



2024 Sustainability Report



Creating harmony

Music is much more than a succession of notes and melodies. It's a unique expression of talent, technique, coordination, precision, and creativity. By combining these elements and following a score, musicians create art and leave us with a legacy that endures for future generations.

Lecta's achievements on its path to sustainability are also the result of collective effort. As in a great orchestra, each member of our team plays a fundamental role in different stages of the process. From sourcing raw materials, production, our control and improvement systems, and the final delivery of our products to the overall management of our business.

We work in harmony following our own score, with clear objectives that inspire us to seek innovative solutions in paper and to continue advancing in the performance of responsible, respectful, and more sustainable business activity.

2024 Sustainability Report



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Introduction to Lecta





CEO letter ^{1/2}

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As we embark on another year of our sustainability journey at Lecta, I am pleased to present our latest comprehensive Sustainability Report. In 2024 we have continued to prioritize and uphold our commitment to environmental stewardship, social responsibility, and excellence in governance. Despite long-term industry challenges, Lecta has made significant strides in sustainability this year, with our efforts recognized externally by organizations like EcoVadis and SBTi.

As we continue to work towards the environmental, social and governance targets established in our roadmap to 2030, Lecta remains focused on making a positive impact, and our efforts are guided by a clear vision: to create a more sustainable future for generations to come.



In 2024, our ambition was validated by the approval of our Near-Term Scope 1, 2 and 3 emissions reduction targets by the Science Based Targets initiative (SBTi).

Gilles Van Nieuwenhuyzen
CEO Lecta

In our 2024 Lecta Sustainability Report, we have laid out our progress against the goals established in our ESG Strategy, laying the groundwork for the rest of this decade. We continue to concentrate on areas where we can contribute meaningfully to sustainable development, and the key material issues that will support us in achieving positive environmental, social and economic outcomes.

As the CEO, I take pride in reporting our ongoing endeavours to reduce our environmental impact and promote social responsibility across our operations. This year, I am thrilled to report that our efforts in the sustainability space have been recognised by EcoVadis, with the elevation of our rating to Platinum, a distinction shared by only 10 out of 300 companies in our industry, placing us among the top 1% of evaluated companies. The prestigious award exemplifies our commitment to integrating sustainability into our daily activities, and reflects a strong collective effort by our employees, customers, suppliers and business partners. It represents our continued commitment to innovation and collaboration in our aim to establish new benchmarks for sustainability in the paper manufacturing industry.

In terms of Greenhouse gas (GHG) emissions, our CO₂ Roadmap sets ambitious targets for reducing CO₂ emissions by 2030 compared to a 2021 baseline. In 2024, our ambition was validated by the approval of our Near-Term Scope 1, 2 and 3 emissions reduction targets by the Science Based Targets initiative (SBTi), which provides clear guidance to limit global warming to 1.5 degrees Celsius and achieve net-zero emissions by 2050. Underpinning these targets is our commitment to purchasing energy from renewable sources, and the several projects planned and already underway related to energy production and energy efficiency measures in our mills. A key milestone to highlight this year was the commencement of operation of our Refuse-derived Fuel (RDF) boiler at our Condat mill, which has already reduced our emissions by 4,789 tCO₂e since it became operational in September, whilst also aligning with the principles of the circular economy. We have also started the crucial process of collaborating with suppliers to reduce our Scope 3 emissions.



CEO letter ^{2/2}



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Our dedicated employees are key to our long-term success. Our commitment to our people lies at the heart of our sustainability strategy, and we strive to create a culture that promotes and celebrates diversity, equality, employee engagement and development, and health and safety. In 2024, we conducted our first engagement survey, covering nearly 3,000 employees, including all blue-collar workers. The participation rate exceeded expectations, and the results reflected positively on our culture, a notable achievement in light of industry challenges. I would like to express my gratitude to our employees for their participation, and their continued willingness to learn and grow with us. Further, we have continued to focus on empowering women in Lecta, through participation in gender equality events and training sessions. Through such initiatives, we endeavour to create a more engaged and inclusive environment across the organization.

