LANINVER SHC, S.L.U.
AND SUBSIDIARIES

Non-Financial Statement
as of December 31, 2023

Issued by the Board of Directors of Laninver SHC, S.L.U.

In the meeting of March 27, 2024

Introduction

This Non-Financial Statement of Laninver SHC, S.L.U. (hereinafter the "Company" or the "Parent Company") and its subsidiaries (hereinafter, together, the "Group"), is issued by the Parent Company's Board of Director in compliance with Law 11/2018 of December 28, 2018 (hereinafter the "Non-Financial Information Act"), which amended the Spanish Code of Commerce, the Consolidate Text of the Spanish Companies Act introduced under Royal Decree-Law 1/2010 of July 2 and Law 22/2015 of July 20 on Auditing, in relation to non-financial information and diversity.

This Non-Financial Statement (hereinafter NFS) provides details of the main aspects of the consolidated Group's business model and short-, medium- and long-term risks, as well as information on Environmental, social, employee-related matters, combating of corruption and bribery, and human rights for the financial Year ended 31 December 2023, based on the Global Reporting Initiative – GRI, a reporting framework recommended by the 2018 Non-Financial Information Act, adapting the content to the reality of the Group's business model and activity.

This NFS is also part of the Group's Consolidated Management Report but is presented as a separate document.

Contents

1. Regarding the Group

The Group's Parent Company is a Spanish company Limited by shares and is headquartered in Madrid, Spain.

The Group operates in the container, packaging and graphic art sector. Its business is conducted in over 30 plants in 11 countries, with more than 2,600 employees.

The Group's main objective is profitable growth in its traditional markets and in new geographies and product portfolios, so as to diversify the business.

The Group's business model is based on the following pillars:

1. Ethics: all actions undertaken by the Group are founded on an attitude of respect, professionalism, honesty and integrity. The Group seeks to work with customers and suppliers that also consider ethics to be a fundamental aspect of their organization.

2. Human team: the importance of people forms part of the Group's culture. Personal growth and motivation are a strategic area.

3. Excellence: culture of continuous improvement in order to meet the most Advanced and demanding standards.

4. Sustainable Development: the Group is aware that the decisions we make today will have an impact in the future, so Economic, Environmental and social trends must be understood bin all decision areas.

5. Customer service: establishing long-term relationships based on trust.

6. Innovation: as a differential value that allows the Group to anticipate the needs of its customers and the market through new technologies, materials and designs.

7. Global presence: in order to grow without customers and accompany them in the expansion thanks to an international presence with production plants around the world.

1.1 Brief description of the business model

The Group as four divisions operating in different sectors:

COEXPAN: this division's core business is manufacturing rigid plastic containers for the food industry, the most important product being primary packaging for yogurts, The plants are located in Spain, France, Italy, Germany, Russia, Chile, Mexico and Brazil.

EMSUR: this division makes flexible containers for the food industry using rotogravure and flexography printing technologies. The plants are located in Spain, France, Poland, Russia, United States, Mexico and Brazil.

In 2023, the Parent Company of the Group decided to discontinue production activity at its plant in Argentina. Consequently, in the consolidated annual accounts, the income, expenses, number of employees and results of this company have been classified as a discontinued operation and the information for 2022 has been restated in order to make the figures comparable. Consequently, in this report, the information relating to 2022 has been re-expressed.

LECA Graphics: this division's core business is the production of printed carboard boxes mainly for the pharmaceutical and cosmetics industries. The plants are located in Spain and Morocco.

ESTELLA Print: this division operates mainly in the general printing and publishing industry. Its plants are located in Madrid and Navarre. It also makes printed cardboard boxes for the food industry.

1.2 Governance Model:

The Parent Company has the following governing bodies:

- Board of Directors;
- Delegate Committee;
- Audit Committee;
- Appointments and Remuneration Committee;
- Executive Committee.

The Board of Directors is formed by the Group's Chairman and Chief Executive Officer, shareholder representatives and independent directors who hold monthly meetings.

The Delegate Committee meets monthly to expedite the analysis of key business decisions that must be raised to the Board.

The Audit Committee holds quarterly meetings and additional sessions as needed. It oversees both internal and external audit processes, as well as monitors and tracks identified risks.

The Group's Executive Committee is comprised of the main executives and meets regularly to follow up on the most relevant business decisions.

On the other hand, each division has a Management Committee comprised of corporate area directors and plant general managers, that focuses on all aspects of the division's own business.

The Appointments and Remuneration Committee is assigned powers in relation to the appointment and dismissal of directors and senior managers and their remuneration. Approves the Group's remuneration policies. During 2023, it has held regular sessions in order to deepen and analyze decisions in the field of the HR function.

1.3 Market context

All the sectors in which the Group operates have international players and competition is fierce, so business excellence and innovation as a differential factor are important to protect profitability.

In addition, all these industries are witnessing integration and merger processes as a way of increasing critical mass and international presence.

The food container and packaging, industry is continuously growing thanks to the impact of packaging improvements on the useful life of products and the avoidance of food wastage, as well as in the assurance of high hygiene standards thanks to the protection of the product.

In this area, the manufacturing process must comply with demanding food safety regulation requirements due to its nature as primary packaging.

At the same time, environmental protection remains a challenge in the sector, so the trends of recycling and developing new materials in the circular economy are especially relevant, in a way that these go along with the strategies developed by organizations and large companies and respond to new regulations.

Furthermore, containers and packaging for pharmaceutical products require a tightly controlled production and shipping process to guarantee product traceability.

The value-added cosmetics sector requires the capacity to produce containers and packaging with high-quality finishes and sophisticated designs.

The book printing sector, highly fragmented in the past, has gradually integrated to form fewer groups so as to maintain competitiveness in a downward market due to the inrush of new media such as digital books. The market has remained stable in recent years, experiencing a slight increase during 2020 and 2021, which corrected in 2023.

1.4 Business Strategy

In the first quarter of 2022, the Group's Strategic Plan for the period 2022-2024 is communicated to the entire organization.

The strategic focus of this Plan is to create a platform for profitable growth based on four main pillars:

- Commercial excellence
- Operational excellence

- Innovation
- Culture and Talent

The Group’s strategy is structured within two axes:

- Where to compete: analysing those vertical markets and regions in which the Group needs to compete.

