering at least accounting standards, audit, internal control and risk management.

The aim of the Viscofan Group Training Policy is to guarantee that Group employees have all the knowledge and skills necessary for optimum execution of the duties assigned to them, improving or updating their performance.

Concerning one of the principles of this Policy, namely, planning, and in accordance with the responsibilities described therein, each year the Annual Training Plan is prepared, in which the managers of each department take part. Together with Human Resources Management, they identify training opportunities and the programmes to be carried out during the year.

In the case of the personnel involved in the preparation and review of the financial information, the external training actions for the review of standards and accounting procedures are combined with internal training, mainly concentrated on the dissemination of policies and procedures and on the execution of the internal controls included in the ICFR.

The employees of the Internal Audit department follow the guidelines laid down the Spanish Institute of Internal Auditors of which Viscofan is a member, and undertake any training required to comply with their functions and best practices.

## F.2. **Financial reporting risk assessment.**

Provide information on, at least, the following:

F.2.1 The key features of the risk identification process, including error and fraud risks, with respect to:

- Whether the process exists and is documented:

In each process affecting the preparation of financial information, the Group has identified the risks and control objectives to ensure the reliability of the financial information and the possibility of risk of error occurring, according to its impact on the financial statements and the management report.

The two areas most directly involved in the identification of risks that could affect the drafting of financial information are the Corporate Finance Division and the Internal Audit Division. In their daily activities, permanent communication is encouraged between these two departments to analyse how the ICFR is working and identify risk areas for which additional controls should be incorporated into the system.

Every month, the Corporate Finance Department monitors compliance in the execution of controls of each subsidiary.

The Internal Audit Division also informs the Audit Committee on a quarterly basis of the main incidents identified in the period, together with a risk assessment based on qualitative criteria and the monitoring carried out on the corrective actions established in previous periods.

Lastly, the main financial reporting risks are assessed during the external audit process and are brought to the attention of the Audit Committee.

- Whether the process covers all the objectives of financial reporting (existence and occurrence; completeness; valuation; presentation, breakdown and comparability; and rights and obligations), whether the information is updated and with what frequency.

In each process and sub-process that affects the preparation of financial information, the Group identifies the risks that may materialise taking the following information into account:

- Description of the existing control objectives to meet the business targets defined by the Company and guarantee the reliability of the financial information.

- Possibility of the occurrence of an error risk, according to its impact on the financial statements, being categorised as follows:

a) Validity: All transactions generated in the period are valid.
b) Integrity: All transactions have been recorded correctly.
c) Registry: All transactions have been accurately entered into the accounts.
d) Cut-off: All transactions recorded represent economic events that occurred during the period in question; transactions are recorded in the corresponding period.
e) Assessment: Assets and liabilities are correctly valued (they appropriately reflect the existing circumstances of the business and its financial conditions).
f) Presentation: The financial statements are appropriately presented and disclosed.

At the meetings discussed in the previous point, a conclusion may be reached as to the need or not to modify the existing list of risks for each process (affecting the preparation of financial information), following an analysis of the information complied.

- The existence of a process for identifying the consolidation perimeter, taking into account aspects including the possible existence of complex corporate structures, instrumental or special purpose vehicles.

In accordance with the Board of Directors Regulations, the Board shall be exclusively responsible for defining the structure of the corporate group. In turn, the Audit Committee shall oversee the appropriate scope of consolidation, taking into account, among other aspects, the possible existence of complex corporate structures and special purpose vehicles.

The Viscofan Group Accounting Policy Manual determines that the responsibility of keeping the scope of consolidation duly updated lies with the Consolidation Area, which forms part of the Corporate Finance Division. Corporate operations that could affect the scope are reported appropriately by the General Management and Legal Divisions.

The Audit Committee is informed about structural and corporative modification operations that are planned for its analysis and report to the Board of Directors regarding its economic conditions and accounting impact.

Independently of the fact the Group can grow either via acquisitions or organic growth, the Group's corporate strategy is to maintain as simple a structure as possible, in order to facilitate control of the business, from both an operational and a financial and accounting perspective.

In addition, it is the exclusive knowledge of the Board of Directors in full to create or acquire interests in special purpose vehicles or institutions registered in countries or territories regarded as tax havens, as well as any other transactions or operations of a similar nature whose complexity might impair the transparency of the group.

According to article 15 of these same Regulations, the Audit Committee is responsible for informing the Board, prior to it making the corresponding decisions in this area.

- Whether the process takes into account the effects of other types of risks (operational, technological, financial, legal, tax-related, reputational, environmental, etc.) insofar as they impact the financial statements.

The process of identificación of risks of error or fraud in financial information takes into account the effects of other types of risks insofar as they affect the financial statements, risks that are assessed and managed as described in Section E of this report.

- Which of the entity's governance bodies supervises the process:

Article 15 of the Viscofan Board of Directors Regulations assigns the Audit Committee the role of monitoring the risk management carried out by the Group:

"Reviewing the internal control and financial and non-financial risk management systems, including tax risks, so that the main risks may be correctly identified, managed and suitably reported."

In addition, as described in section E of this report, all departments of the organisation, including the Internal Audit Division, collaborate with the Audit Committee through the Global Risk Committee, continuously identifying and assessing the risks faced by the organisation.

## F.3. **Control activities.**

Provide information, indicating the main characteristics, about the existence of at least the following:

F.3.1 Procedures for review and authorisation of the financial information and the description of the ICFR, to be published on the securities markets, indicating who is responsible for it, and the documentation describing the activity flows and controls (including those concerning risk of fraud) for the different types of transactions that may materially impact the financial statements, including the procedure for closing the accounts and the specific review of the relevant judgments, estimates, valuations and projections.

The procedures existing in the Viscofan Group define the activities and controls to be carried out in the process of drafting the financial information, distinguishing the following stages until its dissemination:

- Recording of daily operations by each local department involved, including the book closing for each subsidiary.
- Carryover of financial information for consolidation.
- Consolidation of the information.
- Validation and approval of the financial information.
- Publication and dissemination of the information.

In accordance with the provisions of the Internal Control over Financial Reporting Policy, the Corporate Finance Department is responsible for internal control over financial reporting and for the design, implementation and running of controls to mitigate

the risks, as well as for defining, updating and disseminating the accounting policies and procedures to be applied, seeking to ensure a standardised set of accounting processes and information. This includes the process of drawing up the consolidated financial statements and of consolidating the information.

The Corporate Internal Audit Department supports the Audit Committee in overseeing the internal control over financial reporting systems, conducting quarterly and annual reviews to verify the veracity of the information reported.

Based on the documentation describing the information flows that affect the company's various processes (purchasing, invoicing, payroll, banks and treasury, etc.), the Viscofan Group identifies the risk areas and the internal controls to be carried out.

It also identifies the most significant accounts by looking at the balance sheet and income statements, and analyses how the controls in place ensure the reliability of the information that is published. In this way, combining these two approaches based on process and items on the income statement ensures that the controls in place cover the most significant risk areas.

In order to have a more robust, integrated and effective internal control system, in 2023 the internal control model was migrated to, and unified with, the SAP GRC tool, which adds to the possibility of executing and supervising control activities (master data management of controls by subsidiary, implementation and monitoring flows, evidence storage and review by Corporate Finance and supervision by Internal Audit) the potential to integrate automatic controls, and controls associated with other regulations (non-financial information internal control system, ITGC, COMPLIANCE) gaining in robustness and efficiency in the control environment as a whole.

In the course of 2024, further progress was made in the improvement and standardisation of evidence provided by the companies within the Group and the streamlining of the controls jointly undertaken by the Internal Audit and Corporate Finance departments, and with the

collaboration of those responsible at a corporate level. Progress has also been made on the project to automate ICFR controls, working alongside the Internal Audit and Digital Transformation Department within the framework of the continuous audit project. In particular,

those ICFR controls that could be automated were identified and some of them were designed, parameterised and implemented, thus allowing the control environment to be improved through such automation of manual controls.

The document "Internal Control and Risk Management Systems for Financial Information" implemented in Viscofan explains the set of measures and controls in place to provide assurance for the financial statements, as well as narratives and flow charts related to the local procedure for closing accounts, with the corporate ICFR review process and the operations of the various existing committees.

When the local financial information has been generated, in accordance with the Reporting Validation and Analysis Procedure, each company carries out the additional controls established in this Procedure, with the participation of at least two people: firstly, the person responsible for book closing at local level and, secondly, the person responsible for validating this closing, who is usually the Company finance manager or the person responsible for the commercial subsidiary.

The procedure for validation of the financial information reported by each subsidiary makes it possible to check that the data received for consolidation is consistent with that existing in the local systems and is standardised in accordance with the corporate accounting plan in force. The computer application used for consolidation has basic controls incorporated to flag any inconsistency in the information reported.

Those responsible for the accounting inform about changes to the financial statements of their subsidiary, transmitting the most relevant accounts with details of the calculations made.

The consolidated information is reviewed by the General Management, the Corporate Finance Division and the Investor Relations and Communication Division. This review takes place before the information is sent to the Board of Directors for final approval. The different Regional Directorates receive the consolidation of their respective areas for follow-up.

The Audit Committee intervenes in the supervision of the Company's regular financial information, filling the roles assigned to it in the Board of Directors Regulations.

"Overseeing the process devised by the senior management for instituting lawsuits, making assessments and reaching significant estimates, and the impact thereof on the financial statements. Review, analyse and discuss the financial statements and other relevant financial information with the senior management team and the internal and external auditors so as to ensure that the information is reliable, understandable and relevant, and that the accounting standards used for the preceding year have been duly followed."

This involvement from the Audit Committee extends to permanently monitoring account auditing, holding regular meetings with the external auditor to directly supervise the result of the process after both pre-closing and definitive closing of the annual accounts.

The Committee pays special attention to proposals for improving internal control, the quality of the opinions and estimates and the accounting criteria applied in the Group.

### F.3.2 Internal control procedures and policies for information systems (among others, access security, change control, their operation, operational continuity and segregation of functions) that support the relevant processes in the entity with respect to the drawing up and publication of the financial information.

The main standards and procedures existing in the Viscofan Group in relation to the control of computer systems are contained in the following manuals and policies, available on the Group intranet, which regulate the use of computer systems and networks and their control and management:

- Authorisation policy on computer access and profiles
- Password policy
- Computer systems and networks management policy
- IT Security Policy
- Confidentiality policy
- Cybersecurity Policy.

These policies develop the following aspects:

- The control systems should record and limit access to all Group computer systems and networks, establishing at least the creation of a username for each authorised user and the need for a password associated with it in accordance with the Password Policy.
- Management of access to any computer system or network shall comply with the provisions of the IT Profile Access Authorisation Policy. Thus, the person responsible for managing profiles and access should keep a record that justifies the authorisation of each action or modification of profiles and each access made.
- Maintenance of the computer systems and networks should include periodic measures that guarantee the copying and the possibility of backup and recovery of the data and information contained in the different Viscofan Group computer systems and networks in each case. Access to these copying and backup resources or mechanisms should be limited, protecting their content in all cases and establishing mechanisms for safekeeping and custody that guarantee their security.
- Any development or modification carried out on the Viscofan Group's IT systems and networks may only go ahead once the necessary authorisations have been requested and received, including for the performance of any testing process. In all cases, such work will be subject to at least the same security measures and restriction of access to the data.
- The security policy, change management, maintenance and handling of incidents should guarantee rapid recovery of the Viscofan Group computer systems and networks in the event of any contingency that could have an impact on their availability.
- Whether or not such a commitment is included in their contract, all Viscofan Group employees with access to confidential information must sign a confidentiality agreement that explicitly and unequivocally sets out the obligation of use confidential information on a restricted basis and

to keep it secret, thus limiting its access and disclosure.
· The control and management of the cybersecurity risks to which the Group is exposed, in order to ensure the protection of its information and the systems supporting it, with a control framework in place to ensure that the information is available, complete and credible and that it can respond appropriately to the threats inherent to the continuous evolution of information technologies.

The main infrastructure of the Group is located in a main Data Processing Centre (CPD). In a second CPD the secondary infrastructure is housed to ensure the continuity of the service in case of disaster.

The Viscofan Group has a Disaster Recovery Plan in place containing a framework of processes and procedures to support the teams during an incident. This enables the teams to respond in a way which is as most efficient and controlled as possible, minimising the impact on users, in order to return to operational service as soon as possible.

F.3.3 Internal control procedures and policies designed to supervise the management of activities subcontracted to third parties, and those aspects of the evaluation, calculation and assessment outsourced to independent experts, which may materially impact the financial statements.

The Viscofan Group assigns to independent expert third parties the actuarial calculations on labour liabilities and the calculation of the Corporate Tax of one of the Group companies, as well as the performing of PPA (Purchase Price Allocation) processes in the purchases of new businesses and the valuations of the share-based plans.

In any case, the criterion is maintained of working only with prestigious institutions, and the valuations received are reviewed by the financial departments involved.

In line with the trend in technology, hosting and maintenance services are arranged for the Group's main data centres, as well as plans that ensure business continuity in the event of any IT incident. Outsourced services are periodically monitored by checking the critical management indicators. A validation service has been implemented for cloud services offered by software companies for the access and use of their applications.

## F.4. **Information and communication.**

Provide information, indicating the main characteristics, about the existence of at least the following:

F.4.1 A specific function in charge of defining and keeping the accounting policies updated (accounting policy department or area) and dealing with queries or conflicts stemming from their interpretation, ensuring smooth communication with those in charge of operations in the organization, and an up-to-date manual of accounting policies, communicated to the units through which the entity operates.

The responsibility for defining, updating and disseminating the accounting policies and procedures to be applied to guarantee standardisation of processes and accounting information lies with the Corporate Finance Division, in accordance with the Policy on the Internal Control of Financial Reporting.

The accounting manuals are disseminated via email and through document libraries on the corporate intranet available to the financial teams. Contact between corporate and local levels is continuous, and lines of communication are maintained for resolving any queries and conflicts derived from their interpretation.

The manuals are reviewed by the person responsible for Consolidation, at least annually, generally during the months of November and/or December. The perimeter is updated and new legal regulations applicable to the Group are incorporated. The documents are issued in Spanish and English.

In addition, regular account coordination meetings are held to transmit accounting policies, provide training in the performance of the controls included in the ICFR and check standardisation in the preparation of the information reported by each subsidiary.

F.4.2 Mechanisms to capture and prepare the financial reporting in standardised formats, for application and use by all the units of the entity or the group, that support the main financial statements and the notes, and the information detailed on ICFR.

In accordance with the Policy on the Internal Control of the Financial Information, the Group Financial Department is responsible for supervising the appropriate design and use of the financial computer systems.

For these purposes, the Corporate Finance Division has organised selection, set-up, implementation and training into a single reporting tool for consolidation for all Viscofan Group companies.

The data from the local applications are integrated into the consolidation system following a single corporate accounting procedure, the Corporate Accounting Plan. The Corporate Finance Division is responsible for reviewing the equivalence between the accounting plans from

each subsidiary and the Corporate Accounting Plan in order to guarantee the standardisation of the information received.

As an additional control measure, the financial team ensures that at year-end, the accounting balances of the consolidation system coincide with the accounting balances of the financial modules of each subsidiary to ensure that the origin and destination information is the same.

The content of the information reported includes both the financial statements and most of the information necessary for preparing the tables and notes for the Annual Report of the company and subsidiaries, the first draft of which is prepared directly in this system.

### F.5. **Supervising the system's operation.**

Provide information, indicating the main characteristics, about at least the following:

F.5.1 The ICFR supervision activities carried out by the Audit Committee and whether the entity has an internal audit function whose powers include providing support to the Audit Committee in its task of supervising the internal control system, including the ICFR. Likewise, give information on the scope of the ICFR assessment carried out during the year and of the procedure by which the person in charge of performing the assessment communicates its results, whether the entity has an action plan listing the possible corrective measures, and whether its impact on the financial reporting has been considered.

As stated in Art. 8 of the Regulations of the Audit Committee, one of its main functions is to oversee and evaluate the process of preparation, presentation and integrity of the economic and financial and non-financial information relating to the Company and its consolidated Group, reviewing the correct design of the internal control systems for financial and non-financial information, compliance with the regulatory requirements for both types of information and the correct application of generally accepted accounting principles.

Reporting directly to the Audit Committee, the Internal Audit Department of the Viscofan Group sees to it that the internal control processes over financial and non-financial reporting at the Viscofan Group, as designed and operated by Management, are adequate and function in a way that ensures truthful, reliable and standardised information.

The Internal Audit Division conducts an ongoing independent review of the different processes and of effectiveness of the various controls in place on the ICFR platform, both through the quarterly reviews conducted on the ICFR controls and actions approved in the annual audit plan that enable analysis to be made of the controls implemented to mitigate the risks being audited. With regard to ICFR, these findings are discussed with the subsidiaries and departments responsible, as well as with the Corporate Finance Department, which is responsible for the system. Action plans are also agreed on to remedy any possible incidents found.

Subsequently, these conclusions are presented to the Audit Committee for its consideration prior to the approval of the financial information to be published.

The activity of the Internal Audit Department is considered to be satisfactory, mainly thanks to the high implementation rate for the improvements and recommendations made in order to correct the incidents detected.

In 2024, the work plan of the Internal Audit Department included the performance of automatic controls (continuous audit) consisting of the automation of controls and the implementation of new detective controls (alerts) for different Group processes, as well as their subsequent viewing and use in data analysis and control documentation tools. This enables continuous monitoring of the Group's main processes and subsidiaries, thus strengthening internal control.

Likewise, various processes at the main national and international subsidiaries were reviewed in compliance with the Annual Audit Plan approved for 2024 and the activity of the Investment Committee, the Credit Risk Committee and the Global Risk Committee was monitored. This includes reporting risks according to the COSO classification, which are assessed and monitored through risk indicators and close oversight of management processes.

The Internal Audit Department follows up on the implementation of the recommendations arising from the reviews of the various processes audited. In doing so, it relies on a tool for monitoring the recommendations of Internal Audit, with reports produced for the various organisational units and for Senior Management.

F.5.2 Whether there is a discussion procedure by which the auditor (in line with the technical auditing notes), the internal audit function and other experts can inform senior management and the audit committee or the directors of the entity of significant weaknesses in the internal control encountered during the review processes for the annual accounts or any others within their remit. Likewise, give information on whether there is an action plan to try to correct or mitigate the weaknesses observed.

The Audit Committee has its own Regulations in accordance with the law and internal corporate governance regulations, which develop and complement the rules of the Articles of Association and the Regulations of the Board of Directors applicable to the Committee.

Art. 6 of these Regulations describes the different functions of the Committee regarding the external auditors, and among others the following functions are indicated;

- Supervise the results of each audit and the management team's responses to its recommendations.
- Supervise the content of the audit reports before issuance and, where appropriate, of the limited review reports of intermediate accounts ensuring that said content and the opinion on the annual accounts are drafted clearly, precisely and without limitations or exceptions by the auditor, explaining them to the shareholders (if any). In this regard, together with the auditor, the Committee must oversee the significant findings derived from its work and, where appropriate, propose to the Board of Directors the measures it deems appropriate to address the shortfalls found by the auditor.
- Assess whether the relationships and collaboration of senior management and the financial department with the auditor has been suitable for the performance of the audit functions.

Art. 7 of these Regulations describes the different functions of the Committee regarding the internal auditors, and among others the following functions are indicated;

- Receive regular information on the activities carried out by the Internal Audit Department of Viscofan and the companies of its Group, and specifically on the execution of the annual work plan, the incidents found and the annual report containing a summary of the activities.
- Ensure that senior managers take into account the conclusions and recommendations of the reports of the Internal Audit Department.

### F.6. **Other significant information.**

We do not consider it necessary to disclose any other information that has not been already described in the above sections.

### F.7. **External audit report.**

Provide information about the following:

F.7.1 Whether the ICFR information disclosed to the markets has been submitted by the external auditor, in which case the entity must attach the corresponding report as an annexe. Otherwise, explain the reasons why it was not.

The ICFR information was subjected to review by our external auditors, PwC in accordance with the Professional Action Guidelines and the Audit Report model concerning SCIIF-related information on listed companies as laid down in Circular No. 5/2013 of 12 June by the National Securities Market Commission (CNMV), subsequently amended by Circular No. 7 2015 of the CNMV on 22 December 2015 and Circular No. 2/2018 of the CNMV on 12 June 2018.

## G. DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Indicate the extent to which the company follows the recommendations of the Good Governance Code of listed companies.

Should any recommendation not be followed or be only partially followed, a detailed explanation should be given of the reasons so that the shareholders, investors and the market in general have sufficient information to assess the way the company works. General explanations will not be acceptable.