Health and safety remain a top priority for Lecta, with our performance against the severity index KPI in 2024 surpassing the industry average. While we celebrate health and safety achievements in our mills, with our Sant Joan les Fonts mill achieving the longest period without Lost Time Accidents (LTAs) during the year, we acknowledge areas for improvement, as we continue to work towards our Vision Zero strategy.



Recognising our responsibility throughout our value chain, we have taken important steps this year in our responsible sourcing strategy, as we prepare for full compliance with the European Deforestation Regulation (EUDR) responsible wood sourcing practices. Despite the extension of the entry into force of EUDR, Lecta has kept a good pace in view of its future implementation entailing the hard work and necessary collaboration between several areas within the Group. We have also implemented a dedicated Supplier Code of Conduct to ensure the values of our suppliers align with our own ethical standards, as well as enrolling 74% of suppliers to the EcoVadis platform. These measures come in addition to the emphasis placed on ethical training and policy reinforcement within our own business through our 100% Ethics training target, which we achieved this year.

We have also implemented a dedicated Supplier Code of Conduct to ensure the values of our suppliers align with our own ethical standards, as well as enrolling 74% of suppliers to the EcoVadis platform.

In 2024, we conducted our first engagement survey, covering nearly 3,000 employees, including all blue-collar workers.

In 2024, we continue the trend of innovation in our products, following the successful launch of 40 new products in 2023. In 2024, we undertook the successful launch of 20 new products and took steps towards innovation in coatings and chemical use, especially in our thermal product range, highlighting our dedication to meeting our customer needs while prioritizing environmental responsibility. I am proud that all our products continue to achieve a prominent level of sustainability certification, as we contribute to a greener society by developing innovative products based on natural, recyclable, and renewable raw materials as alternatives to replace plastic and promote a circular economy.

These accomplishments underscore our ongoing efforts to drive positive change and create a more sustainable future for all. For more information about our strategic approach, commitments, and progress, please refer to this Lecta Group Sustainability Report.

Thank you for your continued trust in Lecta as we progress towards a more sustainable and prosperous future.



About us ^{1/5}

Global paper supplier

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Lecta is a leading European manufacturer and distributor of specialty papers for labels and packaging with high value-added innovative barrier papers, a wide range of high-quality coated and uncoated papers for publishing and commercial printing, and other high-value products for different market segments.

Lecta has an integrated production system including pulp, base paper and a wide variety of paper grades with a manufacturing capacity of over 1.4 million metric tons with today's latest technology and achieves a top-level environmental performance.

The company's experience and innovative capacity in papermaking and in coating application technologies on different types of paper, supported by strategic investments, have enabled the creation of a new range of high-performance papers.





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About us ^{2/5}

Our strategy

Technical knowledge, investment, research & development, innovation and sustainability are the pillars of the Company's strategic development. There is a focus on seeking solutions based on natural and renewable raw materials and the production of recyclable products to contribute to the circular economy.

Our Sustainability Strategy is defined alongside the results of our materiality assessment in the Section Material Topics and Strategy, on page 18 of this report.

Our business

Lecta has an extensive range of products focusing on customers' needs in a wide variety of markets, ranging from publishers, printers, paper merchants, Brand Owners and converters in around 120 countries across all five continents, with Europe representing our largest sales volume.

Currently, Lecta is undergoing a significant transformation, shifting from a mainly fine paper supplier to a leadership position in the production of specialty papers for labelling and packaging. This strategic change has been driven by significant investments in the modernization and upgrade of equipment at Lecta mills, supported by deep research, development and innovation. The main objective of this transformation is to create innovative high quality papers that can replace conventional and less sustainable materials currently used in flexible packaging and labelling. Our packaging-specific ranges present opportunities to substitute plastic, offering enhanced recyclability and compostability, thus promoting a more sustainable approach for applications where paper can serve as a superior alternative.