- How to Win: by focusing on strengthening those cross-cutting processes considered to be the backbone that will enable us to increase our profitability and take better advantage of the Group's synergies.

2. Risk management in the Group

The Group is aware of the importance of risk analysis and risk management to guarantee the predictability of the organization’s performance in all aspects relevant to its stakeholders.

Entity-level and division-level Risk Maps that identify and illustrate short-, medium- and long-term risks have been implemented by the Group.

For each risk identified, the Risk Map covers:

- detailed, specific description of the risk;
- probability of occurrence of the risk;
- impact of the risk should it materialize;
- mechanisms in place and actions taken to manage the risk;
- actions and mechanisms to be implemented;
- those responsible for risk’s management.

The analysis of the Group's risks divides them into four specific categories as described below. It should be noted that the specific risks within these categories contemplate, among others, environmental, regulatory, labor, consumer-related aspects.

<u>Strategic Risks:</u>

Uncertainties associated with the Company's strategy. They may have a significant impact on the Group or its divisions, so they are key aspects addressed by the Board of Directors, Delegate Committee or Executive Committee.

Among the Group’s strategic risks are those related to consumption habits, customer concentration, the high-cost dependence on raw materials as the main production expense, and talent and knowledge management.

Emerging Risks:

They derive from critical exogenous factors that affect both our Group and the general macroeconomic and microeconomic environment.

The emerging risks to which the Group is exposed include those related to economic uncertainty that could affect consumption, regulatory changes and the country risk in some locations where the Group operates.

Operational risks:

They generally arise internally and can potentially have a high and relevant impact on a company's capacity to achieve its business objectives.

The operating risks faced by the Group include those derived from delays in the implementation of investment plans.

Financial Risks:

Risks that could affect the financial information of the Group or any of its business divisions.

The financial risks faced by the Group include those related to the effects of foreign exchange, in view of its operations in a number of countries with currencies other than the euro and high exchange volatility.

Risk Maps are reviewed annually and updated accordingly:

- Identification of new risks;
- Reassessment of existing risks (in terms of impact and probability);
- Update of actions carried out and identified actions pending implementation.

The Audit Committee approves the Risk Maps annually and they are distributed and reported to the Board of Directors.

3. Environmental matters

As part of the Sustainability Plan, environmental management is one of the pillars of the Group's business model, the cornerstone of which is compliance with current legislation in this area; furthermore, beyond strict compliance, actions are established to minimize environmental impact by optimizing the use of resources and promoting the transition to a circular economy.

Environmental protection is one of the action principles contained in the Code of Ethics and Professional Con Code of Ethics (hereinafter, the "**Code of Ethics**").

In this environment, during the year 2023, it is worth noting that the number of production plants certified according to international standards has continued to increase within the Group, as has been the case for more than a decade, with the aim of achieving a robust corporate environmental management system.

In the field of standardization, the environmental policies and systems implemented to date are certified according to the following international standards: ISO 14001: 20015, FSC, PECF, Ecovadis, Imprim`vert, ISCC Plus, UNE-EN-15343.

Likewise, it should be noted that, as part of our Group-wide ESG policy, in 2023 we initiated a review process of all our global banking lines (loans, credits, factoring, and confirming) with the respective financial institutions, aiming to classify them as sustainable financing. As of December 31, 2023, our sustainable financing represents 36% of the total. We continue working to achieve the objective of exceeding 50% by December 31, 2024.

ONE PLANET platform

In relation to the resources dedicated to environmental issues, it should be noted that, during 2023, the optimization of the internal ONE PLANET platform will be launched, allowing all plants to include their data to improve environmental management. This new tool was created to strengthen the reliability of data, analyze trends and globally monitor environmental performance and progress in achieving the objectives of the Sustainability Plan.

During the year 2023, this tool has been optimized by implementing improvements such as the introduction of results by production unit, giving us a more precise view of our consumption.

Measurement of Life Cycle Analysis: Ecochain Software

Since 2022, and with its optimization in 2023, we have been using Ecochain software, which provides us with information on the various environmental impacts of our products, such as the carbon footprint and water footprint, and allows us to understand the value of the complete Life Cycle Analysis. This information complements the development of new products, driving our strategy and commitment to sustainability.

Worldlex tool

This tool, implemented in 2019, allows the Group to standardize and improve the identification and evaluation of legal requirements in different areas, including the environmental sphere. Likewise, it allows the establishment and achievement of increasingly ambitious objectives by having a more integrated vision of the Group's factories and activities, facilitating the identification of actions to prevent damage, as well as opportunities for improvement.

During the year 2023, follow-up audits have been carried out at several plants, which will allow us to continue to optimize the tool and increase the training of the teams responsible for its management.
A multidisciplinary group of professionals from the Technical, Quality and Health & Safety areas and the Sustainability department, ensure environmental issues in the Group.

3.1 Pollution and climate change

The ever-growing concern for the effects of climate change and other types of pollution is resulting in the preparation of increasingly strict regulations to halt and minimize impacts. The Group has been tightening its environmental management requirements and organizing actions in an efficient and measurable way.

One of these actions involves measuring the Group's carbon footprint. In 2023, this measurement has continued to be carried out and improved for all the Group's factories.

In this sense, in terms of emissions, the main sources of greenhouse gases associated with the Group's activity correspond to the consumption of fossil fuels in the production plants (Scope 1) and their electricity consumption (Scope 2)[1]:

	Emissions (tCO2eq) 2022	Emissions (tCO2eq) 2023
Scope 1	14.055	11.489
Scope 2	31.714	29.392
Total	45.769	40.880

As in previous years, a reduction in CO2 emissions is observed, derived from the reduction in both Scopes in absolute value, mainly due to the increase in the use of energy from renewable sources, as part of our strategy to combat climate change, as well as different energy efficiency actions.

In this area, it is worth noting that by 2023, all the Group's plants in Spain will be operating with energy from renewable sources.

In terms of energy efficiency actions, some stand out, such as:

- Optimization of air conditioning systems and thermal oil circuits
- Installation of photovoltaic panels
- Change of lighting to LED system
- Modification of burner motors

[1] Emissions have been calculated by applying the following emission factors to energy consumption of scope 1 and 2:
Scope 1: "UK Government GHG Conversion Factors for Company Reporting 2022" for 2022 and 2023 data.
Scope 2: "Climate Transparency / Association of Issuing Bodies (AIB) / US Env Protecting Agency (EPA)" for 2022 and 2023 data.