1. The bylaws of listed companies should not place an upper limit on the votes that can be cast by a single shareholder, or impose other obstacles to the takeover of the company by means of share purchases on the market.

   Complies [ X ] Explain [ ]

2. That, when the listed company is controlled in accordance with Article 42 of the Commercial Code by another entity, listed or not, and has a direct business relationship with this company or any of its subsidiaries (other than the listed company) or undertakes any activity relating to any of them, they should publicly provide precise information on:

   a) The respective areas of activity and any business relationships between the listed company or its subsidiaries on one hand, and the parent company or its subsidiaries on the other hand.

   b) The mechanisms envisaged to resolve any possible conflicts of interest that may arise.

   Complies [ ] Partially complies [ ] Explain [ ] Not applicable [ X ]

3. During the annual general meeting the chairman of the board should verbally inform shareholders in sufficient detail of the most relevant aspects of the company's corporate governance, supplementing the written information circulated in the annual corporate governance report. In particular:

   a) Changes taking place since the previous General Shareholders' Meeting.

   b) The specific reasons for the company not following a given Code Good Governance recommendation and any alternative procedures followed in its stead.

   Complies [ X ] Partially complies [ ] Explain [ ]

4. The company should define and promote a policy relating to communication and contacts with shareholders and institutional investors within the framework of their involvement with the company, as well as with proxy advisors that complies in full with market abuse regulations and accords equitable treatment to shareholders in the same position. This policy should be published on the company's website, complete with details of how it has been put into practice and the identities of the relevant spokespersons or those responsible for its implementation.

   And that, notwithstanding the legal obligations for the dissemination of inside information and other types of regulated information, the Company also has a general policy regarding the communication of economic-financial, non-financial and corporate information through the channels it deems appropriate (the media, social networks and other channels), which contributes to maximising the dissemination and quality of the information available to the market, investors and other stakeholders.

   Complies [ X ] Partially complies [ ] Explain [ ]

5. The board of directors should not make a proposal to the general meeting for the delegation of powers to issue shares or convertible securities without pre-emptive subscription rights for an amount exceeding 20% of capital at the time of such delegation.

When a board approves the issuance of shares or convertible securities without pre-emptive subscription rights, the company should immediately post a report on its website explaining the exclusion as envisaged in company legislation.

Complies [ X ] Partially complies [ ] Explain [ ]

6. Listed companies drawing up the following reports on a voluntary or compulsory basis should publish them on their website well in advance of the annual general meeting, even if their distribution is not obligatory:

a) Report on auditor independence.

b) Reviews of the operation of the audit committee and the nomination and remuneration committee.

c) Audit committee report on third-party transactions.

Complies [ X ] Partially complies [ ] Explain [ ]

7. The company should broadcast its general meetings live on the corporate website.

And that the company has mechanisms the enable the delegation and exercise of voting by means of telematics and, in the case of large cap companies and as far as is commensurate, attendance and active participation in the General Shareholders' Meeting.

Complies [ X ] Partially complies [ ] Explain [ ]

8. That the audit committee ensures that the annual accounts presented by the board of directors to the general shareholders' meeting are prepared in accordance with accounting regulations. In the event that the account auditor has included any qualifications in its audit report, the chairman of the audit committee will clearly explain the opinion of the audit committee before the General Shareholders' Meeting with regard its content and scope, and will, at the same time as the announcement of the call for the general meeting, provide shareholders a summary of said opinion together with all the other proposals and reports of the board.

Complies [ X ] Partially complies [ ] Explain [ ]

9. The company should disclose its conditions and procedures for admitting share ownership, the right to attend general meetings and the exercise or delegation of voting rights, and display them permanently on its website.

Such conditions and procedures should encourage shareholders to attend and exercise their rights and be applied in a non-discriminatory manner.

Complies [ X ] Partially complies [ ] Explain [ ]

10. When an accredited shareholder exercises the right to supplement the agenda or submit new proposals prior to the general meeting, the company should:

a) Immediately circulate the supplementary items and new proposals.

b) Disclose the model of attendance card or proxy appointment or remote voting form duly modified so that new agenda items and alternative proposals can be voted on in the same terms as those submitted by the board of directors.

c) Put all these items or alternative proposals to the vote applying the same voting rules as for those submitted by the board of directors, with particular regard to presumptions or deductions about the direction of votes.

d) After the general meeting, disclose the breakdown of votes on such supplementary items or alternative proposals.

Complies [ ] Partially complies [ ] Explain [ ] Not applicable [ X ]

11. In the event that a company plans to pay for attendance at the general meeting, it should first establish a general, long-term policy in this respect.

Complies [ X ] Partially complies [ ] Explain [ ] Not applicable [ ]

12. The board of Directors should perform its duties with unity of purpose and independent judgement, according the same treatment to all shareholders in the same position. It should be guided at all times by the company's best interest, understood as the creation of a profitable business that promotes its sustainable success over time, while maximising its economic value.

In pursuing the corporate interest, it should not only abide by laws and regulations and conduct itself according to principles of good faith, ethics and respect for commonly accepted customs and good practices, but also strive to reconcile its own interests with the legitimate interests of its employees, suppliers, clients and other stakeholders, as well as with the impact of its activities on the broader community and the natural environment.

Complies [ X ] Partially complies [ ] Explain [ ]

13. The Board of Directors should have an optimal size to promote its efficient functioning and maximize participation. The recommended range is accordingly between five and fifteen members.

Complies [ X ] Explain [ ]

14. That the Board of Directors should approve a policy aimed at establishing a suitable composition of the Board of Directors and which:

a) is specific and verifiable.

b) ensures that the appointment or re-election proposals are based on a prior analysis of the skills required by the Board of Directors; and

c) encourages a diversity of knowledge, experience, age and gender. With regard to this, measures that promote gender diversity are those promoting the presence of a significant number of women in the company's senior management.

That the results of the prior analysis of the skills required by the board should be included in the appointment committee's justifying report that is published when the general shareholders' meeting is convened and in which the appointment and re-election of each director will be ratified.

The appointments committee should run an annual check on compliance with this policy and include its findings in the annual corporate governance report.

Complies [ X ] Partially complies [ ] Explain [ ]

15. Nominee and independent directors should constitute an ample majority on the board of directors, while the number of executive directors should be the minimum practical bearing in mind the complexity of the corporate group and the ownership interests they control.

And that the number of female directors should represent at least 40% of the members of the Board of Directors by the end of 2022 and thereafter, and before this should never be less than 30%.

Complies [ X ] Partially complies [ ] Explain [ ]

In accordance with Principle 11 of the Code of Good Governance, the Board of Directors has a balanced composition, with a large majority of external directors, an appropriate proportion between nominee and independent directors, the latter being a majority on the Board of Directors. In particular, independent directors account for five out of a total of 10 directors (50%) and nominee directors for two (20%). Therefore, the sum of both such categories makes up an ample majority on the Board of Directors (70%). Meanwhile, executive directors account for one out of a total of 10 directors (10%).

In recent years Viscofan has increased the number of female directors from one to four, currently representing 40.0% of the total number of directors, thus matching the percentage stated in this recommendation. In accordance with the Board Diversity and Director Selection Policy, the Appointments, Remuneration and Sustainability Committee, or the Board of Directors itself, as the case may be, actively seeks the inclusion in the process of female candidates who, responding to the needs of the skills matrix, contribute to improving the percentage of women, and in the event of two similar professional profiles, the female candidate is proposed.

16. The percentage of nominee directors out of all non-executive directors should be no greater than the proportion between the ownership stake of the shareholders they represent and the remainder of the company's capital.

This criterion can be relaxed:

a) In large cap companies where few or no equity stakes attain the legal threshold for significant shareholdings.

b) In companies with a plurality of shareholders represented on the board but not otherwise related.

Complies [ X ] Explain [ ]

17. Independent directors should be at least half of all directors.

However, when the company does not have a large market capitalisation, or when a large cap company has shareholders individually or concertedly controlling over 30% of capital, independent directors should occupy, at least, a third of the total number of directors.

Complies [ X ] Explain [ ]

18. Companies should disclose the following information on their directors on their websites and keep it regularly updated:

a) Background and professional experience.

b) Directorships held in other companies, listed or otherwise, and other paid activities they engage in, of whatever nature.

c) Statement of the director class to which they belong, in the case of nominee directors indicating the shareholder they represent or have links with.

d) Dates of their first appointment as a director and subsequent re-elections.

e) Shares held in the company, and any options on the same.

Complies [ X ] Partially complies [ ] Explain [ ]

19. Following verification by the appointments committee, the annual corporate governance report should disclose the reasons for the appointment of nominee directors at the urging of shareholders controlling less than 3% of capital; and explain any rejection of a formal request for a place on the board from shareholders whose equity stake is equal to or greater than that of others applying successfully to be appointed a nominee director.

Complies [ ] Partially complies [ ] Explain [ ] Not applicable [ X ]

20. Nominee directors should resign when the shareholders they represent dispose of their ownership interest in its entirety. If such shareholders reduce their stakes, thereby losing some of their entitlement to nominee directors, the latter's number should be reduced accordingly.

Complies [ X ] Partially complies [ ] Explain [ ] Not applicable [ ]

21. The Board of Directors should not propose the removal of independent directors before the expiry of their tenure as mandated by the Bylaws, except where they find just cause, based on a proposal from the Nomination Committee. In particular, just cause will be presumed when directors take up new posts or responsibilities that prevent them allocating sufficient time to the work of a director, or are in breach of their fiduciary duties or come under one of the disqualifying grounds for classification as independent enumerated in the applicable legislation.

The removal of independent directors may also be proposed when a takeover bid, merger or similar corporate transaction alters the company's capital structure, provided the changes in board membership ensue from the proportionality criterion set out in recommendation 16.

Complies [ X ] Explain [ ]

22. That companies should establish rules obliging directors to disclose any circumstance and, where appropriate, resign when circumstances arise that affect them, whether or not they are related to their actions within the company itself, that might harm the organisation's name or reputation and, in especially, to inform the board of any criminal charges in which they may be investigated, and their involvement in any subsequent legal proceedings.

And that, if the Board has been informed or become aware in any other way of the existence of any of the situations mentioned in the previous paragraph, the case should be examined as soon as possible, according to the specific circumstances and with a prior report to the Appointment and Remuneration Committee, to determine whether or not any measures should be taken, such as opening an internal investigation, asking the director to resign or proposing their dismissal. And that a report regarding this is included in the annual corporate governance report, unless there are special circumstances to justify this, in which case they should be confirmed in the minutes. Notwithstanding the information that the company needs to provide, where applicable, at the time when the measures are taken.

Complies [ X ] Partially complies [ ] Explain [ ]

23. Directors should express their clear opposition when they feel a proposal submitted for the board's approval might damage the corporate interest. In particular, independents and other directors not subject to potential conflicts of interest should strenuously challenge any decision that could harm the interests of shareholders lacking board representation.

When the board makes relevant or reiterated decisions about which a director has expressed serious reservations then he or she must draw the pertinent conclusions. Directors resigning for such causes should set out their reasons in the letter referred to in the next recommendation.

The terms of this recommendation should also apply to the secretary of the board of directors, whether a director or otherwise.

Complies [ X ] Partially complies [ ] Explain [ ] Not applicable [ ]

24. When a director steps down before the end of their term of office, whether by resigning or with the agreement of the general meeting, they must explain the reasons for their departure or, in the case of non-executive directors, their opinion on the reasons for the dismissal by the general meeting, in a letter to be sent

to all other members of the Company's Board of Directors.

And that, notwithstanding including all this in the annual corporate governance report, insofar as it concerns the investors, the company should publish the dismissal as soon as possible making sufficient references to the reasons or circumstances given by the director.

Complies [ X ] Partially complies [ ] Explain [ ] Not applicable [ ]

25. The nomination committee should ensure that non-executive directors have sufficient time available to discharge their responsibilities effectively.

The board of directors regulations should lay down the maximum number of company boards on which directors can serve.

Complies [ X ] Partially complies [ ] Explain [ ]

26. The board should meet with the necessary frequency to properly perform its functions, eight times a year at least, in accordance with a calendar and agendas set at the start of the year, to which each director may propose the addition of initially unscheduled items.

Complies [ X ] Partially complies [ ] Explain [ ]

27. Director absences should be kept to a strict minimum and quantified in the Annual Corporate Governance Report. In the event of absence, directors should delegate their powers of representation with the appropriate instructions.

Complies [ X ] Partially complies [ ] Explain [ ]

28. When directors or the secretary express concerns about some proposal or, in the case of directors, about the company's performance, and such concerns are not resolved at the meeting, they should be recorded in the minute book if the person expressing them so requests.

Complies [ ] Partially complies [ ] Explain [ ] Not applicable [ X ]

29. The company should provide suitable channels for directors to obtain the advice they need to carry out their duties, extending if necessary to external assistance at the company's expense.

Complies [ X ] Partially complies [ ] Explain [ ]

30. Regardless of the knowledge directors must possess to carry out their duties, they should also be offered refresher programmes when circumstances so advise.

Complies [ X ] Explain [ ] Not applicable [ ]

31. The agendas of board meetings should clearly indicate on which points directors must arrive at a decision, so they can study the matter beforehand or gather together the material they need.

For reasons of urgency, the chairman may wish to present decisions or resolutions for board approval that were not on the meeting agenda. In such exceptional circumstances, their inclusion will require the express prior consent, of the majority of directors present, which shall be duly shown in the minutes.

Complies [ X ] Partially complies [ ] Explain [ ]

32. Directors should be regularly informed of movements in share ownership and of the views of major shareholders, investors and rating agencies on the company and its group.

Complies [ X ] Partially complies [ ] Explain [ ]

33. The chairman, as the person charged with the efficient functioning of the board of directors, in addition to the functions assigned by law and the company's bylaws, should prepare and submit to the board a schedule of meeting dates and agendas; organise and coordinate regular evaluations of the board and, where appropriate, the company's chief executive officer; exercise leadership of the board and be accountable for its proper functioning; ensure that sufficient time is given to the discussion of strategic issues, and approve and review refresher courses for each director, when circumstances so advise.

Complies [ X ] Partially complies [ ] Explain [ ]

34. When a lead independent director has been appointed, the Bylaws or Board of Directors regulations should grant him or her the following powers over and above those conferred by law: chair the board of directors in the absence of the chairman and vice chairmen give voice to the concerns of non-executive directors; maintain contacts with investors and shareholders to hear their views and develop a balanced understanding of their concerns, especially those to do with the company's corporate governance; and coordinate the chairman's succession plan.

Complies [ X ] Partially complies [ ] Explain [ ] Not applicable [ ]

35. The board secretary should strive to ensure that the board's actions and decisions are informed by the governance recommendations of the Code of Good Governance of relevance to the company.

Complies [ X ] Explain [ ]

36. The board in full should conduct an annual evaluation, adopting, where necessary, an action plan to correct weaknesses detected in:

a) The quality and efficiency of the board's operation.

b) The performance and membership of its committees.

c) The diversity of board membership and competences.

d) The performance of the chairman of the board of directors and the company's chief executive.

e) The performance and contribution of individual directors, with particular attention to the chairmen of board committees.

The evaluation of board committees should start from the reports they send the board of directors, while that of the board itself should start from the report of the nomination committee.

Every three years, the board of directors should engage an external facilitator to aid in the evaluation process. This facilitator's independence should be verified by the nomination committee.

Any business dealings that the facilitator or members of its corporate group maintain with the company or members of its corporate group should be detailed in the annual corporate governance report.

The process followed and areas evaluated should be detailed in the annual corporate governance report.

Complies [ X ] Partially complies [ ] Explain [ ]

37. That where an executive committee exists, it should include at least two non-executive directors, at least one of whom should be independent; and the secretary should be that of the board of directors.

Complies [ ] Partially complies [ ] Explain [ ] Not applicable [ X ]

38. The board of directors should be kept fully informed of the business transacted and decisions made by the executive committee. To this end, all board members should receive a copy of the committee's minutes.

Complies [ ] Partially complies [ ] Explain [ ] Not applicable [ X ]

39. That the members of the Audit Committee as a whole and, particularly, the Chairman thereof, should be appointed taking into account their background knowledge and experience in accounting, auditing and the management of financial and non-financial risks.

Complies [ X ] Partially complies [ ] Explain [ ]

40. Listed companies should have a unit in charge of the internal audit function, under the supervision of the audit committee, to monitor the effectiveness of reporting and control systems. This unit should report functionally to the board's non-executive chairman or the chairman of the audit committee.

Complies [ X ] Partially complies [ ] Explain [ ]

41. That the head of the unit responsible for internal auditing should submit their annual work plan to the Audit Committee to be approved by them or by the board, report directly to them with regard to its execution, including and possible incidents or restrictions to the scope of its actions, the results and monitoring of its recommendations and at the end of each financial year to submit an activity report.

Complies [ X ] Partially complies [ ] Explain [ ] Not applicable [ ]

42. The audit committee should have the following functions over and above those legally assigned:

1. With respect to internal control and reporting systems:

a) Supervise and assess the preparation process for and the integrity of the financial and non-financial information, the financial risk control and management systems relating to the company and, where applicable, to the Group (including operational, technological, legal, social, environmental, policy, reputational and relating to corruption) to review compliance with regulatory requirements, a suitable delimitation of the consolidation perimeter and the correct application of accounting criteria.

b) Monitor the independence of the unit responsible for the internal audit function; propose the selection, appointment, and removal of the head of the internal audit service; propose the service's budget; approve or propose approval to the board for its priorities and the annual work for internal auditing, ensuring that it focuses primarily on the main risks the company is exposed to (including reputational); receive regular report-backs on its activities; and verify that senior management are acting on the findings and recommendations of its reports.

c) Establish and supervise a mechanism whereby staff and others related to the company, such as directors, shareholders, suppliers, contractors and sub-contractors, can report any significant irregularities, including financial and accounting irregularities, or of any other nature, relating to the company that are observed in the heart of the company or its group. This mechanism should guarantee confidentiality and, in any case, envisage the possibility of the notifications being made anonymously, always respecting the rights of both the accuser and the accused.

d) Generally safeguard that the established policies and systems with regard to internal control are applied effectively in practice.

2. With respect to the external auditor:

a) Investigate the issues giving rise to the resignation of the external auditor, should this come about.

b) Ensure that the remuneration of the external auditor does not compromise its quality or independence.

c) Ensure that the company notifies any change of auditor through the Spanish Securities Market Commission (CNMV) and accompanies the notification with a declaration on the possible existence of disagreements with the outgoing auditor and with the contents of the audit, if any.

d) Ensure that the external auditor has a yearly meeting with the board in full to inform it of the work undertaken and developments in the company's risk and accounting positions.

e) Ensure that the company and the external auditor adhere to current regulations on the provision of non-audit services, limits on the concentration of the auditor's business and other requirements concerning auditor independence.

Complies [ X ] Partially complies [ ] Explain [ ]

43. The audit committee should be empowered to meet with any company employee or manager, even ordering their appearance without the presence of another senior officer.

Complies [ X ] Partially complies [ ] Explain [ ]

44. The Audit Committee should be informed of any fundamental changes or corporate transactions the company is planning, so the committee can analyse the operation and report to the board beforehand on its economic conditions and accounting impact and, when applicable, the exchange ratio proposed.

Complies [ X ] Partially complies [ ] Explain [ ] Not applicable [ ]

45. That risk control and management policy should identify or conform at least the following:

a) The different types of financial and non-financial risk the company is exposed to (including operational, technological, financial, legal, social, environmental, political and reputational risks, including those related to corruption), with the inclusion under financial or economic risks of contingent liabilities and other off-balance-sheet risks.

b) A risk control and management model based on different levels and that should include a committee specialising in risks when sector norms envisage this or if the company feels it is appropriate.

c) The risk level the company feels is acceptable.

d) The measures in place to mitigate the impact of identified risk events should they occur.

e) The internal control and reporting systems to be used to control and manage the above risks, including contingent liabilities and off-balance sheet risks.

Complies [ X ] Partially complies [ ] Explain [ ]

46. Companies should establish a risk control and management function in the charge of one of the company's internal department or units and under the direct supervision of the audit committee or some other dedicated board committee. This function should be expressly charged with the following responsibilities:

a) Ensure that risk control and management systems are functioning correctly and, specifically, that major risks the company is exposed to are correctly identified, managed and quantified.

b) Participate actively in the preparation of risk strategies and in key decisions about their management.

c) Ensure that risk control and management systems are mitigating risks effectively in the frame of the policy drawn up by the board of directors.