Our commitment

Lecta's firm commitment to sustainability entails a strong ethical commitment of respect and accountability toward the people and society with which we interact. Lecta has formalized its ESG Agenda as a key pillar of its business strategy.

As part of this strategy, Lecta has set targets and defined key performance indicators (KPIs) for its sustainability journey. Ambitious targets have been defined in alignment with Environmental, Social, and Governance pillars. These targets include Carbon Footprint reduction targets, supported by a solid decarbonization plan, with our Scope 1, 2, and 3 emissions reductions targets approved for the first time by the Science Based Targets initiative (SBTi) in 2024.



About us ^{3/5}

Our customers

Our commitment to quality and customer satisfaction is the foundation of everything we do, which is why we constantly strive to develop innovative products that meet their needs while ensuring the highest possible quality.

Lecta is continuously striving to design high-quality and innovative products focusing on customers' different needs, ranging from luxury brands and publishing industry to everyday consumer products.

We know that sustainability is an ever-more important topic for our customers, with the number of responses to sustainability related client requests rising every year. As such, Lecta strives to help its customers in their ambition to become more sustainable. Our products help customers to reduce their environmental impacts, by providing alternatives to non-renewable materials. Climate change is calling for new paradigms: products that use more renewable materials, including wood for pulp, and which are produced with energy efficiency in mind, as well as a higher proportion of renewable energy to reduce overall GHG emissions. For this reason, we pay special attention to developing products that are created from certified sources, and that are recyclable at the end of their useful life.

In light of our global presence and dedication to customer satisfaction, Lecta maintains sales offices and merchants in 8 countries. This strategic positioning grants us deep insight into our customers' diverse needs, empowering us to deliver unparalleled service and products. With over 20,000 customers spanning various paper segments, we possess extensive knowledge and offer synergistic solutions tailored to their requirements. Our relationship is built on principles of proximity, expert advice, impeccable service, and a comprehensive product range customized to meet their needs.

Moreover, to ensure product quality and enhance customer satisfaction, we are continuously listening to our customers and ensuring that their requirements and expectations are clearly communicated to our mills and innovation teams.

We are continuously listening to our customers.