- Use of digital printers
- Insulation of pipes with thermal insulation
- Technical improvements to industrial equipment and machinery to improve the efficiency of production processes, reducing the consumption of resources.

As previously noted, the environmental issues identification and assessment tool (Worldlex), the management platform ONE PLANET, as well as the ongoing certification of factories under the ISO 14001:2015 standard, enables the Group to improve the implementation of concrete actions to reduce emissions.

In addition to greenhouse gases, the Group uses the resources at its disposal to identify the circumstances of existing environmental issues on a case-by-case scenario and establish preventive and adequate measures in line with available good practices. This includes other forms of contamination, such as other emissions, spills, noise and light pollution.

3.2 Circular economy and waste prevention and management

The Group is aware of the need to adapt the model for producing and managing resources, goods and services to a circular model in which waste reduction and reuse take precedence due to the closing of flows. For this reason, the Group leverages its available knowledge and resources to develop materials and improve processes that contribute to achieving this objective, as an integral part of the value chain.

Specifically, with circular economy as one of its fundamental pillars, the Sustainability Department collaborates closely with the R&D Department in the development of material and structures from an eco-design viewpoint, ranging from its origin (renewable raw materials, bioplastic or recycled materials) to its destination (recyclable / compostable materials).

In this regard, the activities carried out during 2023 in INNOTECH, the Group's innovation and sustainability center that specializes in integral rigid and flexible packaging solutions to answer the industry's main challenges in terms of circularity and plastic recycling, must be highlighted.

It is worth noting that, since its inauguration in 2019, Innotech has participated in more than 500 projects, conducted over 2000 tests, and received more than 1000 visits from various stakeholders, such as clients and suppliers, technology centers, universities, and others.

Likewise, the Group's Operations Department is also working to enhance process efficiency aimed to reduce the generated waste and thus minimize environmental impacts by creating minimization plans and improving the final destination management of waste material.

Projects and initiatives

Aware of the need for collaboration from all links in the value chain, the Group actively participates in research projects along with various organizations and Technological Institutes, to improve waste recycling processes, carrying out concrete actions to help achieve objectives in this area.

As an example of this commitment, it is worth highlighting the renewal of the certification the ISCC Plus certification of the Coexpan Madrid, France and Mexico plants. This standard certifies the Group's responsible management of sustainability. Successfully passing the audit and obtaining the certificate allows the use of chemically recycled material (rPS and rPP) from mixed plastic and bio-based material under the mass balance model.

Another significant milestone in our sustainability plan regarding circularity is the new certification for recycled material content. In addition to the Coexpan Madrid plant, which was certified in 2022, the Coexpan Huelva, Montonate, and Germany plants have been certified in 2023, according to UNE-EN 15343:2008, which, by means of an external audit, verifies the correct traceability and incorporation of recycled material in the certified product.

Other relevant initiatives in which the Group participates include:

- CEFLEX: Emsur continues to actively collaborate as a member of the consortium of European companies that promotes the circularity of flexible packaging in different working groups.

- CHILEAN PLASTICS PACT: Coexpan participates in this initiative framed in the global network of the Plastics Pact launched by the Ellen MacArthur Foundation.

- SCS: Coexpan continues its activity on this platform that brings together different industry agents with the aim of increasing the circularity of styrene polymers.

- HOLYGRAIL 2.0: INNOTECH continues participating in this project whose objective is to demonstrate the technical feasibility of digital watermarks for the accurate classification of post-consumer packaging waste in the classification plants. An industrial test on flexible material was carried out in 2022 with a very positive result.

- SUSTAINABLE PACKAGING COALITION: Coexpan and Emsur, continue their membership in this platform, which promotes packaging sustainability by driving circularity throughout the value chain, primarily in North America.

Food waste

Regarding food waste, although it is not directly applicable to the activity of the organization, as it does not buy, process or sell food, nor does it have cafeterias, the Group understands that it is part of the chain and, therefore, collaborates in the reduction of food waste through the development of materials that increase the product’s lifespan.

3.3 Sustainable use of resources

Energy is a fundamental resource in the Group's business. During the years 2022 and 2023, energy consumption data were as follows:

	Energy consumption (GJ) 2022	Energy consumption (GJ) 2023
Gas	187.924	173.427
Diesel	2.093	2.426
Propane	10.976	7.018
Electricity	608.394	556.951
Total	823.514	739.822

The evolution of the energy consumption data shows a positive value reduction trend in absolute terms. As indicated in the previous point, the actions implemented to increase the efficiency of processes and equipment result in an optimization of the use of resources.

On the other hand, the evolution of the data referring to the raw materials with the highest consumption has been as follows[2]:

	Consumption of raw materials (t) 2022	Consumption of raw materials (t) 2023
Plastic resins	159.020	177.097
Paper and cardboard	56.844	54.997
Total	215.864	232.094

As part of the Group's Environmental Assessment, the waste generated during the years 2022 and 2023 is shown below:

	Waste generated (t) 2022	Waste generated (t) 2023
Hazardous waste	1.655	1.638
Non-hazardous waste	23.124	21.182
Total	24.779	22.820

As previously mentioned, the optimization of waste management is one of the lines of action of the Group's environmental management. During 2023, different projects have been carried out to

[2] In the EMSUR and LECA Divisions, the consumption of materials is reported, in COEXPAN and ESTELLA an estimate of the consumption of materials has been made based on the purchases of materials made in the period.

reduce production losses and improvements in management that are reflected in the positive evolution of the data for both hazardous and non-hazardous waste, where the reduction is even more significant. Some projects have also been carried out to reduce waste, such as improving waste segregation, improving its flow, through the placement of recycling bins in offices, thereby increasing awareness.

On the other hand, water consumption, despite it not being a key resource in the Group's production processes, is monitored and has been included in the Group's improvement and conscientization plans. Specifically, water consumption in 2022 and 2023 was as follows:

	Water consumption (m3) 2022	Water consumption (m3) 2023
Total	88.136	84.546

During 2023, water consumption has continued to be reduced, which represents a relevant minimization of the environmental impact in this aspect. The responsible water management programs developed in our Sustainability Plan are primarily based on the efficiency in the processes, the improvement in maintenance controls and the enhancement of this resource; the result reflects in this positive trend with a significant reduction.