Complies [ X ] Partially complies [ ] Explain [ ]

47. Appointees to the nomination and remuneration committee – or of the nomination committee and remuneration committee, if separately constituted – should have the right balance of knowledge, skills and experience for the functions they are called on to discharge. The majority of their members should be independent directors.

Complies [ X ] Partially complies [ ] Explain [ ]

48. Large cap companies should operate separately constituted nomination and remuneration committees.

Complies [ ] Explain [ ] Not applicable [ X ]

49. The Nomination Committee should consult with the company's Chairman and chief executive, especially on matters relating to executive Directors.

When there are vacancies on the board, any Director may approach the Nomination Committee to propose candidates that it might consider suitable.

Complies [ X ] Partially complies [ ] Explain [ ]

50. The remuneration committee should operate independently and have the following functions in addition to those assigned by law:

a) Propose to the board the standard conditions for senior officer contracts.

b) Monitor compliance with the remuneration policy set by the company.

c) Periodically review the remuneration policy for directors and senior officers, including share-based remuneration systems and their application, and ensure that their individual compensation is proportionate to the amounts paid to other directors and senior officers in the company.

d) Ensure that conflicts of interest do not undermine the independence of any external advice the committee engages.

e) Verify the information on director and senior officers' pay contained in corporate documents, including the annual directors' remuneration statement.

Complies [ X ] Partially complies [ ] Explain [ ]

51. The remuneration committee should consult with the company's chairman and chief executive, especially on matters relating to executive directors and senior officers.

Complies [ X ] Partially complies [ ] Explain [ ]

52. The terms of reference of supervision and control committees should be set out in the board of directors regulations and aligned with those governing legally mandatory board committees as specified in the preceding sets of recommendations. They should include at least the following terms:

a) Committees should be formed exclusively by non-executive directors, with a majority of independents.

b) They should be chaired by independent directors.

c) That the board of directors should appoint the members of such committees with regard to the knowledge, skills and experience of its directors and each committee's terms of reference and discuss their proposals and reports; and provide report-backs on their activities and work at the first plenary meeting of the board of Directors following each committee meeting.

d) They may engage external advice, when they feel it necessary for the discharge of their functions.

e) Meeting proceedings should be recorded in minutes and a copy made available to all directors.

Complies [ X ] Partially complies [ ] Explain [ ] Not applicable [ ]

53. The task of supervising compliance with the policies and rules of the company concerning environmental, social and corporate governance, as well as the internal code of conduct, is assigned to a single board committee or split between several, which could be the audit committee, the appointments committee, a committee specialising in sustainability or corporate social responsibility or any other dedicated committee established by the board of directors under its powers of self-organisation. Any such committee will be formed solely by non-executive directors, the majority of whom will be independent and they should be assigned the minimum functions as detailed in the following recommendation.

Complies [ X ] Partially complies [ ] Explain [ ]

54. The minimum functions referred to in the above recommendation are the following:

a) Supervision of compliance with the company's corporate governance rules and internal codes of conduct, whilst ensuring that corporate culture is in line with its purpose and values.

b) Supervision of the application of the general policy regarding the notification of economic-financial, non-financial and corporate information, as well as communication with shareholders and investors, proxy advisers and other stakeholders. There will also be monitoring of how the entity communicates with and relates to small and medium-sized shareholders.

c) Regular assessment and review of the Company's corporate governance system and its policy regarding environmental and social issues, with the purpose of confirming compliance with its mission to promote social interest and where appropriate, taking into account the legitimate interests of remaining stakeholders.

d) Supervision that the company's practices regarding environmental and social issues are in accordance with the established strategy and policies.

e) Monitor and assess the company's interaction with its stakeholder groups.

Complies [ X ] Partially complies [ ] Explain [ ]

55. That sustainability policies regarding environmental and social issues identify and include at least the following:

a) The principles, commitments, objectives and strategy relating to shareholders, employees, customers, suppliers, social welfare issues, the environment, diversity, fiscal responsibility, respect for human rights and the prevention of corruption and other illicit behaviour

b) The methods and systems for monitoring compliance with the policies, associated risks and their management.

c) The mechanisms for supervising non-financial risk, including that relating to ethics and business conduct.

d) Channels for stakeholder communication, participation and dialogue.

e) Responsible communication practices that prevent the manipulation of information and protect the company's honour and integrity.

Complies [ X ] Partially complies [ ] Explain [ ]

56. Director remuneration should be sufficient to attract individuals with the desired profile and compensate the commitment, abilities and responsibility that the post demands, but not so high as to compromise the independent judgement of non-executive directors.

Complies [ X ] Explain [ ]

57. Variable remuneration linked to the company and the director's performance, the award of shares, options or any other right to acquire shares or to be remunerated on the basis of share price movements, and membership of long-term savings schemes such as pension plans should be confined to executive directors.

The company may consider the share-based remuneration of non-executive directors provided they retain such shares until the end of their mandate. The above will not be applicable to shares that the director has to sell to satisfy costs related to their acquisition.

Complies [ X ] Partially complies [ ] Explain [ ]

58. In the case of variable awards, remuneration policies should include limits and technical safeguards to ensure they reflect the professional performance of the beneficiaries and not simply the general progress of the markets or the company's sector, or circumstances of that kind.

Specifically, variable components of remuneration should meet the following conditions:

a) Be subject to predetermined and measurable performance criteria that take into account the risk assumed to obtain a given result.

b) Promote the long-term sustainability of the company and include non-financial criteria that are relevant for the company's long-term value, such as compliance with its internal rules and procedures and its risk control and management policies.

c) Be focused on achieving a balance between the delivery of short, medium and long-term objectives, such that performance-related pay rewards ongoing achievement, maintained over sufficient time to appreciate its contribution to long-term value creation. This will ensure that performance measurement is not based solely on one-off, occasional or extraordinary events.

Complies [ X ] Partially complies [ ] Explain [ ] Not applicable [ ]

59. That the payment of variable remuneration components should be subject to sufficient verification that performance criteria have effectively been met, or any other criteria previously established. In their annual report on remunerations to directors, entities will include the criteria with regard to the time required and the methods used for this verification in accordance with the nature and characteristics of each variable component.

That the entities should also assess the creation of a reduction clause ("malus") based on deferring for a suitable period of time the payment of part of the variable components that may involve total or partial loss where prior to payment an event may occur that makes payment inadvisable.

Complies [ ] Partially complies [ X ] Explain [ ] Not applicable [ ]

The components for variable remuneration are subject to the preparation of annual accounts, the control system, and supervision by the Appointments, Remuneration and Sustainability Committee in the clawback clause. However, the establishment of a malus clause, based on the

deferral of the payment of part of the variable components, has not been included.

60. Remuneration linked to company earnings should bear in mind any qualifications stated in the external auditor's report that reduce their amount.

Complies [ X ] Partially complies [ ] Explain [ ] Not applicable [ ]

61. A major part of executive directors' variable remuneration should be linked to the award of shares or financial instruments whose value is linked to the share price.

Complies [ X ] Partially complies [ ] Explain [ ] Not applicable [ ]

62. That following the award of shares, financial options and instruments corresponding to the remuneration systems, executive directors may not transfer ownership or exercise them until at least three years have passed.

An exception is made where at the time of transfer or exercise the director maintains net economic exposure to a variation in the price of the shares for a market value equivalent to amount corresponding to at least double the annual fixed remuneration from the ownership of shares, options or other financial instruments.

The above shall not be applicable to shares that the director needs to transfer to satisfy costs relating to their acquisition or, following prior favourable assessment by the Appointments and Remuneration Committee, to address any extraordinary circumstances that may require this.

Complies [ X ] Partially complies [ ] Explain [ ] Not applicable [ ]

63. Contractual arrangements should include provisions that permit the company to reclaim variable components of remuneration when payment was out of step with the Director's actual performance or based on data subsequently found to be misstated.

Complies [ X ] Partially complies [ ] Explain [ ] Not applicable [ ]

64. That payment for the termination or expiry of the contract should not exceed a fixed amount equivalent to two years of the director's total annual remuneration and should not be paid until the company confirms that he/she has met the predetermined performance criteria or conditions for receiving it.

For the purposes of this recommendation, payments for the termination or expiry of a contract should include those payment whose accrual or obligation to pay arises as a result or at the time of the expiry of the contractual relationship that linked the director with the company, including amounts not previously consolidated in the savings systems in the long term and the amounts paid corresponding to post-contractual non-competition pacts.

Complies [ X ] Partially complies [ ] Explain [ ] Not applicable [ ]

## H. OTHER INFORMATION OF INTEREST

1. If there is any other aspect relevant to the corporate government in the company or in the group entities that has not been reflected in the rest of the sections of this report, but is necessary to include to provide more comprehensive and well-grounded information on the corporate governance structure and practices in your entity or its group, detail them briefly.

2. This section may also include any other relevant information, clarification or detail related to previous sections of the report insofar as they are relevant and not reiterative.

   Specifically indicate whether the company is subject to corporate governance legislation from a country other than Spain and, if so, include the mandatory information to be provided when different from that required by this report.

3. The company may also indicate if it has voluntarily signed up to other international, industry-wide or any other codes of ethical principles or best practices. Where applicable, the code in question will be identified along with the date of signing. If applicable, the code in question and the date of accession will be identified. In particular, it will mention whether it has adhered to the Code of Good Tax Practices of 20 July 2010:

Below you will find the content of the issues that could not be addressed in the corresponding paragraphs because they exceeded the maximum size allowed by the CNMV format:

POINT C.1.5 Description of the policies, objectives, measures and the way in which they have been implemented, as well as the results obtained.

The Viscofan Group has a policy on diversity in the composition of the Board of Directors and the selection of directors, the text of which for 2020 was updated, on the recommendation of the Appointments, Remuneration and Sustainability Committee, by the Board itself at its meeting on 17 December 2024, with the aim of adapting it to prevailing regulations and best corporate governance practices.

In particular, in relation to the representation and balanced presence of women on boards of directors, the Good Governance Code of Listed Companies ("GGC") recommended that female directors account for at least 40% of the total number of members and Spanish Organic Law 2/2024, of 1 August, on equal representation and balanced presence of women and men. which transposes Directive (EU) 2022/2381 of the European Parliament and of the Council of 23 November 2022, has established this recommendation as mandatory as from certain dates, which the Company wishes to incorporate ahead of time into its corporate governance system.

Thus, the Policy on Diversity in the Composition of the Board of Directors and the Selection of Directors sets out the basic principles, requirements and guidelines regulating the composition of the Board of Directors, the suitability of its members and the procedure for the selection of directors, all with the aim of achieving an appropriate and balanced composition.

Among its principles, this policy sets out the principle of diversity and equal representation in the composition of the Board. Based on this principle, equality between women and men shall be promoted, as well as diversity in the composition of the Board and its Committees in terms of knowledge, experience and age, among other aspects.

In this regard, the Board of Directors, and the Appointments, Remuneration and Sustainability Committee, in exercise of its powers vested in it, shall propose to the General Shareholders' Meeting a balanced and diverse composition of the Board of Directors, as well as of its Committees, so as to help achieve a diversity of views and experiences. In doing so, it shall take into account, when selecting persons for the role of Board or committee member, diverse perfiles in terms of training, experience and knowledge, age, disability and, in particular, that enable a balanced presence of women and men to be achieved.

Based on this policy and Article 8 of the Regulations of the Board of Directors, the Board shall ensure that the procedures in place for the selection of directors foster equality between women and men and diversity, and do not suffer from any implicit bias that could lead to any discrimination. In particular, it shall ensure that these procedures facilitate the selection of female directors in a number that allows a balanced presence of women and men in the terms established by law and in the good governance recommendations applicable to Spanish listed companies.

Meanwhile, the Appointments, Remuneration and Sustainability Committee is responsible for establishing a representation target for the under-represented gender on the Board of Directors and developing guidance on how to achieve that target.

This Committee, when searching for and assessing candidates and making proposals, must promote and foster effective equality between women and men, as well as a diversity of experience, knowledge, skills and ages among the candidates. To this end, when the Committee or, as the case may be, the Board itself seeks a specific professional profile, it shall take into consideration the interests of the Company, without prejudice to the fact that, when confronted with two equally qualified profiles for the position, the Company shall give preference to the gender that is less represented on the Board.

With the aim of achieving a proper balance among the genders, this policy also insists that steps be taken to encourage the presence of a significant number of female directors in the management team, respecting the essential criteria of merit and ability that must govern all staff selection processes that take place within the Company and its Group.

In relation to the measures and the manner in which they are applied and the results achieved in accordance with the aforementioned regulations and policy, when the Appointments, Remuneration and Sustainability Committee or, as the case may be, the Board itself has to propose the appointment or re-election of directors, without prejudice to the importance of respecting the skills matrix, the inclusion in the

process of directors representing the most under-represented gender shall be actively sought. Moreover, when confronted with two similar professional profiles, the candidate representing the most under-represented gender will be chosen.

The Appointments, Remuneration and Sustainability Committee regularly evaluates the effectiveness of the Policy and takes appropriate steps to address any shortcomings, proposing such amendments as it deems appropriate.

Consequently, the Appointments, Remuneration and Sustainability Committee, in view of the vacancy left by Carmen de Pablo Redondo, conducted a search process in 2023 to find the most suitable profiles for joining the Board of Directors based on the provisions of the above Policy, ultimately proposing the appointment of Verónica Pascual Boé as a new director.

Likewise, the Appointments, Remuneration and Sustainability Committee, in compliance with Recommendation 14 of the GGC, in relation to the prior analysis of the Company's needs and the competencies required by the Board of Directors on the composition of the Board for the 2024 General Shareholders' Meeting, issued a report on 15 February 2024 proposing that membership of the Board of Directors be reduced from eleven (11) to ten (10) members, considering that this would maintain a balanced and diverse composition and, in particular, that women account for 40% of the total number of members of the Board of Directors (compared to 36% as of 31 December 2023), thus reaching the target of female representation set out in Recommendation 15 of the GGC.

Following the General Shareholders' Meeting held in April 2024, this change was implemented and the percentage of female representation on the Board effectively reached this threshold. Changes in the composition of the Board of Directors in 2024 are disclosed in section C.1.2. of this Annual Corporate Governance Report. Along the same lines, at the Board meeting held after the AGM, the number was increased and Laura González Molero and Verónica Pascual Boé were appointed as members of the Appointments, Remuneration and Sustainability Committee, thus favouring a gender balance in its composition.

POINT C.1.16 Indicate procedures for selection, appointment, re-election and removal of directors. List the competent bodies, the procedures to be followed and the criteria to be employed in each procedure.

The procedures for selection, appointment, re-election, assessment and removal of directors are regulated in:

- Articles of Association
- he Board of Directors Regulations
- Diversity policy in the composition of the Board of Directors and selection of directors
- Regulations of the Appointments, Remuneration And Sustainability Committee

In accordance with their respective responsibilities, the General Shareholder´s Meeting, the Board of Directors and the Appointments, Remunerations and Sustainability Committee have a role to play in the different procedures.

PROCEDURES FOR SELECTION, APPOINTMENT AND RE-ELECTION

The appointment of directors corresponds to the General Shareholders meeting in accordance with the regulations applicable with regard to the proportional representation system, as detailed in article 25 of the Articles of Association.

Furthermore, article 8 of the Board of Directors Regulations establishes that the appointment of Directors will be undertaken at the General Shareholders Meeting or by the Board of Directors itself where this is legally envisaged. This article grants the Board of Directors the duty to ensure that the selection procedures for their members favour diversity, respect matters regarding age, gender, disability or professional knowledge and experience and do not have an implicit bias that may imply any discrimination and, in particular, that facilitates the selection of female directors to allow for a balanced presence of men and women.

The Appointments, Remuneration and Sustainability Committee plays an essential role in director selection, appointment and re-election processes, further to the powers vested in it by Article 16 of the Board's Regulations.

Article 6 of the Regulations for the Appointments, Remuneration and Sustainability Committee also establishes responsibilities with regard to the composition of the Board of Directors and its committees, the selection, removal and dismissal of directors and the designation of internal responsibilities for the Board of Directors.

However, the Board diversity and director selection policy, as updated in December 2024, sets out in more detail the competent bodies; search for candidates, assessment and proposals; proposal of candidates; external advice; selection and re-election requirements. These aspects are described at greater length below:

Competent bodies:

The Board of Directors and the Appointments, Remuneration and Sustainability Committee are responsible for ensuring the diversity of the Board of Directors and its Committees and for the director selection processes, without prejudice to the powers of appointment vested in the General Shareholders' Meeting.

The Board of Directors shall have the following duties:

a) Drawing up a report justifying the skills, experience and merits of the candidate proposed for appointment as director, which must in any case accompany the proposed appointment, and which will be attached to the minutes of the General Meeting or of the Board itself.
b) Proposals for the appointment of directors who are not independent, to be submitted to the General Meeting, or for appointment by co-option by the Board of Directors itself, as the case may be, as well as proposals for the re-election of such directors by the General Meeting.
c) Ensure that the procedures for selecting members of the Board of Directors foster effective equality between women and men and diversity with respect to issues such as age, disability, professional training and experience, and the other diversity criteria set out in this Policy; that they do not suffer from any implicit bias that could lead to any form of discrimination; and, in particular, that they facilitate the selection of female directors in a number that allows for a balanced presence of women and men in the terms established by law and in the good governance recommendations applicable to Spanish listed companies.

Meanwhile, the Company's Appointments, Remuneration and Sustainability Committee is entrusted with the following duties, among others:

a) Assessing the competencies, knowledge and experience required on the Board of Directors. In doing so, it shall define the functions and skills required of the candidates to fill each vacancy and assess the time and dedication necessary for them to perform their duties effectively, ensuring that the non-executive directors have sufficient time available for the proper performance of their duties.
b) Setting a representation target for the least represented sex on the Board of Directors and preparing guidelines on how to achieve this target.
c) Providing the Board of Directors with proposals for appointing independent directors, for appointment by co-option, or submission for voting at the General Shareholders' Meeting, while also submitting proposals for the re-election or removal of these directors at the General Shareholders' Meeting.
d) Provide information about proposals for appointing all other Directors for appointment by co-optation or submission for voting at the General Shareholders Meeting, as well as proposals for re-election or removal by the General Shareholders Meeting.
e) Without prejudice to the powers vested in the Chairman of the Board of Directors and the Lead Director, heading up the annual assessment regarding the functioning and composition of the Board, its Committees and the directors of the Company.

Meanwhile, the Company's General Shareholders' Meeting shall have the following duties:

a) Appointing, ratifying and re-electing directors, all without prejudice to the system of proportional representation that corresponds to each shareholder under the terms provided for in the applicable legislation.

b) Determining, from time to time, the number of members of the Board of Directors by filling vacancies or appointing new directors, subject to the upper and lower limits stipulated in the Company's Articles of Association.

Candidate search, assessment and proposals

The Board of Directors and the Appointments, Remuneration and Sustainability Committee are tasked with identifying suitable candidates for the position of director, paying due regard to the needs of the Company's corporate bodies and the strategic development of its businesses.

Along these lines, the Appointments, Remuneration and Sustainability Committee lays the groundwork by conducting an exhaustive analysis of the skills, knowledge and experience of the directors in office, as well as the skills required on the Board of

Directors. This preliminary analysis, together with reasons supporting the candidate's fitness and suitability, must be included in the Committee's report or proposal, which will be published in the call to the General Shareholders' Meeting for the ratification, appointment or re-election of the proposed directors.

In order to carry out this analysis, the Committee prepares and updates a matrix containing the skills needed on the Board of Directors and identifying the existing skills and knowledge of its members, especially among the executive and independent directors.

The selection process must ensure gender equality, as well as the diversity of experience, knowledge, skills and age of the candidates. In case of equally qualified perfiles, preference shall be given to the gender less represented on the Board.

Nominating candidates

Any director may put forward names of possible candidates. However, and in particular in the case of proposals relating to independent directors, when candidates have been submitted by significant shareholders, nominee directors or executive directors for assessment by the Appointments, Remuneration and Sustainability Committee, the latter shall analyse the candidate's perfil in detail and gather all information it deems appropriate to ensure that the proposed candidate has no ties that might compromise his or her independence.

External advice

The Company may seek independent external advice, such as the collaboration of HR consulting firms or any other external advisor, both for the preliminary analysis of the needs of the Board of Directors and when validating or prospecting suitable candidates for the role of director. Here, it shall pay close attention to any conflicts of interest that may exist with respect of such advisors, and shall take the necessary steps to ensure that these do not come to pass.