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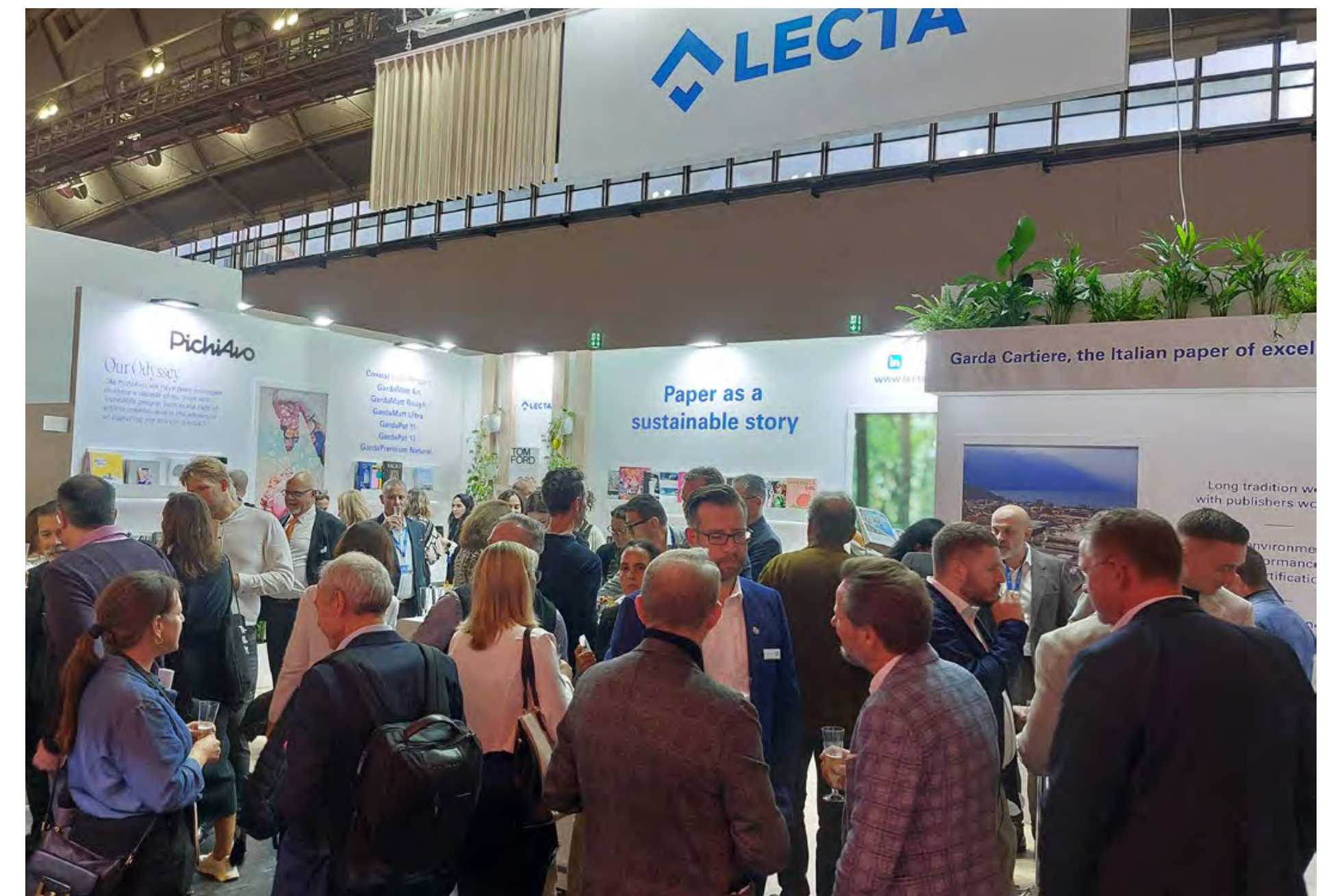
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Lecta at Packaging Première 2024 Fair in Milan, Italy.



Lecta at Frankfurter Buchmesse 2024.



About us ^{4/5}



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Our suppliers

Like any actor in the Pulp and Paper industry, Lecta converts raw materials into semi-finished or finished products. Lecta typically functions as a business-to-business entity. While producing in Europe only, Lecta operates globally from a supply chain perspective.

At Lecta, our commitment to sustainability extends beyond our immediate operations to include the entire value chain. We recognize that our suppliers play a crucial role in our sustainability journey, and we are dedicated to creating partnerships that prioritize environmental responsibility, social equity, and economic viability.

As part of our Double Materiality Assessment, completed in 2024, as well as our Climate Risk Assessment, currently ongoing in 2025, we have performed a mapping exercise over our value chain, and have taken key suppliers into consideration in both analyses. In our Double Materiality Analysis, suppliers, as a key stakeholder of the business, were consulted to understand the actual and potential impacts of our business, and value chain, on society and the environment.

Lecta's raw material purchases primarily focus on forest resources, including wood and pulp, alongside chemical products. In addition, Lecta relies on key suppliers to support various operational aspects such as logistics, maintenance, and repair services. Our general capital expenditure includes machinery essential for production, while energy suppliers provide necessary power resources, and we also engage with service providers for additional support functions. This comprehensive network of suppliers ensures the efficient and more sustainable operation of our supply chain.