It is worth highlighting during the year 2023, as an awareness-raising action, the communication and launch of the Good Practices Manual for all employees, where the importance of each individual action in protecting the planet is recalled, providing practical instructions for this.

3.4 Protection of biodiversity

The Group does not perform any activities in protected spaces or areas, so this aspect is considered to be immaterial as there is no direct impact on biodiversity.

In any case, it is considered that all actions aimed at protecting the environment favor the global protection of the planet and, therefore, of biodiversity.

4. Social and Personnel Issues

From the social and people point of view in 2023 the strategic lines already defined for the period 2022 – 2024 have been strengthened, among which the following should be highlighted:

Commitment to Employment

For Grupo Lantero, its workers are the most valuable asset, a team of professionals committed to the company aims to build long-term relationships with clients and meet their needs through teamwork, operational excellence, and innovation.

The Group responds to this commitment by placing trust in people and focusing on stable, high-quality employment with a high percentage of permanent contracts, professionalization of roles, and a drive for continuous improvement.

Development of a Common Culture

In 2022 we will begin the project to build a common culture with which all employees can feel identified and recognized, which generates opportunities for greater understanding and collaboration, which helps us live the same values and which unites us to be more competitive and resilient in the market in which we operate.

In 2023 some people have been identified as references for our values and a communication campaign has been developed that has reached all our work centers. In parallel, workshops have been developed to reflect and exchange experiences on the presence of values in the company, becoming aware of them.

We have celebrated the 50th anniversary of one of our businesses in all of its work centers internationally by inviting families to join us and get to know the facilities, the production process and the co-workers better. Numerous communication campaigns have also been developed to promote knowledge of businesses, people, initiatives and achievements.

The organization continued to transform in search of synergies, with the goal of building stronger relationships between teams.

We have continued to strengthen cross-cutting projects with great impact at both operational and functional levels, as well as the implementation of common systems, processes, procedures and policies that help us create a shared language and vision.

Talent management

Talent is a fundamental pillar in the effective management of the business and in the development of the company's strategy. We are an organization that stands out for its strong technical knowledge combined with great customer orientation and service.

From the point of view of talent management, we focus on the following main objectives:

- Identify, value and differentiate the talent we have in the organization, which allows us to guide professionals according to their abilities and strengths, as well as create succession plans that ensure business continuity and sustainability.

- Offer opportunities for development and professional growth through performance assessment, internal promotion, mobility between countries and departments or functions, participation in projects or the assumption of new responsibilities.

- Attract external talent that allows us, on the one hand, to incorporate young professionals who, taking their first steps in the business world, can become the future of the company and, on the other hand, consolidated professionals who provide us with knowledge, methodologies and complementary good practices to those we already have.

- Retain talent through a motivating and challenging professional project, fair and competitive economic conditions and a safe, respectful and trustworthy work environment.

4.1 Employment

The Group's workforce as of December 31, 2023, amounted to 2.614 employees, which represents a slight decrease compared to 2022 and reinforces our strength as a company and our commitment to quality employment.

The data related to the Group's workforce at year-end by gender, age group, country and professional group are reported below:

	Employees by gender	
	2022	2023
Men	1.956	1.951
Women	662	663
Total	2.618	2.614

	Employees by age	
	2022	2023
<30	299	293
30-50	1.697	1.648
>50	622	673
Total	2.618	2.614

	Employees by country	
	2022	2023
Spain	1.106	1.129
France	383	386
Germany	66	62
Italy	80	79
Russia	312	301
Poland	76	75
Brazil	67	68
Chile	237	230
Mexico	193	186
USA	24	28
Morocco	74	70
Total	2.618	2.614

		Employees by professional group	
		2022	2023
Executives	Division General Management	4	4
	Plant General Management	10	10
	Corporate Management	32	31
Middle management	Manager	142	136
	Department Head	163	170
	Specialist	440	446
Staff	Supervisor	114	115
	Operator	1.713	1.702
Total		2.618	2.614

The data relating to the total number and distribution of employment contract modalities at the end of the fiscal year are reported below:

	Indefinite contracts			Temporary contracts		
	Full-time	Part-time	Total	Full-time	Part-time	Total
Total	2.509	47	2.556	56	2	58

The data related to this indicator with for 2022 is included in Annex I.

The following is the annual average in 2023 of employment contract modalities, broken down by gender, age group and professional group:

	Indefinite contracts			Temporary contracts		
	Full-time	Part-time	Total	Full-time	Part-time	Total
Men	1.914	13	1.927	28	1	29
Women	625	36	661	16	0	16
Total	2.538	50	2.588	44	1	45

	Indefinite contracts			Temporary contracts		
	Full-time	Part-time	Total	Full-time	Part-time	Total
< 30	257	5	262	16	1	17
30-50	1.604	37	1.641	24	0	24
>50	677	8	685	4	0	4
Total	2.538	50	2.588	44	1	45

		Indefinite contracts			Temporary contracts		
		Full-time	Part-time	Total	Full-time	Part-time	Total
Executives	General Management	4	0	4	0	0	0
	Plant General Management	10	0	10	0	0	0
	Corporate Management	33	0	33	0	0	0
Middle Management	Manager	145	0	145	0	0	0
	Department Head	162	2	164	1	0	1
	Specialist	409	28	437	11	1	12
Staff	Supervisor	118	0	118	1	0	1
	Operator	1.657	20	1.677	31	0	31
Total		2.538	50	2.588	44	1	45

The data related to this indicator and its calculation method for 2022 are included in Annex II.