Selection requirements

Candidates for the position of director of the Company should have independent criteria, recognised professional prestige, good character, solvency, competence and experience. In addition, efforts will be made to ensure that, in the selection of candidates, an appropriate balance is achieved in the Board as a whole, which will enrich decision-making and bring a pluralistic viewpoint to the discussion of matters within its competence.

In the director selection processes, the Board of Directors and the Appointments, Remuneration and Sustainability Committee shall, within the scope of their respective remits, take into account the following requirements:

- Those prescribed by law and the Company's rules and regulations No impediments
- Principle of good repute
- Principle of competence and professional training
- Principle of sufficient dedication
- Principle of specialisation

Moreover, selection processes for the role of Board or Committee member must consider diverse perfiles in terms of training, experience and knowledge, age and disability, especially profiles that allow for a balanced presence of women and men to be achieved, in accordance with legal requirements and good governance recommendations.

As regards the Audit Committee, its members as a whole, and especially its Chairman, shall be considered to have knowledge and experience in accounting, auditing and risk management (both financial and non-financial) and, subject to possible size constraints on the Committee, also sustainability, corporate and business aspects, as well as in such other areas as may be appropriate for the performance by the Audit Committee

of its duties.

With regard to the Appointments, Remuneration and Sustainability Committee, consideration should be given to ensuring that its members as a whole possess sufficient knowledge, skills and experience in view of the functions they are called upon to perform —particularly in matters of corporate governance, selection of directors and executives, design of remuneration policies and plans, among others—, although gender diversity and other diversity criteria among its members should also be observed.

Re-election

The proposals or reports, as the case may be, of the Appointments, Remuneration and Sustainability Committee should contain an assessment as to the quality of the work and dedication to the post during the previous term of office in respect of those directors proposed for re-election. It should also address their good standing, competence, availability and commitment to their function, evaluating the director's performance in office and compliance with the duties prescribed by law, the Articles of Association, the Regulations of the Board of Directors and the Company's other corporate governance rules.

In addition to the Policy described above, Article 26 of the Articles of Association states that "to be appointed as a director, it is not necessary to be a shareholder".

Further, Article 16 of the Regulations of the Board of Directors, among the powers vested in the Appointments, Remuneration and Sustainability Committee, entrusts it with "f) Examining or organising the succession of the Chairman of the Board of Directors and of the chief executive of the company and, as the case may be, making proposals to the Board of Directors so that this succession takes place in an orderly and planned manner".

DURATION OF THE TERM OF OFFICE:

According to article 26 of the Articles of Association, the term of office for Directors is four years from the date they are appointed. The appointment of Directors will cease when their term of office has ended and the next General Shareholders' Meeting has been held or the period stipulated by law for holding the Shareholders' Meeting to resolve on the approval of the prior year's accounts has passed.

Article 8 of the Board of Directors Regulations establishes that Directors shall hold their posts for the term envisaged in the Articles of Association, and may be re-elected one or more times.

Independent Directors may not be re-elected or appointed for a new term of office under the same classification when they have sat on the Company's Board for a term of twelve (12) years as from the date on which they were first appointed.

Under no circumstances shall the provisions of the foregoing paragraphs limit the power of the Company's General Shareholders' Meeting or, where applicable, the Board of Directors to re-elect or appoint a specific candidate as a director and, where applicable, it shall only affect his/her possible classification as an independent director.

DISMISSAL OF DIRECTORS

The procedure for the dismissal of directors is governed by the following articles of the Board of Directors Regulations: Article 30 - Dismissal of directors.

Directors shall serve at the pleasure of the Board of Directors and if the Board considers it appropriate, they shall tender their resignations in the following cases:

a) When they become subject to any of the disqualifications or prohibitions set down in law.
b) When their remaining on the Board could undermine the Company's interests or when the reasons for which they were elected no longer apply.
c) Directors representing a controlling shareholder will tender their resignations when the shareholder they represent sells a substantial part of its stake.

The Board of Directors may not propose the removal of independent directors before the end of their term of office, unless the Board considers there is due cause following a report to such effect from the Appointments and Remuneration Committee.

Directors must inform the Board should situations arise that affect them, related or not with their actions for the Company and, especially, to inform the board of any criminal charges in which they may be investigated, and their involvement in any subsequent legal proceedings.

When the Board has been informed or become aware in any other way of the existence of any of the situations mentioned in the previous paragraph, the case should be examined as soon as possible, according to the specific circumstances and with a prior report to the Appointments and Remuneration Committee, to determine whether or not any measures should be taken, such as opening an internal investigation, or asking the director to resign or proposing their dismissal. The foregoing will be detailed in a reasoned manner in the Annual Corporate Governance Report, unless there are special circumstances to justify this, in which case they should be confirmed in the minutes.

When a director steps down before the end of their term of office, whether by resigning or on some other grounds, they must explain the reasons for their departure or, in the case of non-executive directors, their opinion on the reasons for the dismissal by the general meeting, in a letter to be sent to all other members of the Board, without prejudice to an account being provided in the Annual Corporate Governance Report to the extent that it is relevant for investors.

Article 31. Directors' duties after dismissal

After leaving upon completion of the period for which they were elected or for any other reason, the directors may not serve at any entity competing with the Company and its corporate group for a period of two years unless the Board of Directors grants dispensation from this requirement or shortens its term.

C.2.1. FUNCTIONS OF THE AUDIT COMMITTEE AND ITS MOST IMPORTANT ACTIONS IN THE YEAR

The Audit Committee is regulated under article 15 of the Board of Directors Regulations, under article 33, paragraph 1 of the Articles of Association, and a specific Regulation for the purpose of promoting the independence of the Committee and establishing the principles for action and operating regime.

Below is an explanation about article 15 of the Board Regulations, regulating, in the broadest sense, its composition, the appointment and dismissal of its members and their principal duties, calling meetings, and formulating and adopting resolutions.

Article 15 - Audit Committee

There shall be an Audit Committee within the Board of Directors, which shall be composed of a minimum of three and a maximum of six members.

The Audit Committee shall be composed solely of non-executive directors appointed by the Board of Directors, the majority of whom must be independent directors, and its members shall be appointed by the Board of Directors, subject to the legal requirements and a report from the Appointments and Remuneration Committee, with due consideration given to the knowledge, skills and experience in accounting, auditing or both, internal control and risk management, both financial and non-financial, of its directors and, above all, its Chairman, and overall, the members of the Committee shall have relevant technical expertise in relation to the sector to which the audited entity belongs.

The members of the Committee shall automatically cease to sit on the Committee when they cease to sit as directors of the Company or at the discretion of the Board of Directors.

Audit Committee members shall appoint a Chairman, selected from the independent directors that form the Committee, who shall be replaced every four years; the Chairman may be re-elected one year after they cease to serve as Chairman.

The Audit Committee will meet whenever convened by its Chairman, by decision of the Board of Directors, or upon the request of the majority of its members.

The Audit Committee shall be quorate with the attendance in person or by proxy of the majority of its members.

Resolutions will be adopted by simple majority vote of the members attending the meeting and the Chairman will have the casting vote.

The Audit Committee shall have the power to request the presence of any member of the management team or any member of the Company's staff at its meetings, as well as the presence of the Company's independent auditors or any Company advisor whose presence is deemed advisable. All the aforementioned persons will be bound to cooperate and provide access to any information they may have.

The Audit Committee shall report to the Board on the business it addresses and on all resolutions adopted at the Board meetings convened for such purpose, and shall provide to all directors with the minutes of its meetings.

Notwithstanding other functions set out in the governing legislation, company by-laws or assigned to it by the Board of Directors, the Audit Committee's mission will include the following:

A) Reporting to the General Shareholders' Meeting regarding matters that fall within its remit and, in particular, regarding the result of the audit, explaining how this has helped to ensure the integrity of the financial and non-financial information and the function that the Committee has performed in that process.

B) Proposing the appointment of the auditor to the Board of Directors, which shall then pass the matter on to the General Shareholders' Meeting in addition to the conditions of recruitment.

C) With respect to internal control and reporting systems

(a) Monitoring the efficiency of the Company's internal control, internal auditing and control systems and the financial and non-financial risk management.

(b) Overseeing and assessing the process of preparing and presenting the compulsory financial and non-financial information relating to the Company and its group, ensuring that the system of internal control of financial reporting (ICFR) is correctly designed and that all legal requirements have been met, and defining an appropriate consolidation perimeter, taking into account, among other aspects, possible complex corporate structures, instrumental or special purpose entities, the correct application of accounting standards and presenting recommendations or proposals to the Board of Directors, designed to safeguard their integrity.

(c) Overseeing the process devised by the senior management for instituting lawsuits, making assessments and reaching significant estimates, and the impact thereof on the financial statements.

(d) Review, analyse and discuss the financial statements and other relevant financial and non-financial information with the senior management team and the internal and external auditors so as to ensure that the information is reliable, understandable and relevant, and that the accounting standards and criteria used for the preceding year have been duly followed.

(e) Reviewing the internal control and financial and non-financial risk management systems, including tax risks, so that the main risks may be correctly identified, managed and suitably reported.

(f) Discussing with the auditor any significant shortcomings in the internal control system, detected during the audit, without undermining their independence. For such purposes, where appropriate, they may submit recommendations or proposals to the administrative body and respective period for their follow-up.

(g) Overseeing the internal auditing services, including, in particular:

(i) proposing the selection, appointment, re-election and cessation of the Internal Audit Manager;

(ii) Approving the annual internal audit work plan, ensuring that their activity focuses primarily on the main risks the Company is exposed to; and receiving periodic information on the results of the work performed, including any incidents that may arise. Likewise, receiving an annual activities report and action plan to correct any deficiencies detected;

(iii) Ensuring the independence and efficiency of the internal audit function;

(iv) Proposing the budget for the internal audit area;

(v) Receiving periodic information on its activities, and;

(vi) Verifying that senior management takes into account the conclusions and recommendations set forth in its reports.

D) With respect to the external auditor:

(a) Referring to the Board of Directors the proposals for selecting, appointing, re-electing and replacing the auditor, being responsible for the selection process, pursuant to the provisions of the current regulations and the terms of their recruitment, regularly gathering information from them about the audit plan and its implementation, and preserving their independence in the exercise of their duties.

(b) Ensure that the financial statements finally prepared by the Board are presented to the General Shareholders' Meeting without limitations or qualifications in the auditor's report and in the event that the auditor has included any qualifications in its audit report, issue its opinion on the content and scope of such audits or qualifications, which will be explained by the Chairman of the Committee during the General Shareholders' Meeting.

(c) Overseeing compliance with the audit agreement and perform an annual final assessment of the actions of the external auditor, collecting information on the audit plan and its implementation and ensuring that the opinion on the annual accounts and the main contents of the audit report are drawn up clearly and accurately.

(d) Monitoring the decisions of the senior management team regarding any adjustments recommended by the external auditor, and to hear and, where applicable, mediate any disagreements between both parties.

(e) Safeguarding the independence of the auditor, paying particular attention to any circumstances or issues that could jeopardise such independence, including that their remuneration does not compromise their quality or independence, and any others relating to the process of auditing the accounts:

(i) For this purpose, it shall be ensured that the Company publicly discloses to the National Securities Market Commission (CNMV), as a relevant event, any replacement of the auditor and includes a statement regarding any possible disagreement with the outgoing auditor and the details thereof. If the auditor resigns, then it shall explore the underlying causes.

(ii) The Audit Committee shall likewise ensure that the company and the auditor adhere to current regulations safeguarding the independence of the auditors, and those governing the provision of non-audit services and the limits on the concentration of the auditor's business.

(iii)iii) It shall establish a suitable relationship with the auditor to receive information on matters that may jeopardise the auditor's independence, so that it may be examined by the Committee, and any other matters related to the process of performing the audit, and, where necessary, authorise services that are not forbidden by the provisions of the current regulations.

(iv) Ensure that the external auditor has a yearly meeting with the Board of Directors in full to inform it of the work undertaken and developments in the company's risk and accounting positions.

(v) Annually receiving from the auditors their statement of independence in relation to the related party or parties, in addition to a statement relating to additional services provided and the fees received by the external auditor or by the persons and entities related thereto, in accordance with the audit provisions set out in the regulations.

(vi) It shall annually issue, prior to the report on the auditing of the accounts, a report expressing its opinion on the independence of the auditor, containing the valuation of any additional services provided, considered on an individual basis and as a whole, in relation to the status of independence or to the rules governing the audit.

(f) Favour that the Company's auditor assuming responsibility for the audits of the companies that form the group of which it is the parent.

E) Reporting to the Board, prior to the latter making any respective decisions provided for in current regulations, in the Bylaws and in these Regulations, particularly with regards to:

(a) The periodic financial and non-financial information that the Company must publicly disclose, ensuring that it is prepared in accordance with the same standards and practices as those used for the annual accounts and, for such purpose, weighing up the merits of conducting a limited audit of the external auditor.

(b) The creation or acquisition of interests in special purpose vehicles or those domiciled in countries or territories considered tax havens, plus any other similar transactions or operations which, owing to their complexity, might diminish the group's transparency.

(c) Any structural and corporate modification procedures that are planned by the Company and, specifically, their economic conditions and accounting impact and, where applicable, the proposed exchange ratio.

(d) Related-party transactions.

F) Address and, where appropriate, respond to any initiatives, suggestions or complaints raised by shareholders in relation to the Committee's remit.

G) Set up and supervise a mechanism enabling employees to communicate confidentially and, if deemed necessary, anonymously, their concerns regarding possible irregular and potentially significant practices within the company, particularly those relating to accounting, finances

and auditing.

H) Monitoring the effectiveness and operation of the compliance system.

The duties of the Audit Committee shall be:

I) Evaluating all aspects of the non-financial risks the company is exposed to, including operational, technological, legal, social, environmental, political and reputational risks as well as those associated with corruption.

J) Coordinate non-financial and diversity reporting processes in accordance with applicable legislation and international benchmarks.

SUMMARY OF THE MAIN ACTIVITIES OF THE AUDIT COMMITTEE IN 2024:

The main issues dealt with and analysed by the Committee during the 2024 financial year and that have shaped its main areas of supervision are:

ACCOUNT AUDITING:

The Audit Committee has built a suitable relationship with the external auditor, PwC, which provided regular status updates on activities to ensure that the accounts and the management report drawn up by the Board are presented without qualifications in the audit report.

In connection with the performance of the audit work the Committee:

- It has supervised compliance with the audit contract, gathering information on the audit plan and ensuring that the opinion of the annual financial statements and the content of the audit report are drafted in a clear and precise manner.
- It has ensured that internal procedures are in place to guarantee that situations do not arise that could give rise to conflicts with the independence and objectivity required from the external auditor, including making sure that their remuneration does not compromise their quality or independence, and that the policy to pre-approve services to be provided by the external auditor is complied with, that the external auditor had access to all the information needed to conduct its work and that it received the greatest possible collaboration from each of the Group's subsidiaries.
- Has been informed of the result of the work performed during the preliminary phase, which involved reviewing pre-closure, and closure, to identify and plan the tasks that, given their uniqueness or impact on accounting, require special attention from the external auditor.

The Committee has verified the representations made by the external auditor as to its independence from the entity or entities related to it.

The Audit Committee has been informed of and has followed up on the internal control recommendations made by the external auditor arising from its review of the main cycles and controls, including the review report in accordance with the CNMV's guidelines.

Following the process of evaluating PwC's performance, it was agreed to submit to the Board of Directors a proposal for its re-election as statutory auditor for the year ending 31 December 2025, which the Board of Directors will submit for approval at the Ordinary General Shareholders' Meeting in 2025.

ASSURANCE PROVIDER OF CONSOLIDATED NON-FINANCIAL INFORMATION AND SUSTAINABILITY INFORMATION:

As regards the assurance of the sustainability information for financial year 2023 and the engagements on such information for financial year 2024, for the assurance of which the assurance provider relied on Spanish Law 11/2018 on non-financial reporting and diversity (still in force) and on the Corporate Sustainability Reporting Directive (CSRD), in accordance with the criteria expressed by the Comisión Nacional del Mercado de Valores (CNMV) and the Instituto de Contabilidad y Auditoría de Cuentas (ICAC), even though the law transposing the aforementioned Directive had yet to be passed by the end of financial year 2024.

The Committee has monitored the work of the external auditor, Deloitte, S.L., in relation to the 2023 non-financial information statement, in order to stay abreast of the work performed and to ensure that there is assurance that the information included in the individual and consolidated management reports, including the statement of non-financial information, is unqualified.

In relation to the consolidated non-financial information statement and sustainability report for 2024, the external assurance provider was changed and PwC was appointed at the Committee's proposal. The Committee was informed that the independent external assurance provider was compliant with applicable requirements relating to independence and ethics.

Subsequently, both the planning of the engagements and the pre-close engagements relating to the Viscofan Group's adaptation to the new CSRD sustainability reporting standards were closely monitored. In this regard, the Chief Communications, Investor Relations and Sustainability Officer presented the work schedule of the external assurance provider and the monitoring of the engagements and processes in this regard.

INTERNAL AUDIT:
The Internal Audit department reports functionally to the Audit Committee and, as a result of that relationship, the Committee has analysed and approved the 2024 work plan drawn up by the area, has regularly monitored execution of the same and has received direct reports on any progress and incidents in its implementation.

FINANCIAL AND NON-FINANCIAL INFORMATION:
The Committee has reviewed and analysed the financial statements of Viscofan S.A. and its Group, contained in the annual, half-yearly and quarterly reports, prior to their presentation to the Board and communication to the Comisión Nacional del Mercado de Valores (CNMV), in order to confirm that such information is reliable, understandable and relevant and that accounting criteria consistent with the previous year-end have been followed.

It monitored changes in the Group's corporate structure, which is growing, but with a permanent search for simplification and efficiency. It also ensured that accounting principles and practices were properly followed, as well as measurement criteria in the process of preparing and presenting the mandatory financial information.

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS:

Another of the responsibilities exercised by the Audit Committee was the review of the internal control systems set up by the Group, including the results of the review of the Internal Audit Department and the systems for risk management. The Committee monitored:

- The quarterly reports on internal control of financial information prepared internally by Internal Audit.
- The review of internal control over sustainability reporting by the Internal Audit Department.
- The Group's risk map, receiving information on the activity performed by the Global Risk Committee.
- The control activities carried out by the Investment Committee and the Credit Risk Committee.
- The monitoring of the tax principles and best practices contained in the Group's Tax Policy prior to its consideration by the Board of Directors.
- Cybersecurity Master Plan risks.

ETHICS AND REGULATORY COMPLIANCE COMMITTEE:
The work carried out by the Ethics and Regulatory Compliance Committee is also supervised by the Committee, which includes the management, monitoring and, as the case may be, proposal for updating the Group's Ethics and Compliance System and, in particular, oversight of communications received through the Whistleblowing Channel – Integrity Line.

The 2024-2025 Compliance Plan was launched during the year. The Committee, at two separate meetings, received the half-yearly and annual reports of the Ethics and Compliance Committee and, in turn, received status updates on the Compliance Plan for 2025.

TRAINING:
Five training sessions were held on the CNMV Technical Guide on Audit Committee; Generative Artificial Intelligence; Sustainability Challenges for Corporate Governance; and Market Trends in Food and Ingredients; and Status Update on Digital Transformation within Companies.

RELATED-PARTY TRANSACTIONS:
A report has been prepared on related-party transactions for its publication on the Company's website. In this regard, pursuant to article 231 of the Corporate Enterprises Act, none of the companies forming part of the Viscofan Group have performed transactions with related parties.

INDEPENDENCE OF THE AUDITOR:

The Audit Committee issued a report in fulfilment of its duty to express its opinion on the independence of the auditor.

Also in 2024, the Committee supervised and monitored the arrangement of non-audit services at all Group companies, as specified in the pre-approval policy on external audit services.

C.2.1. FUNCTIONS OF THE APPOINTMENTS, REMUNERATION AND SUSTAINABILITY COMMITTEE AND ITS MOST IMPORTANT ACTIONS DURING THE FINANCIAL YEAR

The Appointments, Remuneration and Sustainability Committee is regulated under article 33, section 2, of the Articles of Association, under article 16 and 17 of the Board of Directors Regulations, that identically regulate the composition, form of selection and dismissal of its members and its main functions, and it has its own Regulation for the purpose of favouring the independence of the Committee and establishing the principles for action and the operating regime.

Attached below is further information relating to the Regulations of the Board of Directors as a broader and more complete version of the duties, procedures, terms of reference and functioning of the Committee.

Article 16 - Appointments and Remuneration Committee, establishes the following:

The Appointments and Remuneration Committee will be formed by a minimum of three and a maximum of six members and will be exclusively comprised of non-executive Directors appointed by the Board of Directors. At least two must be independent directors.

