

## **ESG POLICY - ENVIRONMENT, SOCIAL AND GOVERNANCE**

### **OUR ACTIVITY**

The Elastorsa Group is a business group dedicated to the design and production of rubber compounds, TPV (thermoplastic vulcanized), as well as rubber sheets.

The target markets are the automotive, construction and food industries, among others.

To ensure that the Group's development endures for future generations, the management is committed every day to sharing and promoting this culture, transmitting fundamental values, and striving to enforce the ethical standards that have been ingrained in the company for decades.

As a global Group, we have decided to draw up a Code to set out the practices that govern our conduct and provide guidance to members of the organization and its stakeholders.

The success of this Code lies in its application by all our employees and managers; there is a commitment to respect it.

For the ELASTORSA Group, the safety of people, quality, customer satisfaction, as well as respect for laws, human rights and the environment are major concerns that are part of our daily actions, and in this sense, it is the Group's objective to provide standards that originate from them and govern its operation.

Compliance with the law is a fundamental requirement, so all our companies must apply the laws and regulations of the countries in which we operate.

This code should be understood as a global reference framework for the Elastorsa Group and its stakeholders in order to achieve a common behavior.

All internal and external stakeholders working with us are required to behave responsibly and report potential risk situations that could be contrary to our principles and values.

The Elastorsa Group, its Board, as well as its Management Committee are committed to comply with and enforce each principle of this document, principles that have their origin in our will and give life to our commitments and obligations.

### **VALUES**

The following values are those that have governed the organization since its inception:

- Ethics, integrity, and honesty
- Quality and excellence in all areas of the Group
- Competitiveness
- Perseverance and effort
- Teamwork
- Customer orientation
- Social responsibility
- Alignment of interests between partners and society and members
- Communication and transparency

These values are transmitted to partners, employees, teams, suppliers, customers, as well as other parties involved in its activity.

This mentality has supported the international expansion of the Elastorsa Group, which now supplies manufacturers in different sectors almost all over the world, especially in Europe.

## GUIDING PRINCIPLES OF THE ACTIVITY

The Group shall observe the following principles:

- United Nations Global Compact ([www.unglobalcompact.org](http://www.unglobalcompact.org)).
- Sustainable Development Goals (SDGs), approved by the UN in 2015.



## MAIN OBJECTIVES PURSUED BY ELASTORSA.

- Develop a business model called “Responsible Business”, based on the search for profitability in accordance with ethical principles, compliance with the law, good practices and the creation of long-term value for all stakeholders. This is configured as a global vision of its performance as a company.
- Maximize the creation of sustainable and shared value for its members and for other stakeholders and the society in which it operates.
- Prevent and mitigate the possible negative impacts derived from its activity.
- Enhance ELASTORSA’s reputation.

## GRUPO **E** ELASTORSA

The following means will be used to achieve these objectives:

- Implementing SDGs and Responsible Investment principles and objectives in all the lines of work of the organization.
  - **SDGs** identified
- Ensuring healthy living and promoting wellness at all ages is essential for sustainable development.
- Gender equality is not only a fundamental human right, but it is one of the essential foundations for building a peaceful, prosperous and sustainable world.
- Inclusive and sustained economic growth can drive progress, create decent jobs for all and improve living standards.
- Inclusive and sustainable industrialization, together with innovation and infrastructure, can unleash the dynamic and competitive economic forces that generate employment and income. These play a key role in introducing and promoting new technologies, facilitating international trade and enabling the efficient use of resources.



- Global consumption and production (the driving forces of the global economy) depend on the use of the natural environment and resources in a way that continues to have destructive effects on the planet.
- **Integrity**, as a manifestation of ethics in our actions and in our relations with stakeholders.
- **Prudent risk management.**
- **Transparency**, as a principle to provide access to clear and truthful information.



At present, the Group has undertaken different commitments

## ENVIRONMENTAL ASPECTS

Elastorsa Group companies must:

- Support the development of the societies where we operate through business activities.
- Promote own or collective initiatives to achieve the Sustainable Development Goals.
- Participate in initiatives and collaborate with regulators and other organizations to promote and disseminate responsible practices.
- Define and implement an Environmental Policy that includes, among others, risk management in this area, the progressive integration of environmental variables in product development and the promotion of eco-efficiency together with the management of direct impacts. Promote actions against climate change, as well as transparency in emissions.

The Elastorsa Group is committed to limiting its impact on the environment, using energy and natural resources efficiently, minimizing waste and acting responsibly.