The data and evolution relative to the Group's workforce at the end of the fiscal year in relation to employees with disabilities is reported below:

	Employees with a disability	
	2022	2023
Total	40	40

The data related to the Group's workforce are reported below in relation to the number of layoffs that occurred during 2022 and 2023 by gender, age group and professional group:

	Layoffs by gender	
	2022	2023
Men	75	85
Women	17	32
Total	92	117

	Layoffs by age	
	2022	2023
<30	11	18
30-50	59	75
>50	22	24
Total	92	117

		Layoffs by professional group	
		2022	2023
Executives	General Management	0	0
	Plant General Management	1	0
	Corporate Management	1	0
Middle Management	Manager	5	4
	Department Head	3	8
	Specialist	8	19
Staff	Supervisor	4	7
	Operator	70	79
Total		92	117

The analysis of the wage gap[3] in the Group is reported below, by professional group:

		Women-to-men ratio[4]		Wage gap[5]	
		2022	2023	2022	2023
Executives	General Management	N/A	N/A	NA	N/A
	Plant General Management	N/A	N/A	NA	N/A
	Corporate Management	89%	97%	11%	7%
Middle Management	Manager	72%	75%	28%	26%
	Department Head	82%	79%	18%	21%
	Specialist	81%	78%	19%	22%
Staff	Supervisor	95%	93%	5%	7%
	Operator	73%	78%	27%	22%

Regarding the evolution of the wage gap data[6], some upward and downward variations can be seen according to the professional groups, the most relevant being the decrease in the Corporate Management group where the gap is very low and the Managers group where the gap is highest, but it has decreased by four percentage points compared to the previous year.

The company continues to work on reducing the gender wage gap by ensuring equal opportunities in job access.

4.2 Work organization

At Grupo Lantero we maintain a commitment to our employees favouring work-life balance, facilitating flexibility at work, considering the special circumstances and needs of each employee.

In this regard, we encourage the co-responsible exercise of childcare by both parents and in the year 47 workers (23 men and 24 women) have enjoyed maternity and paternity leave.

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[3] The ratio of women to men and the wage gap have been calculated taking into consideration the following remuneration items received by employees in the exercise: fixed salary and bonus. Other salary components have been assessed and classified as immaterial to the calculation of the indicators in question.

[4] The women-to-men ratio has been calculated using the following formula: (Average salary woman / Average salary man) * 100.

[5] The wage gap has been calculated using the following formula: 1-Women-to-men ratio based on the headcount at the year-end.

[6] The wage gap has been calculated based on the headcount at the end of the fiscal year.

Within the Group, we maintain the concern to favor labor disconnection despite not identifying a risk in the area. We want our employees to work in a healthy environment and enjoy free time so that they effectively perceive this conciliation environment.

4.3 Health and safety

Health and safety are one of our corporate values, which shows the importance we attach to this matter. Our system in this matter is based on three pillars:

1. People
2. Industrial safety
3. Health and Safety management system

During 2023, it is worth highlighting the investments that have been made in different production plants to reinforce our safety standards. The most notable initiatives are as follows:

- Awareness program for executives
- Regulatory compliance monitoring program across all facilities and production lines
- Fire safety audit
- Strengthening of the accident and incident investigation and management system
- Update of roles and responsibilities for the safety and health team

Additionally, at corporate level, the foundations of the current Management System are being strengthened by reviewing existing procedures and improving work tools in order to create a sustainable and solid Safety Culture.

Health and safety indicators for the plants in the Group's four divisions are set out below:

	Accident rates 2023		
	Men	Women	Total
Total number of accidents (with and without lost time)[7]	104	7	111
Recordable incident rate[8]	57,25	18,35	47,61
Lost-time case rate[9]	19,96	3,19	15,80
Severity rate [10]	0,63	0,30	0,55

Throughout 2023, there has been a decrease in the total number of accidents compared to 2022, indicating a positive trend. However, there has been an increase in the number of hours lost to absenteeism, highlighting an area for improvement in both cases.

The data related to these indicators, their calculation method, and their evolution with respect to the year 2022 are included in Annex III.

Throughout 2023, as in previous years, no fatal accidents were recorded at the Group's facilities.

As regards absenteeism, the number of hours during the year is shown below:

	Total (h) 2022	Total (h) 2023
Number of hours of absenteeism	264.162	275.793

4.4 Labor relations

The Group maintains a strong commitment to the legal representatives of the workers, guaranteeing freedom of association, respecting the applicable agreement in each country or, failing that, the current legislative framework on this matter.

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[7] Total Number of Accidents (with and without leave): Number of accidents with leave, without leave (recorded), and occupational diseases. The Group does not include accidents classified as "**First Aid and In Itinere**" in the calculation of this indicator.

[8] Recordable Incident Rate (RIR): Number of accidents during working hours (with leave, without leave, and first aid) / Number of hours worked *** 1,000,000**. This index refers to the frequency of accidents. The Group does not include accidents classified as "Occupational Diseases and In Itinere" in the calculation of this indicator.

[9] Lost Time Case Rate (LTCR): Number of accidents with leave / Number of hours worked *** 1,000,000**. This index refers to the frequency of accidents. The Group does not include accidents classified as "**Occupational Diseases and In Itinere**" in the calculation of this indicator.

[10] Severity Rate (SR): Number of days lost due to accidents with leave and occupational diseases / Total number of hours worked *** 1,000**. This index refers to the severity of accidents. The Group does not include accidents classified as "**Accidents without leave, First Aid, and In Itinere**" in the calculation of this indicator.

For all the countries in which there are legal provisions, all our employees are covered by the collective agreement associated with the business permit granted to the company (graphic arts, chemicals, etc.), as reflected in the following table:

	Employees covered by collective agreements (%)
Brazil	100%
Spain	100%
France	100%
Italy	100%
Mexico	69%

4.5 Training

In 2023, 7.245 more training hours were provided than in the previous year, which represents a 20% increase in the total number of training hours.

Learning and training continue to be key elements for updating and developing employees in a dynamic and changing context contributing to the strengthening of an environment of innovation and continuous improvement.

The total number of training hours are shown below by professional group:

<table>
<tr><th></th><th></th><th colspan="2">Training hours (h)</th></tr>
<tr><th></th><th></th><th>2022</th><th>2023</th></tr>
<tr><td rowspan="3">Executives</td><td>General Management</td><td>13</td><td>1</td></tr>
<tr><td>Plant General Management</td><td>104</td><td>299</td></tr>
<tr><td>Corporate Management</td><td>238</td><td>105</td></tr>
<tr><td rowspan="3">Middle Management</td><td>Manager</td><td>3.019</td><td>4.310</td></tr>
<tr><td>Department Head</td><td>4.949</td><td>6.632</td></tr>
<tr><td>Specialist</td><td>6.544</td><td>10.900</td></tr>
<tr><td rowspan="2">Staff</td><td>Supervisor</td><td>4.475</td><td>1.920</td></tr>
<tr><td>Operator</td><td>17.453</td><td>19.874</td></tr>
<tr><td colspan="2">Total</td><td>36.795</td><td>44.040</td></tr>
</table>

4.6 Equality

The commitment to equality is maintained, reflected within the Principles of the Code of Ethics, specifically, in the "Non-discrimination" section, which establishes that the Group promotes equal treatment between men and women in what is refers to access to employment, training, the promotion of professionals and working conditions.