The members thereof shall be appointed ensuring that they have the right balance of knowledge, skills and experience for the functions they are called on to discharge and they shall automatically step down when they cease to serve as Company directors or at the discretion of the Board of Directors.

The Chairman will be selected from the independent Directors that sat on the committee.

The Appointments and Remuneration Committee will report to the Board of Directors on the business it addresses and all resolutions it adopts and will submit the minutes of its meetings to all directors.

The Appointments and Remuneration Committee will have the following functions:

a) Evaluating the skills, knowledge and experience required by the Board and, as a result, defining the functions and abilities required from candidates who are to cover each vacant position and evaluating the amount of time and dedication required for the effective performance of their duties.
b) Setting a representation target for the least represented sex on the Board of Directors and preparing guidelines on how to achieve this target.
c) Providing the Board of Directors with proposals for appointing independent directors, for appointment by co-optation or submission for voting at the General Shareholders' Meeting. Submitting proposals for the re-election or removal of these directors.
d) Providing information on proposals for the appointment of all other Directors for appointment by co-optation or submission for voting at the General Shareholders' Meeting, as well as proposals for their re-election or removal by the General Shareholders' Meeting.
e) Provide information about proposals for appointing and dismissing of senior management and principal conditions of their contracts.
f) Examining and organising the succession procedure for the Chairman of the Board of Directors and the Chief Executive Officer and where applicable, to submit proposals to the Board of Directors to ensure that such succession is addressed in an orderly and planned manner.
The Appointments and Remuneration Committee shall consult with the Chairman of the Board of Directors and the Chief Executive Officer of the Company, especially on matters relating to executive directors.
Any director may request that the Appointments and Remuneration Committee consider any potential candidates who they believe to be suitable to cover vacancies on the Board.

g) Propose to the Board of Directors the remunerations policy of the directors and senior officers, as well as the individual remuneration and the rest of the contractual conditions of the executive directors, and ensure its observance.
h) Propose to the board the standard conditions for senior officer contracts.
i) Monitor compliance with the remuneration policy set by the Company.
j) Periodically review the remuneration policy for directors and senior officers, including share-based remuneration systems and their application, and ensure that their individual compensation is proportionate to the amounts paid to other directors and senior officers in the company.
k) Ensure that conflicts of interest do not undermine the independence of any external advice the committee engages.
l) Verify the information on director and senior officers' pay contained in corporate documents, including the annual directors' remuneration statement.
m) Periodically evaluating the effectiveness of the Company's corporate governance system, to confirm that it is fulfilling its mission to promote the interests of the company and catering, as appropriate, to the legitimate interests of remaining stakeholders.

The Appointments and Remuneration Committee will consult with the Company's Chairman and Chief Executive Officer, especially on matters relating to executive directors and senior managers.

The provisions of this article will apply in the event that the Board of Directors decides to establish a separate Appointments Committee and a separate Remuneration Committee.

Article 17 - Sustainability Committee, establishes the following:

The Board of Directors will be able to create a Sustainability Committee or assign the powers and functions relating to environmental, social and corporate governance matters to any of the Committees indicated in the above articles.

The Committee assuming these powers and functions will be formed by a minimum of three and a maximum of six members and must be exclusively comprised of non-executive directors, and have at least two independent directors, one of which will be appointed as Chairman. The Committee assuming these powers will include the word "Sustainability" or a similar expression in its name.

In particular, it is the responsibility of the Committee assuming these powers and functions relating to environmental, social and corporate governance matters, in addition to others set forth by the Law and in the Bylaws, as well as the following:

a) The supervision of the Company's sustainability policy, ensuring that it is geared to value creation.
b) Monitor sustainability strategy and practices and assess compliance in their respect.
c) Oversee the Economic-financial and non-financial information communication strategy and relationship with shareholders and investors, including small and medium-sized shareholders and proxy advisers.
d) Monitor and assess the company's interaction with its stakeholder groups.

SUMMARY OF THE MAIN ACTIONS TAKEN BY THE COMMITTEE IN 2024:

The main issues dealt with and analysed by the Committee and that have shaped its main areas of supervision are:

Corporate governance

The Committee headed up the process of making changes to the composition of the Board of Directors, the Board Committees and the appointment of directors, while also reviewing the continued fitness of directors. This included the appointment and dismissal of members of senior management.

It was involved in reviewing the Annual Corporate Governance Report for the 2023 financial year, including the monitoring of the recommendations of the CNMV's Code of Good Governance.

It carried out the assessment of the Board, Committees and executive Chairman for 2023 and proposed an action plan for 2024, and after that it assessed the performance of the Board, Committees, Chairman and CEO for financial year 2024. It also discussed and analysed the succession plan for the Chairman, CEO and senior management.

During the year, the Committee requested confirmation of no conflicts of interest.

Lastly, it was involved in reviewing and implementing Corporate Governance Policies throughout the year.

Remuneration

In this respect, the Committee submitted proposals for the fixed and variable remuneration of the Chairman and the CEO, for a remuneration framework, and for the fixed and variable remuneration of senior management.

The Committee also prepared and submitted to the Board of Directors the proposal for the 2023 Annual Report on Director Remuneration, which the 2024 General Shareholders' Meeting approved by a large majority, and it subsequently verified the remuneration information disclosed in the 2024 half-yearly report submitted to the CNMV.

Sustainability:

The Committee proposed new Sustainability Policies and updates to existing ones. It also reviewed the Non-Financial Information Statement included in the Management Report for financial year 2023 and subsequently reviewed the work ongoing to bring the new reporting framework in line with the Corporate Sustainability Reporting Directive (CSRD) and the preparation of the consolidated Non-Financial Information Statement and Sustainability Report for financial year 2024.

Monitoring

The Committee regularly monitored the key indicators set out in the 2022-2025 Sustainability Action Plan, both environmental (i.e. reduction of

CO2 emissions, waste management and reduction of water withdrawal), Occupational Health and Safety (accident rate), and the promotion of diversity with the aim of increasing the number of women in management positions.

It also headed up the process of setting new targets and a roadmap for the Net Zero GHG emissions target, which was presented and approved by the Board of Directors in December 2024.

Update and training sessions:

As part of the Committee's work plan, it arranges regular refresher training. In 2024, this was carried out jointly, when considered necessary, with all the directors when the training events addressed cross-cutting issues common to all of them, including: Generative artificial intelligence; Sustainability challenges for corporate governance, Market trends in food and ingredients; and Trends and status update on digital transformation at companies.

POINT D.6. DETAIL THE MECHANISMS ESTABLISHED TO DETECT, DETERMINE AND RESOLVE POSSIBLE CONFLICTS OF INTEREST BETWEEN THE COMPANY AND/OR ITS GROUP, AND ITS DIRECTORS, MANAGERS AND/OR SIGNIFICANT SHAREHOLDERS OR OTHER RELATED PARTIES.

The duty to prevent conflicts of interest is governed in article 26 of the Board of Directors Regulations. It states the following: “The directors shall takes all necessary action to avoid any conflict with the interests of the company and with their duties towards the Company

and its group of companies. They must likewise inform the Board, prior to occurrence of any conflict, or as soon as they are aware of the existence of one, with the obligation to immediately stand down should said conflict persist or should their presence on the Board be contrary to the company's best interests.

Directors shall refrain from discussing and voting on matters in which they have either a direct or indirect interest, even through related parties, except in the resolutions or decisions affecting their capacity as members of the Board under the terms provided for by Law, such as their appointment for or removal from positions within the Board.

Likewise, the directors shall refrain from conducting transactions with the company, except for ordinary transactions, of little importance, made in standard conditions for customers under the terms provided for by Law.

Any conflicts of interest involving the directors shall be included in the annual corporate governance report.

Directors cannot, either personally or through an intermediary, carry out activities or hold positions of any nature in businesses or companies that are currently or potentially competitors of Viscofan and its group of companies; neither may directors act as a representative or consultant to such businesses or companies or perform any other activity that puts them in conflict with the interests of the Company."

The duty to abstain is regulated by Article 27 of the Board of Directors Regulations. It states the following:

"Directors must not use the name of the Company or its related companies, or take advantage of their position to conduct transactions for themselves or related parties.

A director's duty to abstain implies not making personal use of the company's assets, including any confidential information received while fulfilling their role as a director and not making any investments or conducting any commercial transactions related to the fulfilment of said role, for their own gain or that of related third parties.

Directors shall abstain from trading - or suggesting that anyone else trades - in the securities of the Company or its related companies, regarding which they have inside information due to the position they hold.

The directors may not take advantage of the business opportunities of the Company and its related companies, obtain advantages or remuneration from third parties, except for mere courtesy services in compliance with current internal regulations."

Moreover, both the duty of loyalty and the duty to avoid conflicts of interest extends to related persons, whose definition is established in Article 28 of the Board of Directors Regulations. Related persons.

"The director's duty of loyalty, of avoiding conflicts of interest and duty to abstain in their various facets, also covers those activities performed by related parties, based on the definition set forth in the Law."

Article 34 of the Board of Directors Regulations states the following regarding duties in relation to significant shareholders:

"Directors acting on behalf of major shareholders shall ensure that the aforesaid obligations of directors are extended to the shareholders, in addition to any legal obligations and those set out in the Articles of Incorporation.

Any transactions performed with these major shareholders shall be approved by the Board in a plenary session and must be included in the Company's annual report and in the annual corporate governance report and comply with the current legislation."

Lastly, Article 36 of the Board of Directors Regulations, regulating the use of voting by proxy, reads as follows:

"Directors who have made public requests for representation may not exercise their voting rights pertaining to the represented shares in relation to the business on the agenda in which they have a conflict of interests and, in all cases, in relation to:

a) Their appointment, ratification, removal or resignation as a director.
b) The bringing of an action for liability against him/her.
c) The approval or ratification of transactions with the company in relation to which the director has a conflict of interests."

In addition, the Viscofan Group's Code of Conduct, among its general ethical principles, establishes that the directors, managers and employees

of the Viscofan Group, as well as any person who carries out their professional activity within the Viscofan Group, must act under the principle of transparency when confronted with any conflict of interest:

"It is our duty to do business in the best interest of Viscofan and not based on our personal interests. A conflict of interest arises when, in the course of our professional activity at Viscofan, our private interests may collide with those of Viscofan.

We must inform our line manager or the Human Resources Department of any private interest we may have in connection with the performance of our professional duties. Our manager or the Human Resources Department must report any conflict of interest in their area of responsibility to the Ethics and Compliance Committee. Through their identification and declaration, which will normally lead to refraining from participating in the decision-making process, independence of judgement is preserved and the risk of fraudulent or corrupt actions is avoided.

We are not permitted to use for our contracts or orders of a personal or private nature companies with which we have a business relationship as part of our Viscofan activity if this could result in a personal advantage in the contract or order. This is

particularly applicable if we exercise or may exercise direct or indirect influence over whether or not that company receives contracts from Viscofan."

POINT E.5 STATE WHAT FINANCIAL AND NON-FINANCIAL RISKS, INCLUDING TAX-RELATED RISKS, HAVE OCCURRED DURING THE FINANCIAL YEAR.

Below follows the risks that have materialised with a more significant impact during the financial year and their response plan:

1) Financial risks

1.1) The increase in interest rates, derived from the monetary policies implemented by the main Central Banks worldwide with the aim of combating inflation, has generated an increase in financing costs. Viscofan strategically addresses the risk associated with interest rates by managing a balanced portfolio of loans and credits, both at fixed and variable rates.

2) Environmental risks and those resulting from climate change:

2.1) Regulatory changes. Transition risk – Policy and legislation

Viscofan's production process is energy intensive, so legislative proposals related to this resource and aimed at mitigating climate change may have a particular impact on the business.

In this regard, Viscofan has identified as a material risk the rise in the prices of GHG emission allowances under the EU Emissions Trading System and the establishment of this mechanism at a global level.

In 2024, Viscofan, with its Cáseda in Spain and Weinheim in Germany implementations, is subject to the European Union's GHG emission rights regime known as EU-ETS. In the current financial year, expenditure on GHG emission allowances amounted to €17.1 million.

To mitigate this risk and minimise its impact moving forward, Viscofan has a Net Zero by 2050 Plan in place, with an interim target of reducing Scope 1 and 2 GHG emissions by 45% to 50% by 2030 compared with a base year of 2018, with various decarbonisation drivers defined. For more information on the plan, see the consolidated Non-Financial Information Statement and Sustainability Report in section 2.1.3, while further information on the main actions undertaken in 2024 can be found in section 2.1.4.

3) Operational risks.

3.1) In 2024, the production and sale to the grid of electricity from co-generation engines during specific periods of high electricity production in the Spanish electricity system was restricted. Lower production coupled with lower electricity prices on the market resulted in a larger than expected decline in revenues from co-generation sales. However, the installation of electric boilers as part of the Viscofan Group's energy diversification and decarbonisation strategy enabled the company to maintain the energy input needed to continue producing casings (a continuous 24x7 process) as and when this risk materialised during the period.

4) Competition and market environment. Decrease in demand.

4.1) In 2023, the casings market was affected by an inventory adjustment process in the meat industry, leading to a reduction in volumes. Viscofan, as a market leader, was not immune to this global trend, which led to a decline in sales volumes during the year. This process eventually dissipated in 2024, giving way to fresh growth in collagen and fibrous technologies, and where the decline in cellulose casings in the first half of the year reversed in the second half of 2024.

In this situation, tasks have been carried out to monitor the evolution of the main affected markets, maintaining disciplined commercial policies to prevent harm to the financial profitability goals. In parallel, the company has strengthened the specific projects aiming to improve levels of service and quality involving increased protection of the market share in adverse scenarios.

This annual corporate governance report was approved by the Board of Directors of the Company at its meeting of:

27/02/2025

Indicate whether any board members voted against or abstained from voting on approving the present Report.

[ ] Yes
[ √ ] No

# ANNUAL REPORT ON DIRECTORS' REMUNERATION AT LISTED LIMITED LIABILITY COMPANIES

(This is a free translation of the original document in Spanish. In the event of any discrepancy between this translation and the original Spanish document, the original Spanish version will prevail.)

ISSUER IDENTIFICATION DETAILS

END-OF-YEAR REFERENCE DATE 31.12.2024

Company Tax ID No.

Registered Name: VISCOFAN SA

Registered Address:

POLÍGONO INDUSTRIAL BERROA 15-4ª PLANTA
31192 TAJONAR – NAVARRA
SPAIN

# ANNUAL REPORT ON DIRECTORS' REMUNERATION AT LISTED LIMITED LIABILITY COMPANIES

## A CORPORATE REMUNERATION POLICY FOR THE CURRENT YEAR

A.1.1 Explain the current Directors' Remuneration Policy applicable to the current year. Whenever relevant, certain information may be included by reference to the remuneration policy approved by the general meeting, so long as the inclusion is clear, specific and concrete.

Descriptions should be given for specific determinations for the year in progress regarding the remuneration of directors in their status as such and as a result of their executive functions carried out for the board pursuant to contracts signed with executive directors and the remuneration policy approved by the general meeting.

In any event, the following aspects should be reported:

a) Description of the procedures and company bodies involved in determining, approving and applying the remuneration policy and its terms and conditions.

b) Indicate and, where applicable, explain whether comparable companies were considered when establishing the company's remuneration policy.

c) Information on whether any external advisors took part in this process and, if so, their
identity.

d) Procedures envisaged in the prevailing remuneration policy of the directors to apply temporary exceptions to the policy, conditions in which these exceptions can be resorted to and components that must be the object of exception in line with the policy.

The prevailing remuneration policy for the directors applicable to the period under way was approved by the Ordinary General Shareholders' Meeting on 27 April 2023 for the years 2024, 2025 and 2026. ("Remuneration Policy" or the "Policy").

In preparing the proposed Remuneration Policy, the following considerations have been taken into account:

- Internal factors, such as the Viscofan Group's Beyond25 strategy, the Sustainability Action Plan 2022-2025, and the Group's basic policies.
- External factors, such as the recommendations received in the shareholder engagement process that Viscofan regularly carries out, the economic environment and market practices and recommendations on good corporate governance at national and international level. In particular, the recommendations of the Good Governance Code of Listed Companies, approved by the Spanish National Securities Market Commission ("CNMV"), on remuneration have been taken into account.

In the exercise of its powers, the Appointments, Remuneration and Sustainability Committee ("ARSC" or the "Committee") has been advised by WTW, an independent advisor specialising in

the remuneration of directors and senior management, in connection with the definition and design of the Remuneration Policy.

During the process, account was taken of comparable companies identified with the assistance of WTW. The remuneration of directors in their capacity as such is essentially compared with companies of similar size from the Ibex-35; the remuneration of executive directors is compared with a group of companies in the Packaged Foods & Meats sector and with a selection of listed companies from the Ibex-35 and the continuous market, comparable in terms of size.

The Remuneration Policy establishes a remuneration system for directors based on their capacity as such and for executive or senior management functions:

1. Remuneration for directors in their capacity as such:

   - Limit. -The annual remuneration to directors in their capacity as such, for all the items, shall not exceed the limit of 1.5% of the consolidated annual net pre-tax profit (article 29 of the Articles of Association). The previous remuneration is, in any case, the maximum amount, corresponding to the Board of Directors itself, the proposed distribution of its amount between the directors.

   - Items. - The Policy includes the following items:

     a) specific fixed remuneration for the position of Chairman of the Board of Directors. This remuneration is compatible with fixed annual remuneration directors may receive for their membership of the Board (section b) below).

     b) fixed remuneration for sitting on the Board of Directors and the Committees, according to positions or functions held on those bodies.

     c) attendance fees for Board of Directors meetings.

2. Remuneration for executive or senior management duties of executive directors. Their remuneration comprises the following items:

   a) A fixed annual remuneration (interchangeably also referred to as "Salary") based on the level of responsibility and career path, aligned with that which is being met in the market for comparable companies.

   b) An annual variable remuneration (also referred to as "Annual Bonus").

      **i.** Limit. The Annual Bonus is 70% of Salary of the executive director when achieving 100% of the targets set ("Target Annual Bonus"), and may reach a maximum of 150% of the Target Annual Bonus (i.e. up to a maximum of 105% of the Salary) in the event of maximum over-fulfilment of the targets set.

      **ii.** Metrics. It is linked to achieving a combination of corporate objectives (minimum weighting of 50%; essentially economic-financial, operational and non-financial), objectives specific to the executive directors (maximum weighting of 30%) and performance evaluation all of which are specific, predetermined and quantifiable and the performance evaluation of the director during the year (maximum weight of 20%).

   c) Long-term incentive plan (also referred to as the "Three-Year Plan").

      i. Limit. The annualised limit of the "Three-Year Plan" is 100% of the executive director's salary in the event of 100% achievement of the targets set ("Target Incentive"), and can reach a maximum of 150% of

the Target Incentive in the event of maximum over-fulfilment of the targets set.

ii. Metrics. With a minimum measurement period of three years, they are essentially shareholder value creation and non-financial objectives (minimum weighting of 20%) and wholly or partially equity-based

On 31 December 2024, the measurement period ended for the 2022-2024 Long-Term Incentive Plan ("2022-2024 Three-Year Plan") that the General Shareholders' Meeting of 29 April 2022 approved for that period. The 2022-2024 Three-Year Plan will be settled and paid in 2025 under the terms explained in section B.7 below.

For the period 2025-2027, the Committee has drafted and the Board of Directors will submit a new Long-Term Incentive Plan to the 2025 General Shareholders' Meeting ("2025-2027 Three-Year Plan"), whose terms are explained in section A.1.6 below.

d) Other benefits: life and accident insurance, healthcare assistance policy and company vehicle; these benefits cannot exceed 20% of the employee's fixed remuneration.

As at 1 January 2024, the Chief Executive Officer, the Company's chief executive officer, is the sole executive director of the Board of Directors. In the event that directors other than the Chief Executive Officer perform executive functions, their remuneration must observe the limits and conditions set out in this Policy for each remuneration item.

The Board of Directors, upon the proposal of the Committee, may submit, to the General Shareholders' Meeting, the concession of special incentives to executive directors in light of extraordinary operations.

The Company also has civil liability insurance for directors and executives.

The Remuneration Policy does not envisage procedures to apply temporary exceptions to it.

A.1.2 Relative importance of variable remuneration items vis-à-vis fixed items (remuneration mix) and the criteria and objectives used to determine and guarantee a suitable balance between fixed and variable remuneration items. In particular, explain the actions taken by the company in connection with the remuneration system to reduce excessive risk exposure and match it to the long-term targets, values and interests of the company, which should include, whenever pertinent, measures taken in relation to those categories of staff whose professional activities have a material impact on the risk profile of the entity; clawback formulae or clauses to reclaim variable components of performance-based remuneration when such components have been paid on the basis of data that is subsequently proven to be wholly inaccurate; and measures designed to prevent conflicts of interest.