Measures applied:

- Reduction of emissions, carrying out controls and self-monitoring at each of the plants and implementing improvement actions aimed at their reduction.
- Promotion of good energy saving practices to reduce electricity consumption.
- Waste reduction, through actions that reduce waste.
- Reduction of hazardous products used by implementing a proactive system for the elimination of these types of products in our formulas.

## SOCIAL ASPECTS

With regard to human rights, Elastorsa Group companies must:

- Support and respect the protection of internationally proclaimed human rights.
- Make sure you are not complicit in abuses.
- Apply the Human Rights Commitment, which includes respect for human rights in accordance with the International Bill of Human Rights, the United Nations Global Compact and the principles of conduct and recommendations for the development of business activities published by the United Nations, the Organization for Economic Cooperation and Development and the International Labor Organization.

As for Labor, the Elastorsa Group companies must:

- Respect diversity and promote equal opportunities, as well as non-discrimination based on gender, age, disability or any other circumstances.

- Promote work-life balance practices.
- Implement practices to ensure the safety of the workforce and ensure the health of all employees.
- Promote a culture of social commitment and shared values among employees, facilitating the conditions for volunteering activities.

The Elastorsa Group provides a healthy and safe working environment and conditions and takes care of their occupational health.

Specifically:

- There is a strong commitment to equal opportunity, diversity and inclusion, regardless of gender, sexual orientation, age, ethnicity or color, religion or disability.
- We do not employ, directly or indirectly, forced labor or children under the age of 18.
- We provide adequate working conditions in terms of space and lighting, in a protected working environment that respects the safety measures for the prevention of occupational hazards.
- We have an established system for improving working conditions.
- We provide an annual medical check-up to our staff.
- In the current circumstances, we protect the health of our workers with measures aimed at the prevention of Covid-19 through the Covid Plan developed internally with the support of the External Prevention Service.
- We provide training to our employees.

## **GOVERNANCE**

The Elastorsa Group has established a model of good corporate governance based on the corporate values mentioned above. In more detail:

- We comply with all the regulations applicable to the activity of each of the plants.
- We have management systems implemented in each of our plants, as well as Codes of Conduct that include internal policies and inspiring principles for the development of our activity.
- We comply with all aspects related to money laundering prevention regulations.
- The organization has clear and transparent corporate governance structures.
- We are committed to transparency with our stakeholders, to whom we provide information on a regular basis.

## **CORPORATE GOVERNANCE OF THE SUSTAINABILITY AREA**

The Board of Directors of the Elastorsa Group, which includes Partners of the company, as well as the managers of the Funds who are also Partners, has the highest responsibility for ESG issues.

The members of the Board of Directors are fully aware of the importance and impact of ESG aspects in the long term in both the management company and its portfolio of investees, and are committed to constant progress and improvement in this area.

The Elastorsa Group has established a corporate governance structure for the development of the ESG aspects of the firm composed of the following bodies:

- Board of Directors. Composed of the Chairman, Secretary and 3 members, in addition to its functions of supervision and control of the activity, it assumes specific functions in the field of ESG:

- Discuss and promote ESG aspects at least every six months.
- Supervise the evolution and compliance of ESG aspects in accordance with previously established criteria.
- ESG Director. A specific responsibility for ESG development has been defined and a Director has been appointed. The main functions assigned to the ESG Director are as follows:
  - Promote ESG culture in the firm and its investee companies.
  - Design and update the Responsible Investment Policy.
  - Coordinate and support group companies in the implementation of the ESG policy and their ESG action plans.
  - Define, collect, monitor and measure ESG KPIs in the management company and in the investee companies.
  - Report quarterly/annually to partners on the evolution of ESG aspects.
  - Prepare the annually requested reports.
  - Coordinate, report and contribute to the Sustainability Committee (if it is decided to implement a sustainability committee, detail it as an additional body) or/and Board of Directors, as required.

## **TRANSPARENCY AND COMMUNICATION**

The Elastorsa Group recognizes the importance that ESG aspects have for its organization and in this sense tries to promote the transparency of these aspects, both internally and externally.

Group employees and their representatives have free access to Elastorsa Group policies and are encouraged to contribute to their continuous improvement.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The partners and employees of the Elastorsa Group want to give back to society part of the benefits it is giving us. With this objective and on a recurring basis, donations are made to NGOs and foundations of their choice. Thus, we regularly collaborate with Caritas, Food Bank, UNHCR, Doctors without Borders, etc.

## **INTERNAL AWARENESS AND TRAINING**

The Elastorsa Group has established procedures for its employees to participate in the processes of integration of ESG factors in the activities of the different plants.

The entire organization feels involved and committed to the achievement of ESG objectives in the daily management of its activities.

The subjects covered in this document (ESG) are an integral part of the training received by Elastorsa Group employees.