The Group's management ensures compliance with this principle through the complaints channel, a tool for reporting situations that may be understood as discrimination of any kind, as well as through the human resources department and its close contact with employees.

During 2023, progress has been made in the area of equality with the implementation and monitoring of the plans in place.

The Group will continue to work on equality and will maintain its commitment to complying with the principles established in its Code of Ethics.

5. Human rights

The Group has made an explicit, public commitment to respect and promote human rights in all the territories in which it operates, paying particular attention to compliance with laws on child and forced labor. This commitment is included in the conduct rules and guidelines of the Group's Code of Ethics and any breach in respect of Human Rights can be reported through the Group's whistleblower channel.

The Group received no reports of infringements of the UN Universal Declaration of Human Rights in any of the countries in which it operated during 2023.

The Group would apply the disciplinary measures stipulated in our Code of Ethics to any human rights violation.

6. Corruption and bribery

For the Group, ethics is a fundamental pillar for the proper functioning of business activity. For this reason, a number of policies and mechanisms have been developed to assure that all the Group's employees act with integrity and in line with the ethical principles defined by Management. All actions undertaken by the Group are founded on an attitude of respect, professionalism, honesty and integrity towards all stakeholders.

The Group has implemented and communicated the following rules and policies relating to the correct attitude to be adopted by our professionals in their activities:

Code of Ethics

The aim is to identify the values and principles that must guide all professional conduct in all the Group companies, in the course of business.

This document is the specific expression of our culture and our ethical values. It contains guidelines on conduct and behavior, reaffirming our wish to keep up the highest standards of transparency and integrity.

The Code of Ethics is mandatory for all the Group's employees, irrespective of their company, hierarchical level and geographic or functional location.

Among its content, the Group's Code of Ethics defines the following aspects:

- ethical values that will guide our activities;
- expected conduct with our significant stakeholders;
- specific principles and behavior expected with stakeholders;
- mechanisms to enforce the Code of Ethics and channels in place to report any infringements.

The following principles are reflected in our Code of Ethics:

- commitment to Human rights and employee rights;
- compliance with the law;
- environmental protection;
- health and safety;
- work-life balance;
- non-discrimination;
- data protection;
- recruitment and training;
- suppliers;
- customers;
- international trade controls;
- combating corruption and bribery;
- competitors;
- conflicts of interest;
- company's resources;
- fraud;
- confidential information.

The Code of Ethics is officially communicated to all the Group’s employees through informative sessions held to address its content and the whistleblower procedure to be followed if necessary. All new joiners are also provided with this communication.

During 2023, it is worth highlighting the sending of a new communication to all employees reinforcing the need to comply with the Code of Ethics and the rest of the internal policies of Grupo Lantero.

Policy on gifts and invitations

As part of the Group's commitment to safeguard both ethical behavior and its reputation and image, a policy on gifts and invitations has been defined to assure exemplary conduct by employees.

Conflict of interest policy

The Group has also prepared a conflict of interest policy including the actions or behavior that could create an actual or apparent conflict of interest and laying down the procedures to be followed in such cases.

Whistleblower Channel

To ensure that all Group employees act with integrity and in accordance with the defined ethical principles, a whistleblower channel has been established. This channel serves as a tool for reporting any potential irregularities, breaches, or behavior contrary to ethics, legality, and the standards set forth in the Code of Ethics. This channel is available to all employees and third parties.

The Director of Legal Advisory and Regulatory Compliance at Grupo Lantero is designated as the person responsible for managing this whistleblower channel.

Likewise, the Director of Legal Advice and Regulatory Compliance of Grupo Lantero maintains a record book of the information and communications received through the Whistleblower Channel and the internal investigations to which they have given rise.

Criminal Risk Prevention Plan

This new plan, which replaces the plan approved in 2019, includes the new potential criminal risks that, in response to the activity of Grupo Lantero, could materialize, also establishing policies and procedures for their mitigation.

The Director of Legal Advice and Regulatory Compliance of Grupo Lantero is responsible for the review, monitoring and implementation of the Criminal Risk Prevention Plan.

7. Social responsibility

7.1 Commitment to sustainable development

In order to manage the social impacts of our activities, the Group promotes dialogue with stakeholders to identify actions that can favor sustainable development.

The Group's main lines of action in this field are as follows:

- Promotion of local development by hiring local people or selecting local suppliers, provided this is possible in view of the post and required specifications; Support for professional training institutes, universities and employment services by hiring students for practical training who often go on to become employees;

- Social inclusiveness through collaboration with non-profit foundations to hire students with social inclusion difficulties for job training;

- Social collaboration by promoting actions to allow non-financial donations;

- Volunteer actions that provide social and environmental benefits that promote the integration of employees in the corporate social action strategy.

On the other hand, it should be noted, as in the previous years, that during 2023 the most relevant actions in the social field were developed within the framework of collaboration with the Tornillo Foundation signed during 2019. This common collaboration framework proposes to promote our contribution to the construction of a better society through projects focused on three areas of action: employment, training and social action.

The actions carried out during 2023 are detailed below:

- Non-labor Internships: 5 students (2 in Vocational Training for administrative services and 2 in Vocational Training for electricity and electronics at Emsur, 1 in Vocational Training for electricity and electronics at Leca Graphics).

- Volunteer Figures: 16 volunteers, 8 volunteer actions, 12 hours of training, 71 students trained in production/quality/administration in the factory, networking, food container and packaging, and R&D, preparation for internships and market analysis.

- Plant Visits: 4 plant visits in the morning and afternoon, 49 students visited our plants as part of vocational promotion activities.