Furthermore, state whether the company has established any period for the accrual or vesting of certain variable remuneration items, in cash, shares or other financial instruments, any deferral period in the payment of amounts or the handover of accrued and vested financial instruments, or if any clause has been approved reducing the deferred remuneration not yet consolidated or that obliges the director to return remuneration received, when such remuneration has been based

on certain figures that have clearly proven to be inaccurate.

The Remuneration Policy provides a reasonable balance between the different components of fixed (annual) and variable (annual and long-term) remuneration, which reflects a suitable assumption of risks combined with the achievement of defined short- and long-term objectives, linked to the sustainable creation of value.

- The fixed component is accrued in any case, so it is not an item that entails exposure to risk.

- The annual variable remuneration or Annual Bonus is linked to the fulfilment of annual business targets of a financial, operational, share performance, non-financial and sustainability nature, and are proposed by the Committee and approved by the Board of Directors. The objectives of the Annual Bonus, as they are primarily based on the annual budget and on the guidelines provided to the market, are aligned with the strategic vision and the long-term objectives in the Viscofan Group's strategic plans which, as they are recurring, avoid the assumption of excessive risks. This is reinforced by the fact that their evaluation is carried out once the financial statements have been audited and presented.

- The long-term incentive or Three-Year Plan, which essentially takes the creation of value for the shareholder as a reference (for example, total shareholder return or TSR) and its sustainability with a minimum measurement period of three years, without prejudice to the moment of payment or settlement. Furthermore, it includes essentially non-financial, sustainability, environmental and social objectives.

In a scenario of achievement of the target objectives (i.e., in the event of 100% achievement of the objectives), the annual fixed remuneration would have a weight of 37% of the total, the annual variable remuneration of 26% and the long-term incentive of 37%. The design of the remuneration policy is therefore consistent with the Company's strategy and reinforces the focus on long-term performance.

The Remuneration Policy includes an ex-post control of variable remuneration ("clawback"), both for the Annual Bonus and for the Three-Year Plan, should the following circumstances arise within the 24 months after payment of said remuneration:

- Significant fall in consolidated net profit (more than 50%).

- Serious non-compliance by the beneficiary of the internal rules, including, in particular, risk-related rules.

- Material reformulation of the Group's financial statements, when considered by the external auditors, except when it is appropriate according to a modification of the accounting regulations.

Furthermore, there are risk mitigation measures:

- the Committee may propose to the Board of Directors that adjustments be made to the elements, criteria, thresholds and limits of the variable annual or pluriannual remuneration in exceptional circumstances due to extraordinary internal or external factors or events. The detail and justification of these adjustments will be included in the corresponding Annual Report on Directors' Remuneration.

- To reinforce the commitment of executive directors to long-term Company interests and alignment with shareholder interests, the Policy includes a share ownership commitment in which they must hold a number of shares equivalent to two years of their annual gross fixed remuneration while they are in office. To achieve this objective, a period of four years is established, calculated from the start of the effectiveness of the Policy or from the appointment in the case of new Directors. Should this limit not be reached, the net shares, if any, that are received by the executive directors deriving from any element of variable remuneration, will be subject to a retention period of at least three years. The Chief Executive Officer, the only executive director in office, currently holds shares whose value exceeds the threshold indicated.

Regarding the measures to preclude conflicts of interest, in accordance with the Regulations of the Board of Directors, in application of the legal precepts in force regarding the matter, the directors are annually required to declare, or have the duty to do so, as soon as they become aware of any conflicts of interest, and they must immediately resign should this conflict persist or should their presence on the Board contravene the Company's interests. Directors must also refrain from discussing and voting on matters in which they have either a direct or indirect interest, even through related parties, except in the resolutions or decisions affecting their capacity as members of the Board, such as their appointment for or removal from positions within the Board. Internal company regulations on measures to prevent conflicts of interest are applicable to all Viscofan Group employees.

A.1.3 Amount and nature of fixed components that directors are expected to receive in the year for their status as such.

The remuneration of directors in their capacity as such in 2025 is as follows:

- The Chairman of the Board will receive fixed remuneration for that office of €575,000. This remuneration is independent from the fixed annual remuneration that directors may earn in their capacity as a member of the Board of Directors.

- Board members shall receive a fixed remuneration for membership thereof of €80,000 each.

- An additional fixed remuneration will be paid per office and membership on Committees of the Board of Directors:

  - Audit Committee: Chairman €45,000 and members €30,000.
  - Appointments, Remuneration and Sustainability Committee: Chairman €37,500 and members €25,000.

- Lead Director for holding said office: €25,000.
- Allowances for attendance at Board of Directors meetings, to pay for personal and effective attendance at the meetings of the Board of Directors remain at €3,000 per meeting and director; for telematic attendance, the allowance will be €1000 for each meeting and director. The Chief Executive Officer will receive no allowance whatsoever in this regard. In the event the Deputy Chairman chairs the meeting of the Board of Directors to substitute the Chairman, they will receive twice the amount of the attendance allowance.

Attending Committee meetings does not accrue an attendance allowance.

A.1.4 Amount and nature of fixed components that executive directors will receive in the year for discharging senior management duties.

- First executive (Chief Executive Officer): €800,000

- In the event that directors other than the Chief Executive Officer perform executive functions, their remuneration must observe the limits and conditions set out in the Policy for each remuneration item.

A.1.5 Amount and nature of any component of remuneration in kind that will accrue during the year, including, but not limited to, insurance premiums paid in favour of the director.

The remuneration in kind that will accrue in 2025 for the items set out in the Remuneration Policy

(life and accident insurance premium, health care and vehicle) is estimated at €57,550 for the Chief Executive Officer.

The Company has arranged civil liability insurance for both executive and non-executive directors (D&O insurance), as well as for executives of the Company and the Group's subsidiaries. In this insurance, the directors will be considered as the insured parties, due to the liabilities that may arise as a consequence of the performance of their activities. The premium for the aforementioned D&O insurance for 2025 is €79,000. Due to the civil liability insurance being arranged globally, it is not possible to calculate the proportionate part for the directors as remuneration in kind.

A.1.6 Amount and nature of variable components, differentiating between those established in the short and long term. Financial and non-financial parameters, including social, environmental and climate change parameters, selected to determine the variable remuneration in the year in progress, explaining the extent to which these parameters are related to performance, both of the director and of the company, together with their risk profile, and the methodology, deadline necessary and techniques established to determine the degree of compliance with the parameters used in the design of the variable remuneration at the end of the year, detailing the criteria and factors applicable with regard to the time required and methods to effectively verify the conditions of performance or any other type to which the accrual and consolidation of each component of variable remuneration is linked.

State the range, in monetary terms, of the different variable components according to the degree of compliance with the objectives and parameters established, and whether any maximum monetary amounts exist in absolute terms.

a. Annual variable remuneration (Annual Bonus):

The Chief Executive Officer is entitled to the following Annual Bonus for 2025, proposed by the Committee and approved by the Board of Directors at its meeting of 27 February 2025:

- Amount and limits.
  - Annual Target Bonus (in case of 100% target achievement) of €560,000.
  - If the target is over-fulfilled, the Annual Bonus could reach a maximum of €840,000.
- Metrics and weighting. -
  - Corporate Objectives, which collectively weight 50% in the Annual Bonus:
    - Economic-financial parameters, in terms of increase in sales, improvement in EBITDA and net profit, reduction in the ratio of inventories to sales and share performance (80% of corporate objectives).
    - Non-financial and sustainability parameters in terms of accident reduction and fulfilment of the training plan, taking the Group's sustainability strategy as a reference (weighted at 20% of the corporate objectives).
  - The CEO's own quantifiable objectives (weighted at 30%) linked to

profitability, execution of the Group's priority projects and business growth.

- Individual performance of the Chief Executive Officer (weighted at 20%). Valuation of the qualitative factors for each Director upon the proposal of the Committee linked to commitment to the project, transformation and teamwork.

- Over-fulfilment of targets linked to the additional profitability targets in terms of EBITDA and net profit.

– Determination procedure.

At the end of the reporting period, the Committee, with the internal support that it deems necessary (i.e. Internal Audit, Corporate Financial Management) as well as external, will determine the proposed degree of fulfilment (establishing a specific percentage and amount) of each of the targets and the evaluation of the performance of the executive directors. This percentage will be applied to the Target Annual Bonus to determine the specific amount of the annual variable remuneration, which will be submitted to the Board of Directors for approval at the time of preparation of the financial statements, directors' report, Annual Corporate Governance Report and the Annual Directors' Remuneration Report 2025, which usually takes place within the first two months following the close of the reporting period to which they refer.

In particular, during said period, it has been verified that the performance conditions to which the accrual and consolidation of the Annual Bonus are linked have been fulfilled, essentially through an external audit process of the financial statements and directors' report, and the verification of the Non-Financial Information Statement and Sustainability Report by an independent third party, which guarantees the verification of financial and non-financial parameters, and the verification of processes and internal reports that are collected on the remaining objectives or on the basis of public information (i.e., price of the share in line with stock market index listings).

b. Long-term incentive plan (Three-Year Plan).

The Board of Directors of Viscofan, S.A., at its meeting held on 27 February 2025, proposed to submit a Long-Term Incentive Plan for 2025-2027 to the 2025 General Shareholders' Meeting (the “2025-2027 Three-Year Plan”, with the "Measurement Period" starting 1 January 2025 and ending 31 December 2027), for the Company's Executive Directors, executives and other key personnel of the Viscofan Group, mixed in shares and in cash. The proposed resolution and the explanatory report will be provided to the shareholders upon the announcement of the General Shareholders' Meeting. For the purposes of this report, the relevant aspects relating to executive directors are highlighted:

– Amount and limits. - The Chief Executive Officer may receive up to 27,718 shares and €720,012 in cash for the Target Incentive (achievement of 100% of the targets); in the event of the Maximum Incentive for over-fulfilment, the Three-Year Plan may reach a maximum total of 41,577 shares and €1,080,018. In line with the price of €60.61 per share taken at the start of the Measurement Period (the average share price in December 2024) the Plan's total value for the Chief Executive Officer is €2,400,000 for the Target Incentive and €3,600,000 for the Maximum Incentive for over-fulfilment.

– Metrics and weighting. -

The proposed Plan reflects the expected value creation in the Measurement Period, taking into account the Viscofan Group's strategy.

- Three metrics blocks are established for the Target Incentive:

**(i)** Creating value for shareholders (75% weighting of the

Target Objective).

We propose as one of the Plan's essential metrics Total Shareholder Return ("TSR"), which measures the return on investment for the shareholder as a sum of the variation in the share price in the Measurement Period, plus dividends and other similar items received during this period.

The average listed price of the share in December 2024, i.e., €60.61 per share, is taken as the initial reference. To calculate the performance of TSR at the end of the period, the average listed price of the share in December 2027 will also be considered.

In accordance with these benchmark values, a minimum level of compliance is established, from which the Three-Year Plan begins to receive 4.5% of the Compound Annual Growth Rate (CAGR) and 7% of the CAGR as a Target Incentive, in line with the Company's historical average. The metrics of the new proposed Plan are slightly more demanding than in the previous three-year plans (from 4% to 6.5% CAGR). Minimum achievement entails achieving 30% of the weighting of the target and the maximum of 100%.

**(ii)** Creating sustainable environmental value. Reduction of CO2 emissions (12.5% weighting of the Target Incentive).

On 19 December 2024, the Board of Directors approved the Viscofan Group's Net Zero Plan, which includes a firm commitment to the decarbonisation of processes. Accordingly, and in line with this plan, a reduction of CO2 emissions in scope 1 and 2 of between 2.6% and 3.3% of annual CAGR is proposed as a target for all the companies that make up the Group by 31 December 2024. A reference value of 403 thousand tonnes of CO2 annualised to December 2024 is used. The minimum achievement is 30% of the weighting of this target and the maximum is 100%.

**(iii)** Creating sustainable social value. Reducing the accident rate (12.5% weighting of the Target Incentive).

In the materiality assessment carried out by the Viscofan Group, the safety of people at work has once again been highlighted as a priority and a particularly critical area. In line with this analysis, a target is proposed to reduce the average severity rate (the number of days lost per 1000 working hours) in the Measurement Period by between 10% and 13% CAGR per annum compared to the average severity rate for the period 2022-2024, which came to 0.217. Minimum achievement entails achieving 30% of the weighting of the target and the maximum of 100%.

- Maximum Incentive for over-fulfilment (up to an additional 50% of the Target Incentive).

  For the accrual and recognition of this additional 50% of the Target Incentive, an exceptional performance of the TSR is demanded, obtained from the absolute viewpoint and from another, relative, that is, comparing the Company's TSR with the performance of a reference group.

  **(i)** Creation of historical absolute value for shareholders (35% of the Target Incentive)

  If an absolute TSR is obtained between 7% (minimum value) and 10% (maximum), values that correspond to a return obtained in the

exceptional periods of greater value creation for the Company.

**(ii)** Creation of value exceeding other companies of reference (15% of the Target Incentive)

To measure this objective, the proposal is to use the relative TSR, in which the Company must perform better than the average of a reference group.

This benchmark group will be composed of the seven non-financial Ibex 35 companies with a market capitalisation at the close of December 2024, as a benchmark of small & medium caps with a capitalisation that is similar to Viscofan[1], and seven other benchmark companies in the speciality ingredients and packaging market[2].

If Viscofan's TSR is in the 50th percentile, over-fulfilment starts to accrue, with the maximum achievement being the 100th percentile.

– Determination procedure. -

At the end of the Plan's Measurement Period, the Committee, based on publicly available information (i.e. share price as quoted on stock market indices) and audited and verified financial and non-financial information of the Group, for which purpose it may seek such internal and external support as it deems necessary, shall determine the proposed degree of achievement (with the setting of a specific percentage) of each of the targets. This percentage will be applied to the Target Incentive to determine the amount and number of shares accrued by the Chief Executive Officer -as well as by the other beneficiaries of the Plan-, which will be submitted for approval to the Board of Directors. The Plan will be settled and paid within the first 6 months of the financial year following the end of the Measurement Period, once the Ordinary General Shareholders' Meeting approves the financial statements for the last financial year.

The Chief Executive Officer may not transfer the shares delivered during a period of three (3) years unless such CEO holds, directly or indirectly, a number of shares equivalent to twice their annual fixed remuneration. The provisions of the current Directors' Remuneration Policy will apply to the ex-post control of variable remuneration ("clawback").

A.1.7 Main characteristics of the long-term savings systems. In addition to other information, state the contingencies covered by the system, whether through defined contributions or benefits, the annual contribution that needs to be made to the defined contribution system, the benefits directors are entitled to in the event of defined benefit systems, the conditions under which economic rights are vested for directors and their compatibility with any other type of payment or severance pay as a result of the early termination or dismissal of the director, or deriving from the termination of the contractual relation, on the terms provided, between the company and the director.

State if the accrual or vesting of any of the long-term savings plans is linked to achieving certain objectives or parameters related to the short- or long-term performance of the director.

The Company has no long-term savings systems for directors.

[1] Solaria, Acerinox, Sacyr, Grifols, Enagás, Rovi and Colonial.
[2] DSM-Firmenich, IFF, Kerry, Ingredion, Symrise, AAK and Tate & Lyle

A.1.8 Any type of payment or severance pay for early termination or dismissal of the director, or deriving from the termination of the contractual relation in the terms agreed to between the company and director, whether voluntary resignation by the director, dismissal of the director by the company, or any other type of termination agreement reached such as exclusivity, post-contractual non-competition, continuance in office or loyalty, which would entitle the director to some sort of remuneration.

The following cases are envisaged in the contracts of executive directors:

The compensation of two annual payments of the annual fixed remuneration for extinguishing the contractual relationship not attributable to the director, including termination initiated by the executive director in the following cases:

- Substantial modification of the conditions of provision services that redound notoriously to the detriment of the executive director.

- Substantial change in the conditions of the rendering of services of the executive director as a result of a significant change in ownership of the Company equal to or greater than 30% of the share capital, with the effect of renewing the governing bodies of the Company or the content and approach of its main activity, provided that the termination occurs within three months after the occurrence of such changes.

There will be no compensation if the dismissal is the result of gross misconduct, wilful misconduct and culpable conduct of the executive director in the performance of duties.

Two-year non-compete agreement. The compensation for the two-year non-compete commitment is included in the compensation contemplated for the termination of the relationship. In case of noncompliance with the non-compete commitment, the executive director must return the received compensation and pay three times its amount in damages.

Under the Remuneration Policy, a notification period of 6 months is foreseen to terminate the relationship with the executive chairman and, in the case of non-compliance, the breaching party must compensate the other with the amount of remuneration corresponding to the notification period. In this regard, the Remuneration Policy establishes that the amount which, where applicable, the Company will pay for breach of the contractually established notification period, will be discounted from the two years of fixed remuneration deriving from the compensation in the event of termination of the contractual relationship.

A.1.9 Indicate the conditions that must be respected in the contracts of those who exercise senior management functions as executive directors. Among other aspects, give information on the duration, limits to the amounts of indemnity, tenure clauses, notice periods and payments that can replace such notice periods, and any other clauses regarding hiring bonuses, as well as severance payments or ring-fencing for early cancellation or termination of the contractual relationship between the company and the executive director. Include, inter alia, covenants or agreements regarding non-competition, exclusivity, tenure or loyalty and non-competition after termination of contract, unless already explained in the section above.

Executive director contracts adapt to the following essential conditions:

- Commercial nature.
- Indefinite.
- Notice of 6 months for voluntary termination (reciprocal). In case of failure to observe the 6-month notice period (reciprocal), the compensation shall be payment of the remuneration corresponding to the unfulfilled notice period. The amount which, where applicable, the Company pays for the breach of the contractually established notification period, will be discounted from the two years of fixed remuneration deriving from the applicable compensation in the event of termination of the contractual relationship.
- Compensation and a post-competition covenant (refer to section above).
- The duty of confidentiality on information, data, reports or background information to which directors had access while in office shall persist even after they leave office, regardless of the reason.

To streamline the hiring of candidates, the Policy provides the Committee with the possibility of submitting a proposal to the Board of Directors for a hiring bonus to offset any loss of incentives not accrued, and the possibility of an international assignment of the application of the Company's policy for such cases (e.g. housing supplement). Such circumstances did not occur, and the Company made no premium payment in this regard.

A.1.10 The nature and estimated amount of any other supplementary remuneration that will be accrued by directors in the year in progress in consideration for services furnished other than those inherent in the post.

No supplementary remuneration other than the remuneration explained in previous sections are expected.

A.1.11 Other remuneration items, including items deriving from the company providing advances, loans, guarantees or any other remuneration to directors.

None were or are expected to be granted.

A.1.12 The nature and estimated amount of any other planned supplementary remuneration that will be accrued by directors in the year in progress not included in the previous sections, whether payment is made by the company or another group company.

There are not and will not be any supplementary remuneration other than the remuneration explained in previous sections.

A.2 Explain any relevant change in the remuneration policy applicable to the current year arising from:

a) A new policy or amendment in the policy already approved by the General Shareholders' Meeting.

b) Significant changes in specific determinations established by the Board for the current year on the valid remuneration policy compared with those applied in the previous year.

c) Proposals that the Board of Directors may have agreed to at the General Shareholders' Meeting to which this annual report will be submitted and proposed to be applicable in the current year.

There have been no changes to the present Remuneration Policy and no changes are planned for the current year.

A.3 Identify the direct link to the document where the current company remuneration policy is posted, which must be available on the company website.

https://public.viscofan.com/corporate-governance/Reglamentos/05.1Propuesta%20Pol%C3%ADtica%20de%20remuneracion%20Consejeros%202024-2026.pdf

A.4 Explain, taking into account the data provided in Section B.4, the outcome of voting, of a consultative nature, by shareholders at the General Shareholders' Meeting regarding the Annual Remuneration Report for the previous year.

The directors' annual remuneration report for the year ending on 31 December 2023 received the backing of the majority of shareholders, namely 95.1% of the votes cast in favour. Therefore, it is concluded from continuous contact with shareholders and investors that the Remuneration Policy and is application is aligned with the vote of shareholders.

## B GLOBAL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED DURING THE YEAR-ENDED

B.1.1 Explain the process followed to apply the remuneration policy and determine the individual remuneration contained in Section C of this report. This information will include the role played by the Remunerations Committee, the decisions taken by the Board of Directors and, as the case may be, the identity and the role of the external advisors whose services have been used in the process to apply the remuneration policy in the year ended.

The Board of Directors is the competent body to apply the Directors' Remuneration Policy in force during the financial year (Remuneration Policy approved by the General Meeting on 27 April 2023 for the financial years 2024, 2025 and 2026), although the various decisions involving such application are adopted at the proposal of or following a report by the Committee.

The Committee, which met on nine occasions in 2024, is made up of the following members at the date of this report:

| Name | Position | Type |
|---|---|---|
| Mr Jaime Real de Asúa Arteche | Chair | External Independent |
| Mr Andrés Arizkorreta García | Member | External Independent |
| Mr Santiago Domecq Bohorquez | Member | External Nominee |
| Ms Laura González Molero | Member | External Independent |
| Ms Verónica Pascual Boé | Member | External Independent |
| Mr José Antonio Cortajarena Manchado | Non-member secretary | N/A |

In all the processes for adopting their respective decisions, the committee and the Board of Directors have received information and advice from the company's internal services.

In this regard, it is worth noting:

(i) Regarding the remuneration of directors in their capacity as such, the Policy in force in 2024 is applied as follows:

a. Attendance fees. Each director entitled to the accrued attendance fee is paid after each meeting of the Board of Directors, subject to the secretary verifying the attendance list. The Chief Executive Officer is entitled to no attendance allowances.

b. Fixed compensation.

- Fixed compensation for the position of the Chairman of the Board of Directors - The specific compensation for the position of Chairman of the Board of Directors is determined in the current Policy and payment is made on a monthly basis.
- Fixed remuneration of directors for their membership of the Board of Directors, Committees and other positions. Payment of the amounts accrued by each director in their capacity as such for 2024 is subject to approval of the Financial Statements and the individual and consolidated Management Report for that year at the 2025 General Shareholders' Meeting, within the first six months of the year. Once these financial statements have been approved by the General Shareholders' Meeting, the corresponding resolution must be adopted by the Board of Directors to recognise and pay each director pursuant to the amounts set out in the current Remunerations Policy. The payment of the Lead Director's remuneration is made in the same way.

(ii) A distinction should be made with regard to the remuneration of the Chief Executive Officer:

a. The fixed remuneration or Salary of the Chief Executive Officer for their executive or senior management duties is determined in the Remuneration Policy approved by the General Shareholders' Meeting for the 2024-2026 period. This salary was paid in 2024 on a monthly basis.

b. The amount of annual variable remuneration or the Annual Bonus for 2024 was proposed by the Committee at its meeting of 13 February 2025 and approved by the Board of Directors at its meeting of 27 February 2025. The degree of achievement of the financial and operating targets is based on the Company's audited Financial Statements and Individual and Consolidated Group Directors' Report as authorised for issue and submitted for approval by the shareholders. The remaining non-financial targets are determined based on verified internal reporting in the Consolidated Non-Financial and Sustainability Information Statement and public information (i.e. share price).

c. The amount of the long-term incentive or 2022-2024 Three-Year Plan is determined by the recognition, settlement and payment of the 2022-2024 Three-Year Plan. Under the terms of the 2022-2024 Three-Year Plan approved by the General Shareholders' Meeting of 29 April 2022 (seventeenth resolution), the determination of the degree of achievement of the objectives was made after the end of the 2024 financial year by the Board of Directors at the proposal of the Committee once the information on the achievement of the targets was available, specifically at the meetings of the Committee on 13 February 2025 and of the Board of Directors on 27 February 2025.

d. Remuneration in kind is determined, within the limits set by the Policy, by agreement between financial and human resources management and the relevant financial and insurance entities (i.e. vehicle and life, disability and accident insurance).

B.1.2 Explain any change in the procedure established to apply the remuneration policy that occurred in the year.

No changes occurred.

B.1.3 Indicate if any temporary exceptions have been applied to the remuneration policy and, if they have been applied, explain the exceptional circumstances that have led to the application of these exceptions, the specific components of the remuneration policy affected and the reasons why the company considers that these exceptions are necessary to serve the long-term interests and sustainability of the company as a whole or to ensure its viability. Also quantify the impact of the application of these exceptions on the remuneration of each director in the year.

No temporary exception was applied.

B.2 Explain the different actions taken by the company in relation to the remuneration system and how they have contributed to reducing exposure to excessive risks and adapting them to the long-term objectives, values and interests of the company, including a reference to the measures that have been adopted to guarantee that the long-term results of the company have been taken into consideration in the remuneration accrued and that a suitable balance has been reached between the fixed and variable components of the remuneration, the measures that have been adopted in relation to those categories of staff whose professional activities have a material repercussion on the company's risk profile and the measures that have been adopted to avoid conflicts of interest, if any.

The answer to this section is completed with the explanations provided in section A.1.

- In relation to the remuneration of the directors in their capacity as such, the system to establish fixed remuneration and attendance fees, excluding the variable remuneration for business objectives, is an efficient instrument to reduce exposure to excessive risks and to include a long-term vision.

- The change from an executive Chairmanship to a non-executive Chairmanship was resolved with effect from 1 January 2024, at the request of the Company, following a report from the Committee and by resolution of the Board of Directors adopted unanimously, with the Chairman abstaining. In application of the provisions of the Policy and of the commercial contract for the rendering of services of the Chairman whose termination was sought by the Company, the right was recognised to an indemnity equivalent to two years of fixed remuneration and the recognition of the proportional part of the 2022-2024 Three-Year Plan that he had earned as executive director until then in accordance with the Policy and the resolution of the General Shareholders' Meeting of 29 April 2022 (resolution seventeen).

- With respect to the Chief Executive Officer, the only executive director in 2024, the Remuneration Policy has an appropriate remuneration mix (see Section A.1.2), with the following essential elements:

    - A fixed component or Salary pre-established in the Policy for 2024 that accrues in any case, so it does not represent any exposure to risk.

    - Annual variable remuneration, with a temporary performance period of one year, linked to specific measurable business objectives - some of which are recurring since they constitute critical elements of the supervision of performance and enable comparisons with previous years-, aligned with the management budget and the previsions or guides provided to the market, which prevents the encouragement of the assumption of excessive risks. This is reinforced by the fact that the assessment is carried out once the individual and consolidated Group financial statements and directors' report are available and following audit thereof by the auditors and the external verifier.

- A reasonable balance is established between annual and multi-year remuneration.

- The long-term variable component (Three-Year Plan) has a measurement period of three years, which moderates the undertaking of risks and offers the creation of value over a longer term.

- The *clawback* clause - which is applicable to both annual variable remuneration and long-term variable remuneration, and with a term of 24 months - is a factor that mitigates excessive risk taking.

B.3 Explain how the remuneration accrued and vested over the year meets the provisions of the current remuneration policy and, in particular, how it contributes to the sustainable long-term returns of the company.

Furthermore, report on the relationship between the remuneration obtained by the directors and the results or other performance measures of the company in the short and long term, explaining, as the case may be, how the variations in the performance of the company have influenced changes in the remuneration of directors and how the latter contribute to the short- and long-term results of the company.

Remuneration accrued by directors in their capacity as such is determined in a fixed manner in the Remuneration Policy and is not determined by profit or other measures of the company's performance. Pursuant to this Policy, the total amount paid as attendance fees for these sessions of the Board of Directors, specific compensation for the position of Chairman and the accrual by each director of a fixed amount for membership on the Board of Directors, committees and positions, amounts to €2,003 thousand and falls within the statutory limit (article 29 of the Articles of Association and which is reproduced by the Remuneration Policy), which cannot exceed 1.5% of the annual consolidated cash profit before taxes, which totalled €206,438 thousand.

The fixed remuneration or salary of the Chief Executive Officer, the only director holding an executive position, based on the Remuneration Policy, a fixed amount of 775,000 euros was set for 2024, in line with their level of responsibility, track record and the results obtained by the Company and the fixed remuneration paid by comparable companies in the market (section A.1.4).

As regards the annual variable remuneration earned by the Chief Executive Officer, the objectives and metrics to which it is conditioned consist of magnitudes linked to the Group's consolidated results and are aimed at promoting the Group's long-term performance. The specific amount to be received is the result of applying the percentage of achievement of each Objective or target Bonus. This degree of achievement was determined by the Board of Directors at its meeting of 27 February 2025, at the proposal of the Committee, once it had the annual accounts and the duly audited individual and consolidated management report, including verification by a third party verifier of the non-financial information statement. The details of the foregoing may be verified in section B.7

Lastly, it should be stated that regarding remuneration in kind, the Company has paid what is set out in the policy (for a total of €56,670 to the Chief Executive Officer), within the limit of 20% of fixed remuneration for this position.

B.4 Report on the outcome of the consultative vote at the General Shareholders' Meeting on the annual remuneration report for the previous year, indicating the number of abstentions, votes in favour and against and blank votes cast:

| | Number | % of total |
|---|---|---|
| **Votes cast** | 38,875,491 | 83.6% |

| | Number | % of votes cast |
|---|---|---|
| **Votes against** | 34,570 | 0,1 |
| **Votes in favour** | 36,975,456 | 95.1 |
| **Blank votes** | 0 | 0 |
| **Abstentions** | 1,865,465 | 4.8 |

B.5 Explain how the fixed components accrued and vested during the year by the directors in their capacity as such were determined, their proportion in relation to each director and how they have changed with respect to the previous year:

The remuneration of the members of the Board of Directors in their capacity as such consisted of applying the Remuneration Policy approved by the 2023 General Shareholders' Meeting for the years 2024, 2025, 2026 and currently in force in 2024:

- Chairman of the Board of Directors: €575,000/year, as specific compensation for the position set out in the Policy. This remuneration is in addition to any fixed annual remuneration directors receive in their capacity as such for their membership of the Board.
- Director for their membership of the Board: €80,000/year for membership of the Board.
- Chairman of the Audit Committee: €45,000/year.
- Chairman of the Appointments, Remuneration and Sustainability Committee: €37,500 /year
- Members of the Audit Committee: €30,000/year.
- Members of the Appointments, Remuneration and Sustainability Committee: €25,000 /year
- Lead Director: €25,000/year.

Where a director leaves or joins the board during the year, they receive remuneration in proportion to the time during which they sat on the board.

Similarly, in 2024, in line with the Remuneration Policy, attendance fees were applied to remunerate the non-executive directors at the meetings of the Board of Directors: €3,000 for each face-to-face meeting and €1,000 for telematic attendance and director, with 12 meetings of the Board of Directors having been held. In two of the meetings of the Board of Directors, the Company directly assumed the travel expenses and therefore the per diem for the meetings was not paid.

B.6 Explain how the salaries accrued and vested by each one of the executive directors over the past financial year for the performance of management duties were determined, and how they have changed with respect to the previous year.

The fixed remuneration or annual Salary of the Chief Executive Officer (the only executive director in 2024) for their executive or senior management duties is determined by the Remuneration Policy and came to €775,000/year in 2024. In the financial year 2023, the previous Remuneration Policy was in force for the years 2021, 2022 and 2023 and the Board of Directors had two executive directors: a) The Executive Chairman with an annual salary of €656,000; b) The Chief Executive Officer with an annual salary of €506,000.

B.7 Explain the nature and the main characteristics of the variable components of the remuneration systems accrued and vested in the year ended.

In particular:

a) Identify each one of the remuneration plans that have determined the different types of variable remuneration accrued by each of the directors in the year ended, including information on their scope, their date of approval, their date of incorporation, the periods of accrual and validity, the criteria used to evaluate performance and how this has affected the establishment of the variable amount accrued, as well as the measurement criteria used and the period necessary to be in a position to suitably measure all the conditions and criteria stipulated, duly explaining in detail the criteria and factors applicable with regard to the time required and methods to effectively verify the conditions of performance or any other type to which the accrual and vesting of each component of variable remuneration was linked.

b) In the case of share options and other financial instruments, the general characteristics of each plan will include information on both the conditions to acquire unconditional ownership (vesting) and to exercise these options or financial instruments, including the price and term to exercise them.

c) Each director and category (executive directors, proprietary external directors, independent external directors and other external directors) who are beneficiaries of remuneration systems or plans that include variable remuneration.

d) As the case may be, information is to be provided on periods for the accrual, vesting or deferment of payment of vested amounts applied and/or the periods for withholding/unavailability of shares or other financial instruments, if they should exist.

**Explain the short-term variable components of the remuneration systems:**

The Chief Executive Officer has accrued in 2024 a short-term variable remuneration (Annual Bonus) of €347,200 (64% of the Annual Target Bonus)

This annual variable remuneration is determined as follows:

a) The Annual Target Bonus (achievement of 100% of the targets) is €542,500, which is determined by 70% of his Salary in the year (€775,000); the maximum Bonus in the event of over-fulfilment was €813,750 (150% of the target, that is, 105% of his Salary).

b) The Chief Executive Officer's degree of achievement for 2024 was 64%, determined as follows:

- The Group's corporate objectives, which are weighted at 50% of the CEO's Annual Bonus and include:

  - Economic-financial parameters, in terms of increased sales, EBITDA and net profit, reduction of the ratio of inventories to sales and share performance. These parameters account for 80% of the Group's corporate targets.

  - Sustainability objectives in accident reduction in terms of the severity rate and reduction of waste to landfill. These parameters account for 20% of the Group's corporate targets.

The Group's level of achievement of corporate targets was 62%.

- Individual targets of the Chief Executive Officer are weighted at 30% of the Annual Bonus. The individual targets are tied to the profitability of different regions, strategic growth projects and the implementation of new capabilities.

The Group's level of achievement of individual targets was 56%.

- The individual performance evaluation which weights 20% of the Annual Bonus was 80%.

Consequently, the aggregate degree of achievement of targets by the Chief Executive Officer was 64% and the amount accrued, as indicated above, was €347,200.

This amount will be paid in the first quarter of 2025.

**Explain the long-term variable components of the remuneration systems**

The 2022 General Shareholders' Meeting (resolution seventeen of the General Shareholders' Meeting of 29 April 2022) approved a Long-Term Incentive Plan for 2022-2024 for the Company's executive directors (2022-2024 Three-Year Plan).

The significant aspects to quantify its recognition are as follows:

-Amount and limits: The amounts and maximum number of shares for the executive directors, which were approved by the General Shareholder's Meeting, are as follows:

a) For the Executive Chairman, a maximum of €413,280 and 17,287 shares for achieving the Target Incentive and €619,920 and 25,931 shares in the event of over-fulfilment);

b) For the General Managing Director a maximum of €318,780 and 13,334 shares for the Target Incentive and €478,170 and 20,002 shares in the event of over-fulfilment.

The change from an executive to a non-executive Chairmanship, at the request of the Company, led to the termination of the Chairman's commercial service contract, while retaining his status as a beneficiary of the 2022-2024 Three-Year Plan in proportion to the time during the Measurement Period that he performed his executive duties, i.e. in the proportion of two-thirds. Hence, the amount and number of shares for the Target Incentive is €275,520 and 11,524 shares, and in the event of maximum over-fulfilment, €413,280 and 17,287 shares.

- Metrics and weighting. Degree of achievement. At the Committee's proposal, at its meeting of 27 February 2025, the Board of Directors has determined the following degree of achievement of the 2022-2024 Three-Year Plan.

- The key criterion or benchmark of the Plan is Total Shareholder Return (TSR), with a weighting in the Three-Year Plan of 75%. TSR measures the return on investment for the shareholder as a sum of the variation in the share price in the Measurement Period, plus dividends and other similar items received during this period, where the minimum Compound Annual Growth Rate (CAGR) for accruing remuneration is 4% and the target for 100% is a CAGR of 6.5%.

  Based on the average listed price of the share in December 2022, i.e. €55.78, shareholder remuneration in the Measurement Period (i.e., dividends and fees to attend the Shareholders' Meeting is €6.83 a share and, with the average listed price of the share in the month at the end of the measurement period -December 2024- standing at €60.61, equivalent to reference value at the end for the purposes of TSR of €67.44 and a CAGR of 6.53%, which means achieving 100% of the target and 75% of the Bonus. Once this target has been met, the Plan envisages activation of the parameter of achievement above the targets with two components:

  a) absolute, for excess between CAGR of 6.5% and 10% and potential weighting of 35% of the Bonus. Where the CAGR is 6.53%, as indicated, this yields an additional 0.4% in the degree of achievement;

b) relative, from a group of those comparable, with a potential weighting of 15% of the Bonus.

In accordance with the Plan approved by the General Shareholders' Meeting, if Viscofan's TSR is in the 50th percentile of this group, over-fulfilment starts to accrue, with the maximum achievement being the 100th percentile.

Viscofan significantly outperformed the 80th percentile ingredient companies, which suffered the consequences of the fall in volumes, and performed well relative to Spanish companies, with the percentile achieved for the benchmark group as a whole being 67, i.e. 33% of the target, equivalent to 5.0% of the Bonus.
Consequently, the TSR's contribution to the 2022-2024 Three-Year Plan is 80.4% in total.

- The creation of sustainable environmental value, with a weighting in the Bonus of 10%, requires a reduction in CO2 emissions per km produced from a minimum CAGR of 4.5% to 7.5% to reach 100% of the target. According to the objective data as disclosed in the Consolidated Statement of Non-Financial Information and Sustainability Information verified by the independent external verifier, CO2 emissions decreased in the period by more than 28%, with a production level that in 2024 was similar to that of 2021. Consequently, in this parameter 100% of the target and 10% of the Bonus has been reached.
- In relation to the creation of value in social matters, the Plan aims, first of all, to reduce the accident rate, with a weighting of 10% of the Bonus. This consists of a reduction in the ratio of working hours lost as a result of accidents with sick leave compared to the total theoretical working hours in the Measurement Period. The required accident rate reduction was between the minimum 3% to 5% CAGR, at which 100% of the target was achieved. With an established starting point of 0.25%, the average adjusted accident rate of 0.217% was achieved, improving upon the reduction target of 5%. Accident data is also included in the audited Consolidated Statement of Non-Financial Information and Sustainability Information. Consequently, in this parameter 100% of the target and 10% of the Bonus was achieved.
- Lastly, the Plan's last parameter in social matters is to carry out human rights compliance audits of 50% of the main suppliers of raw materials, with a weighting of 5%. During the Plan period, a system has been implemented from scratch to establish a procedure for human rights audits, and 21 audits have been carried out, of which 16 are suppliers of cellulose, collagen, abaca paper and polyamides, accounting for 83% of purchases of these main raw materials; the data is included in the Consolidated Statement of Non-Financial Information and Sustainability Information verified by the independent external verifier. Consequently, also in this parameter, 100% of the target and 5% of the Bonus was achieved.

In accordance with the foregoing, the degree of achievement of the 2022-2024 Three-Year Plan is 105.4%.

Amounts, settlement and payment. In line with that set forth above, the number of shares and amounts due to the executive directors are as follows:

Chairman of the Board of Directors: Number of shares: 12,147 shares Cash amount: 290.434€

CEO: Number of shares: 14,054 shares Cash amount: €336,048

The gross amount broken down as remuneration accrued in the year will include the amount resulting from multiplying the number of consolidated shares by their average market price at market close on 31 December 2024 (€61), considering as such the consolidation and accrual date, although in line with the terms of the Plan, the delivery of the shares and payment of the recognised amount is expected to take place once the 2025 General Shareholders' Meeting has been held.

B.8 Indicate whether certain variable components accrued were reduced or clawed

back when, for the former, there were deferred payments of non-vested amounts or, for the latter, they were vested and paid, on the basis of data that were subsequently proven to be inaccurate. Describe the amounts reduced or clawed back through the application of the reduction or clawback clauses, why they were implemented and the years to which they refer.

No circumstances arose that would have entailed the reimbursement of variable remuneration.

B.9 Explain the main characteristics of the long-term savings systems in which the amount or equivalent annual cost appears in the tables in section C, including retirement and any other survivor benefit, which are financed, totally or partially, by the company, whether through internal or external contributions, indicating the type of plan, whether it is a defined contribution or benefit, the contingencies covered, the conditions for vesting economic rights for directors and their compatibility with any type of severance pay for early termination or termination of the contractual relationship between the company and the director.

Not applicable. The Remuneration Policy does not cover long-term savings systems.

B.10 Explain, where appropriate, the severance pay or any other type of payment deriving from early dismissal or early resignation, or from the termination of the contract, upon the terms provided for therein, accrued and/or received by directors during the year ended.