7.2 Initiatives with associations or sponsorships

Bearing in mind that the Group has operations in a number of countries, some of the associations that we work with are listed below:

- AMANC (Mexican Association to Help Children with Cancer);
- Banco de tapitas (non-profit civil association that helps people with cancer);
- Blue Ladies (Institution of private assistance, helps women with cancer);
- AEDHE: Henares Business Association;
- AGM: Madrid Graphic Arts Association;
- AEGRN: Navarre;
- Confederation of Companies of Navarre;
- ANAIP: Spanish Association of Plastic Industries;
- ASPACK: Spanish Association of Cardboard Containers, Packaging and Transformation Manufacturers.
- ASIPLA: Association of Plastics Industries of Chile

It should be noted that in 2023 the Group allocated € 100.000 to non-profit foundations.

7.3 Subcontracting and suppliers

When purchasing and subcontracting services, besides efficiency and the fulfilment of industry standards, the Group prioritizes the observance in the supply chain of our values and requirements in relation to health and safety, environment, worker's rights, respect for human rights, ethics and integrity.

This priority included in our Code of Ethics will be incorporated into the management of our main suppliers over the next two years, through internationally recognized responsible management platforms that evaluate and promote sustainability in the supply chain, ensuring good practices in the matter. environmental, social and economic or by incorporating these standards in the general conditions of purchase.

In addition, our Code of Ethics requires our employees to ensure that supplier selection processes are objective, impartial and transparent.

7.4 Consumers

Although consumers are not direct customers, the Group is aware of the importance of health and safety and has the following measures in place:

- Certification under international food safety standards for all the plants that produce materials which come into direct contact with food (BRC Packaging, ISO 22000), thus assuring safety and compliance with prevailing food safety legislation;

- Solid quality management systems covering claims management procedures and preventive and corrective actions. This assures the fast and reliable registration, analysis, resolution and containment of any departure from applicable standards.

7.5 Tax information

The total tax on profits paid by the Group in 2023 is €7.717.067. In 2022 the amount of income tax paid was € 3.116.685

The public subsidies received in the financial year 2023 amount to €1.344.710. In the financial year 2022, this amount amounted to € 274.389.

8. Regarding the Non-Financial Statement - Table required by Law 11/2018 of December 28

In this NFS, the Group fulfils the requirements of the Non-Financial Information Law. The contents are prepared in accordance with the Global Reporting Initiative (GRI) sustainability reporting framework as a reference, trying to adapt them to the reality of its business model and activity.

In this NFS, the Group has carried out an internal materiality analysis that has taken into account the context and regulation of the sector, as well as the most relevant issues for its stakeholders, trends sectors and the best practices to determine which non-financial aspects are relevant for the Group, which has made it possible to identify the most relevant aspects on which to inform its stakeholders, as well as to respond to non-financial information requirements based on current regulation. For all those aspects that have been considered non-material for the organization, this report addresses its management approach, but does not provide detailed information on key KPIS or other quantitative indicators, as they are not considered representative of the Group's activity.

Set out below is the table required by the Non-Financial Information Act, the purpose being to indicate which section of this NFS meets the requirements of the Act and to identify which reporting standard has been applied for this purpose. Specifically, this GRI content index shows which pages of the NFS relate to each of the reporting areas identified by the Non-Financial Information Act, the GRI index used and any omissions with respect to the content covered by those indicators as per the model indicated below.

Content	Section	Associated GRI index
Business model		
- Business environment and business model	1.1; 1.2.	2-1; 2-6
- Markets in wich the company operates	1.3.	2-1; 2-6
- Objectives and strategies	1.4.	2-1; 2-6
- Factors and trends affecting the business	1.4.	2-1; 2-6
- Political	1; 2; 3; 4; 6;	2-23; 2-24; 3-3
- Risks	2.	413-1; 3-3
Environmental matters		
Global		
- Effects of the company's activities on the environment and health and safety	3.	3-3
- Precautionary principle, the amount of provisions and guarantees for environmental risks	3.	2-23
- Resources devoted to preventing environmental risks	3.	2-23
Pollution		
- Measures associated with carbon emissions	3.1.	3-3
- Measures associated with light, noise and other pollution	3.1.	3-3
Circular economy and waste prevention and management		
- Initiatives to favor the circular economy	3.2.	3-3

- Measures associated with waste management	3.2.	306-2
- Actions to combat food waste	3.2.	3-3
Sustainable use of resources		
- Water: consumption and supply	3.3.	303-5
- Raw materials: consumption and measures	3.3.	301-1; 3-3
- Energy: consumption, measures and use of renewables	3.3.	302-1; 3-3
Climate change		
- Greenhouse gas emissions	3.1.	305-1; 305-2
- Climate change adaptation measures	3.1.	3-3
- Emission reduction goals	3.1.	3-3
Biodiversity		
- Conservation measures	3.4.	3-3
- Impacts on protected areas	3.4.	304-2
Social and personnel-related matters		
Employment		
- Total number and distribution of employees by gender, age, country and professional group	4.1.	2-7
- Total number and distribution of employment contract types	4.1.	2-7

- Annual average indefinite contracts, temporary contracts and part-time contracts by gender, age and professional group	4.1.	2-7; 405-1
- Number of layoffs by gender, age and professional group	4.1.	401-1
- Wage gap, remuneration for the same posts or the company's average remuneration	4.1.	405-2
- Right to disconnect policies	4.1.	3-3
- Employees with a disability	4.1.	405-1
Organization of working hours		
- Work organization	4.2.	3-3
- Number of hours of absenteeism	4.3.	403-9; 403-10
- Work-life balance measures	4.2.	3-3
Health and safety		
- Occupational health and safety	4.3.	3-3
- Occupational accidents, in particular frequency and severity	4.3.	403-9
- Professional illnesses by gender	4.3.	403-10
Labor relations		
- Organization of social dialogue	4.4.	3-3
- Percentage of employees covered by collective bargaining agreements by country	4.4.	2-30
- Main content of the collective agreements in relation to occupational health and safety	4.4.	403-4