The Chairman of the Board of Directors, with effect from 1 January 2024, at the request of the Company, has ceased his executive duties, and agreement was reached to terminate the commercial contract for rendering of services between the Executive Chairman and the Company. In application of the provisions of the Policy and the aforementioned contract, the right to an indemnity equivalent to two annuities of the Chairman's salary, in the amount of €1,312,000, which was paid in the financial year 2024.

B.11 Indicate whether there have been any significant changes in the contracts of those exercising senior management functions, such as executive directors, and, where appropriate, explain such changes. In addition, explain the main conditions of the new contracts signed with executive directors during the year, unless these have already been explained in Section A.1.

Did not occur.

B.12 Explain any additional remuneration paid to directors for services rendered other than those inherent in their position.

Not applicable. There was no supplementary remuneration.

B.13 Explain any remuneration deriving from advance payments, loans or guarantees granted, indicating the interest rate, their key characteristics, amounts eventually returned and obligations taken on through guarantee or collateral.

Not applicable. Did not occur

B.14 Itemise the remuneration in kind accrued by the directors over the year, briefly explaining the nature of the different salary components.

The remuneration in kind that will accrue in 2024 for the items set out in the Remuneration Policy (life/accident insurance premiums, health care and vehicle) was €56,670 for the CEO.

B.15 Explain the remuneration accrued by directors by virtue of payments made by the listed company to a third company at which the director renders services when these payments seek to remunerate the director's services to the company.

Not applicable. Did not occur

B.16 Explain and detail the amounts accrued in the year in relation to any other remuneration item other than the foregoing, whatever its nature or group company paying it, including all the benefits in all their forms, such as when they have the consideration of related party transactions or, especially, when they significantly affect the fair presentation of the total remuneration accrued by the director, having to explain the amount granted or pending payment, the type of consideration received and the reasons why it would have been considered, where appropriate, that it does not constitute remuneration to the director in their capacity as such or consideration for the performance of their executive functions, and whether it was considered appropriate or not to include them among the amounts accrued in the "Other items" heading of section C.

Not applicable. Did not occur.

## C INDIVIDUAL REMUNERATION CORRESPONDING TO EACH DIRECTOR

| Name | Type | 2023 accrual period |
|---|---|---|
| JOSE DOMINGO AMPUERO OSMA | CHAIRMAN<br>OTHER EXTERNAL DIRECTOR | 1 January 2024 - 31 December 2024 |
| JOSE ANTONIO CANALES GARCIA | CEO | 1 January 2024 - 31 December 2024 |
| JAIME REAL DE ASÚA Y ARTECHE | VICE-CHAIRMAN LEAD DIRECTOR<br>INDEPENDENT DIRECTOR | 1 January 2024 - 31 December 2024 |
| AGATHA ECHEVARRIA CANALES | OTHER EXTERNAL DIRECTOR | 1 January 2024 - 31 December 2024 |
| SANTIAGO DOMECQ BOHORQUEZ | NOMINEE DIRECTOR | 1 January 2024 - 31 December 2024 |
| LAURA GONZALEZ MOLERO | INDEPENDENT DIRECTOR | 1 January 2024 - 31 December 2024 |
| CRISTINA HENRIQUEZ DE LUNA BASAGOITI | INDEPENDENT DIRECTOR | 1 January 2024 - 31 December 2024 |
| ANDRÉS ARIZCORRETA GARCIA | INDEPENDENT DIRECTOR | 1 January 2024 - 31 December 2024 |
| JAVIER FERNANDEZ ALONSO | NOMINEE DIRECTOR | 1 January 2024 - 31 December 2024 |
| VERONICA PASCUAL BOÉ | INDEPENDENT DIRECTOR | 1 January 2024 - 31 December 2024 |
| JOSÉ MARÍA ALDECOA SAGASTASOLOA | INDEPENDENT DIRECTOR | 1 January 2024 - 18 April 2024 |

C.1 Complete the following tables on the individual remuneration of each of the directors (including remuneration for carrying out executive functions) accrued during the financial year.

### a) Remuneration from the reporting company:

#### i) Remuneration in cash (in thousands of €)

| Name | Fixed remuneration | Attendance fees | Board committee membership remuneration | Salary | Short-term variable remuneration | Long-term variable remuneration | Compensation | Other items | 2024 Total | 2023 Total |
|---|---|---|---|---|---|---|---|---|---|---|
| JOSE DOMINGO AMPUERO OSMA | 655 | 30 | 0 | | | 290 | 1,312 | 0 | **2287** | **1004** |
| JOSE ANTONIO CANALES GARCIA | 80 | 0 | 0 | 775 | 347 | 336 | | 0 | **1538** | **731** |
| JAIME REAL DE ASÚA Y ARTECHE | 80 | 30 | 37 | | | | | 17 | **164** | **148** |
| AGATHA ECHEVARRIA CANALES | 80 | 30 | 30 | | | | | 0 | **140** | **140** |
| SANTIAGO DOMECQ BOHORQUEZ | 80 | 30 | 25 | | | | | 0 | **135** | **135** |
| LAURA GONZALEZ MOLERO | 80 | 28 | 54 | | | | | 0 | **162** | **153** |
| CRISTINA HENRÍQUEZ DE LUNA BASAGOITI | 80 | 30 | 30 | | | | | 0 | **140** | **140** |
| ANDRÉS ARIZCORRETA GARCIA | 80 | 30 | 65 | | | | | 0 | **175** | **135** |
| JAVIER FERNANDEZ ALONSO | 80 | 30 | 30 | | | | | 0 | **140** | **140** |
| VERONICA PASCUAL BOÉ | 80 | 28 | 19 | | | | | 0 | **127** | **10** |
| JOSE MARIA ALDECOA SAGASTASOLOA | 27 | 12 | 8 | | | | | 8 | **55** | **160** |

**Remarks:** The main changes in the amounts occurred due to the following: a) The accrual of the 2022-2024 Long-Term Incentive Plan (2022-2024 Three-Year Plan) in favour of the Chairman of the Board of Directors (for the time in which he performed executive duties during the term of the plan, financial years 2022 and 2023, i.e. by two thirds) and of the Chief Executive Officer; b) The termination of the Chairman's commercial contract for the rendering of services at the request of the Company determined the accrual and payment in 2024 of the indemnity of two annual salary payments provided for in the Remuneration Policy and in the aforementioned contract.

The remuneration of the director Mr Jose María Aldecoa Sagastasoloa for his duties as lead director until his resignation as director on the at the General Meeting of Shareholders in April 2024 has been indicated in Other items; since that date, he has been replaced by Mr Jaime Real de Asúa Arteche, who earns remuneration as lead director.

Executive directors may receive their annual variable remuneration in company shares.

## ii) Table of changes in share-based remuneration schemes and gross profit from shares or consolidated financial instruments

| Name | Name of Plan | Financial instruments at start of 2024 | | Financial instrument granted in 2024 | | Financial instruments vested in the year | | | | Instruments matured but not exercised | Financial instruments at end of 2024 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | No. instruments | No. equivalent shares | No. instruments | No. equivalent shares | No. instruments | No. equivalent shares /consolidated | Price of vested shares | Gross profit from vested shares or financial instruments (thousand €) | No. instruments | No. instruments | No. Equivalent shares |
| JOSE D. AMPUERO | 2022-2024 Three-Year Plan | 25,931 | 25,931 | 0 | 0 | 12,147 | 12,147 | 61.00 | 741 | 13,784 | 0 | 0 |
| JOSE A. CANALES GARCIA | 2022-2024 Three-Year Plan | 20,002 | 20,002 | 0 | 0 | 14,054 | 14,054 | 61.00 | 857 | 5,948 | 0 | 0 |

| **Remarks:** |
|---|
| The change from an executive to a non-executive Chairmanship, at the request of the Company, led to the termination of the Chairman's commercial service contract, while retaining his status as a beneficiary of the 2022-2024 Three-Year Plan in proportion to the time during the Measurement Period that he performed his executive duties, i.e. in the proportion of two-thirds. |

### iii) Long-term savings systems

| | Remuneration from vesting of rights to savings |
|---|---|
| Director 1 | |

| Name | Contribution over the year from the company (thousand €) | | | | Amount of accumulated funds (thousand €) | | | |
|---|---|---|---|---|---|---|---|---|
| | Savings schemes with vested economic rights | | Savings schemes with non-vested economic rights | | FY t | | FY t-1 | |
| | FY t | FY t-1 | FY t | FY t-1 | Savings systems with vested economic rights | Savings systems with non-vested economic rights | Savings systems with vested economic rights | Savings systems with non-vested economic rights |
| Director 1 | | | | | | | | |

| Remarks |
|---|
| |

## iv) Details of other items

| Name | Concept | Amount |
|---|---|---|
| JOSE ANTONIO CANALES GARCIA | Life and accident insurance premiums, healthcare assistance policy and company vehicle. | 57 |

| Remarks |
|---|
| |

## b) Remuneration to directors of the listed company due to their membership on the governing bodies of their subsidiaries:

### i) Remuneration in cash (in thousands of €)

| Name | Fixed Remuneration | Attendance fees | Board committee membership remuneration | Salary | Short-term variable remuneration | Long-term variable remuneration | Compensation | Other items | Total FY t | Total FY t-1 |
|---|---|---|---|---|---|---|---|---|---|---|
| Director 1 | | | | | | | | | | |

| Remarks |
|---|

### ii) Table of changes in share-based remuneration schemes and gross profit from shares or consolidated financial instruments

| Name | Name of Plan | Financial instruments at start of FY t | | Financial instruments granted during FY t | | Financial instruments vested in the year | | | | Instruments matured but not exercised | Financial instruments at end of year t | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | No. instruments | No. equivalent shares | No. instruments | No. equivalent shares | No. instruments | No. equivalent/vested shares | Price of vested shares | Gross profit from vested shares or financial instruments (thousands €) | No. instruments | No. instruments | No. equivalent shares |
| Director 1 | Plan 1 | | | | | | | | | | | |
| | Plan 2 | | | | | | | | | | | |

| Remarks |
|---|
| |

### iii) Long-term savings systems

| | Remuneration from vesting of rights to savings |
|---|---|
| Director 1 | |

| Name | Contribution over the year from the company (thousand €) | | | | Amount of accumulated funds (thousand €) | | | |
|---|---|---|---|---|---|---|---|---|
| | Savings systems with vested economic rights | | Savings systems with non-vested economic rights | | FY t | | FY t-1 | |
| | FY t | FY t-1 | FY t | FY t-1 | Savings systems with vested economic rights | Savings systems with non-vested economic rights | Savings systems with vested economic rights | Savings systems with non-vested economic rights |
| Director 1 | | | | | | | | |

| Remarks |
|---|
| |

### iv) Details of other items

| Name | Concept | Amount |
|---|---|---|
| Director 1 | | |

| Remarks |
|---|
| |

### C) Summary of remuneration (thousands €):

This should include a summary of the amounts corresponding to all the remuneration items included in this report that have accrued to each director, in thousands of euros.

| | Remuneration accrued at the Company | | | | | Remuneration accruing to group companies | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Name** | **Total Cash remuneration** | **Gross profit from vested shares or financial instruments** | **Remuneration from savings systems** | **Remuneration from other items (insurance, car, etc.)** | **Company total 2024** | **Total Cash remuneration** | **Gross profit from vested shares or financial instruments** | **Remuneration from savings systems** | **Remuneration from other items** | **Total 2024 group** | **Total company 2024 + group** |
| JOSE DOMINGO AMPUERO OSMA | **2287** | **741** | **0** | **0** | 3028 | **0** | **0** | **0** | **0** | **0** | 3028 |
| JOSE ANTONIO CANALES GARCIA | **1538** | **857** | **0** | **57** | 2452 | **0** | **0** | **0** | **0** | **0** | 2452 |
| JAIME REAL DE ASÚA Y ARTECHE | **164** | **0** | **0** | **0** | 164 | **0** | **0** | **0** | **0** | **0** | 164 |
| AGATHA ECHEVARRIA CANALES | **140** | **0** | **0** | **0** | 140 | **0** | **0** | **0** | **0** | **0** | 140 |
| SANTIAGO DOMECQ BOHORQUEZ | **135** | **0** | **0** | **0** | 135 | **0** | **0** | **0** | **0** | **0** | 135 |
| LAURA GONZALEZ MOLERO | **162** | **0** | **0** | **0** | 162 | **0** | **0** | **0** | **0** | **0** | 162 |
| CRISTINA HENRÍQUEZ DE LUNA BASAGOITI | **140** | **0** | **0** | **0** | 140 | **0** | **0** | **0** | **0** | **0** | 140 |
| ANDRÉS ARIZCORRETA GARCIA | **175** | **0** | **0** | **0** | 175 | **0** | **0** | **0** | **0** | **0** | 175 |
| JAVIER FERNANDEZ ALONSO | **140** | **0** | **0** | **0** | 140 | **0** | **0** | **0** | **0** | **0** | 140 |
| VERONICA PASCUAL BOÉ | **127** | **0** | **0** | **0** | 127 | **0** | **0** | **0** | **0** | **0** | 127 |
| JOSE MARIA ALDECOA SAGASTASOLOA | **55** | **0** | **0** | **0** | 55 | **0** | **0** | **0** | **0** | **0** | 55 |
| **TOTALS** | **5063** | **1598** | **0** | **57** | 6718 | **0** | **0** | **0** | **0** | **0** | 6718 |

| **Remarks** |
|---|
| |

C.2 Indicate the changes in the last five years of the amount and percentage variation of the remuneration accrued by each of the directors of the listed companies with such status in the year, of the consolidated results of the company and of the average remuneration on an equivalent full-time basis of the employees of the company and its subsidiaries that are not directors of the listed company.

| | Total amounts accrued and % annual change | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | FY 2024 | % change 2024/2023 | FY 2023 | % change 2023/2022 | FY 2022 | % change 2022/2021 | FY 2021 | % change 2021/2020 | FY 2020 |
| Executive Board Members | | | | | | | | | |
| JOSE ANTONIO CANALES GARCIA | **2452** | 211.96% | **786** | -14.84% | **923** | -53.97 % | **2005** | 110.61% | **952** |
| External Directors | | | | | | | | | |
| JOSE DOMINGO AMPUERO OSMA | **3029** | 194.08% | **1030** | -14.31% | **1202** | -54.03% | **2615** | 108.37% | **1255** |
| JAIME REAL DE ASÚA Y ARTECHE | **164** | 10.81% | **148** | 0.00% | **148** | -1.99% | **151** | 3.42% | **146** |
| AGATHA ECHEVARRIA CANALES | **140** | 0.00% | **140** | 0.00% | **140** | -2.10% | **143** | -2.05% | **146** |
| SANTIAGO DOMECQ BOHORQUEZ | **135** | 0.00% | **135** | -2.17% | **138** | 0.00% | **138** | -5.48% | **146** |
| LAURA GONZALEZ MOLERO | **162** | 5.88% | **153** | 0.00% | **153** | -3.16% | **158** | 1.28% | **156** |
| CRISTINA HENRÍQUEZ DE LUNA BASAGOITI | **140** | 0.00% | **140** | 81.82% | **77** | N/A | **N/A** | N/A | **N/A** |
| ANDRÉS ARIZCORRETA GARCIA | **175** | 29.63% | **135** | 48.35% | **91** | N/A | **N/A** | N/A | **N/A** |
| JAVIER FERNANDEZ ALONSO | **140** | 0.00% | **140** | 108.96% | **67** | N/A | **N/A** | N/A | **N/A** |
| VERONICA PASCUAL BOE | **127** | n.s | **10** | N/A | **N/A** | N/A | **N/A** | N/A | **N/A** |
| JOSE MARIA ALDECOA SAGASTASOLOA | **55** | -65.63% | **160** | -14.44% | **187** | -3.11% | **193** | 16.27% | **166** |
| **Company's consolidated pre-tax results** | 206.438 | 22.2% | 168,906 | -8.1% | 183,789 | 4.18% | 176,420 | 10.50% | 159,656 |
| **Average employee remuneration** | **38.00** | **2.70%** | **37.0** | **0.0%** | **37** | **12.12%** | **33** | **3.13%** | **32** |

REMARKS:

- The amounts accrued are those provided for in the remuneration policy, although a rounding of decimals may be reflected due to the requirement to present the format in thousands of euros.
- The main changes in the year compared to the previous year were in the remuneration of the Chairman of the Board of Directors and the Chief Executive Officer due to the following: a) The application of the new Remuneration Policy for the period 2024-2026, which provides for a specific remuneration for the position of Chairman and a new Salary for the Chief Executive Officer as the new chief executive of the Company as from 1 January 2024; b) The accrual and vesting of the 2022-2024 Long-Term Incentive Plan (2022-2024 Three-Year Plan ) by the Chairman -for the time in which he performed executive duties during the term of the plan, i.e. in the financial years 2022 and 2023- and by the Chief Executive Officer; c) The termination of the Chairman's commercial contract for the rendering of services at the request of the Company, which has determined the accrual and payment in 2024 of the indemnity of two years' salary in accordance with the provisions of the Remuneration Policy and the aforementioned contract.
- Changes in the remuneration of directors in their capacity as such are due to changes in the composition of the Board and its Committees and in directors' performance during the year.

## D OTHER INFORMATION OF INTEREST

If there are any relevant aspects relating to directors' remuneration that you have not been able to describe in other sections of this report but that are necessary to provide more comprehensive and fully reasoned information on the remuneration structure and practices of the company with regard to its directors, list them briefly.

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This Annual Remuneration Report was approved by the company's Board of Directors at its meeting held on 27/02/2025. Indicate whether any board members voted against or abstained from voting on approving the present Report.

Yes or No X

| Name or company name of the members of the board of directors who voted against approving this report | Reasons (against, abstention, nonattendance) | Explain the reasons |
|---|---|---|
| | | |

**ANNEX CONSOLIDATED FINANCIAL STATEMENTS AND CONSOLIDATED MANAGEMENT REPORT**

DILIGENCE: To record by the Secretary of the Board of Directors, Mr. José Antonio Cortajarena Manchado, that the Board of Directors, at the meeting of February 27, 2025, has prepared the consolidated annual accounts and the consolidated management report for the year ended December 31, 2024, with the signature of the undersigned appearing on all pages for identification purposes, which are made up of the documents that precede this document and that are a true copy of those formulated in Single Electronic Format established in Delegated Regulation (EU) 2019/815, of December 17, 2018.

This is ratified with their signatures by the Directors listed below, in compliance with the provisions of Article 253 of the Capital Companies Act.

| | |
|---|---|
| Mr. José Domingo de Ampuero Osma | Mr. Jaime Real de Asúa Arteche |
| Chairman | Vice-chairman |
| Mr. José Antonio Canales García | Ms. Agatha Echevarría Canales |
| First Executive | Director |
| Ms. Laura González Molero | Mr. Santiago Domecq Bohórquez |
| Director | Director |
| Ms. Cristina Henríquez de Luna Basagoiti | Mr. Andrés Arizkorreta García |
| Director | Director |
| Mr. Javier Fernández Alonso | Ms. Veronica Pascual Boé |
| Director | Director |

It is stated by the Secretary that all the directors have signed the document.

In Madrid, 27 February 2025

Jose Antonio Cortajarena Manchado

Secretary of the Board of Directors

**Declaration of responsibility for the content of the consolidated annual financial report of Viscofan, S.A. and subsidiaries, both corresponding to the year ended December 31, 2024**

The members of the Board of Directors of Viscofan, S.A. declare that, to the best of their knowledge, the consolidated financial statements of Viscofan S.A. and subsidiaries for the year ended December 31, 2024 have been prepared in accordance with the applicable accounting principles and provide a true and fair view of the equity, financial position and results of the issuer and the companies included in the consolidation taken in their, and that the management report includes a faithful analysis of the evolution and business results and of the position of the issuer and the companies included in the consolidation taken as a whole, together with a description of the main risks and uncertainties they face.

| | |
|---|---|
| Mr. José Domingo de Ampuero Osma<br>Chairman | Mr. Jaime Real de Asúa Arteche<br>Vice-chairman |
| Mr. José Antonio Canales García<br>First Executive | Ms. Agatha Echevarría Canales<br>Director |
| Ms. Laura González Molero<br>Director | Mr. Santiago Domecq Bohórquez<br>Director |
| Ms. Cristina Henríquez de Luna Basagoiti<br>Director | Mr. Andrés Arizkorreta García<br>Director |
| Mr. Javier Fernández Alonso<br>Director | Ms. Veronica Pascual Boé<br>Director |

DILIGENCE, issued by the Secretary of the Board of Directors to state that all the directors have approved and signed this document.

In Madrid, on 27 February 2025.

Secretary of the Board of Directors

Mr. José Antonio Cortajarena Manchado