- Mechanisms and procedures the company has in place to promote employee involvement in the management of the company, in terms of information, consultation, and participation.	4.4.	3-3
Training		
- Training policies implemented	4.5.	3-3
- Total training hours by professional category	4.5.	404-1
- Universal accessibility for the disabled	4.1; 4.6.	3-3
Equality		
- Measures implemented to promote equality, equality plans and non-discrimination policy, and diversity management	4.6.	3-3
Human rights		
- Due diligence procedures on human rights and, if applicable, mitigation, management and remedies	5.	3-3; 2-23; 2-26
- Human rights violations reported	5.	406-1
- Promotion and fulfilment of ILO conventions related to the freedom of association and collective bargaining	5.	407-1
- Elimination of discrimination in the workplace, forced or mandatory labor and child labor	5.	3-3; 409-1; 408-1
Corruption and bribery		
- Measures taken to prevent corruption and bribery	6.	2-23; 2-26; 3-3
- Measures to combat money laundering	6.	205-2; 3-3
- Contributions to foundations and non-profit entities	6.	413-1

Society		
Company's commitments to sustainable development		
- Impact of the company's business: employment, local development, local populations and territory	7.1.	413-1; 203-1
- Ongoing dialogue with local communities	7.1.	2-29
- Initiatives with associations or sponsorships	7.2.	2-28
Subcontracting and suppliers		
- Inclusion in the procurement policy of social, gender equality and environmental matters	7.3.	2-6
- Consideration of the social and environmental responsibility of suppliers and subcontractors	7.3.	2-6
- Oversight systems, audits and related findings	7.3.	3-3
Consumers		
- Consumer health and safety measures	7.4.	3-3
- Claim systems, complaints received and solutions	7.4.	3-3
Tax information		
- Income tax paid	7.5.	3-3
- Government grants received	7.5.	201-4

Annex I: Evolution of the data related to the total number and distribution of employment contract modalities 2022 – 2023

The data relating to the total number and distribution of employment contract modalities, at the close of the fiscal year 2023, are reported below:

	Indefinite contracts			Temporary contracts		
	Full-time	Part-time	Total	Full-time	Part-time	Total
Total	2.509	47	2.556	56	2	58

The following is the data relating to the total number and distribution of employment contract modalities, at the close of fiscal year 2022:

	Indefinite contracts			Temporary contracts		
	Full-time	Part-time	Total	Full-time	Part-time	Total
Total	2.515	43	2.558	55	5	60

Annex II: Evolution of the average data of employment contract modalities 2022 – 2023

The annual average in 2023 of employment contract modalities, broken down by sex, age and professional group is shown below:

	Indefinite contracts			Temporary contracts		
	Full-time	Part-time	Total	Full-time	Part-time	Total
Men	1.914	13	1.927	28	1	29
Women	625	36	661	16	0	16
Total	2.538	50	2.588	44	1	45

	Indefinite contracts			Temporary contracts		
	Full-time	Part-time	Total	Full-time	Part-time	Total
< 30	257	5	262	16	1	17
30-50	1.604	37	1.641	24	0	23
>50	677	8	685	4	0	5
Total	2.538	50	2.588	44	1	45

		Indefinite contracts			Temporary contracts		
		Full-time	Part-time	Total	Full-time	Part-time	Total
Executives	General Management	4	0	4	0	0	0
	Plant General Management	10	0	10	0	0	0
	Corporate Management	33	0	33	0	0	0
Middle Management	Manager	145	0	145	0	0	0
	Department head	162	2	164	1	0	1
	Specialist	409	28	437	11	1	12
Staff	Supervisor	118	0	118	1	0	1
	Operator	1.657	20	1.677	31	0	31
Total		2.538	50	2.588	44	1	45

The annual average in 2022 of employment contract modalities, broken down by sex, age and professional group is shown below:

	Indefinite contracts			Temporary contracts		
	Full-time	Part-time	Total	Full-time	Part-time	Total
Men	1.927	8	1.935	30	4	34
Women	581	37	618	18	4	22
Total	2.508	45	2.553	48	8	55

	Indefinite contracts			Temporary contracts		
	Full-time	Part-time	Total	Full-time	Part-time	Total
< 30	244	2	246	21	3	24
30-50	1.636	37	1.673	21	0	21
>50	629	6	634	6	5	11
Total	2.508	45	2.553	48	8	55

		Indefinite contracts			Temporary contracts		
		Full-time	Part-time	Total	Full-time	Part-time	Total
Executives	General Management	4	0	4	0	0	0
	Plant General Management	10	0	10	0	0	0
	Corporate Management	33	0	33	0	0	0
Middle Management	Manager	147	0	147	0	0	0
	Department head	161	3	164	0	0	0
	Specialist	397	22	418	10	3	13
Staff	Supervisor	116	0	116	0	0	0
	Operator	1.641	20	1.661	38	5	42
Total		2.508	45	2.553	48	8	55

Annex III: Evolution of accident data 2022 – 2023

	Accident rates (2023)		
	Men	Women	Total
Total number of accidents (with and without lost time)[11]	104	7	111
Recordable incident rate (RIR)[12]	57,25	18,35	47,61
Lost-time case rate (LTCR)[13]	19,96	3,19	15,80
Severity rate (SR)[14]	0,63	0,30	0,55

	Accident rates (2022)		
	Hombres	Mujeres	Total
Total number of accidents (with and without lost time)	119	119	119
Recordable incident rate	45,67	45,67	45,67
Lost-time case rate	21,84	21,84	21,84
Severity rate	0,4	0,6	0,4

[11] Total number of accidents (with and without leave): Number of accidents with leave, without leave (recorded), and occupational diseases. The Group does not consider accidents categorized as "**First Aid and In Itinere**" for the calculation of this indicator.

[12] Recordable Incident Rate (RIR): Number of work-related accidents (with leave, without leave, and first aid) / Number of hours worked *** 1,000,000**. This index refers to the frequency of accidents. The Group does not consider accidents categorized as "**Occupational Diseases and In Itinere**" for the calculation of this indicator.

[13] Lost Time Case Rate (LTCR): Number of accidents with leave / Number of hours worked *** 1,000,000**. This index refers to the frequency of accidents. The Group does not consider accidents categorized as "**Occupational Diseases and In Itinere**" for the calculation of this indicator.

[14] Severity Rate (SR): Number of days lost due to accidents with leave and occupational diseases / Total number of hours worked *** 1,000**. This index refers to the severity of accidents. The Group does not consider accidents categorized as "**Accidents without leave, First Aid, and In Itinere**" for the calculation of this indicator.

LANINVER SHC, S.L.U. AND SUBSIDIARIES

Non-Financial Statement at 31 December 2023