About us ^{5/5}

Locations

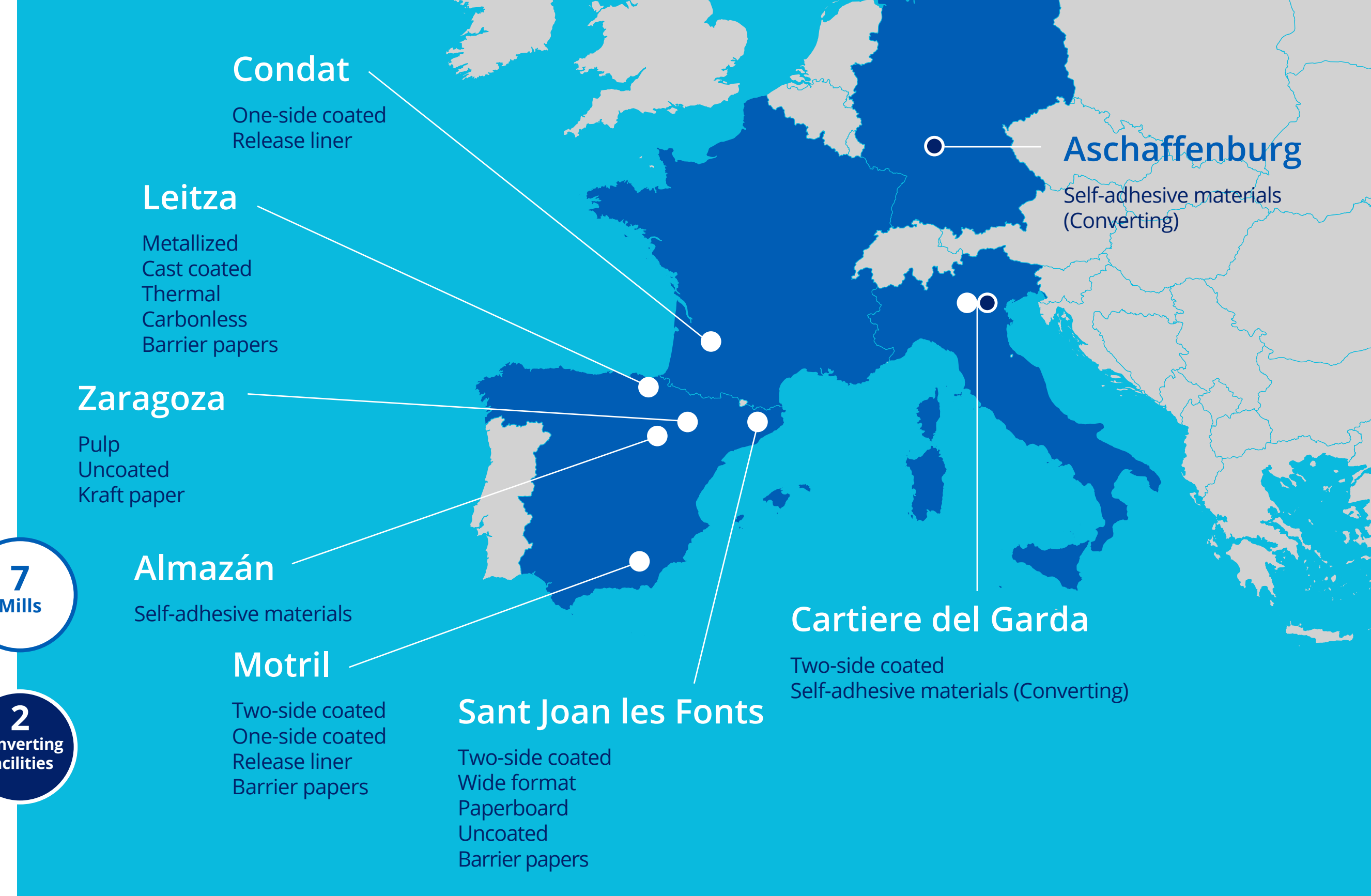
Lecta has 7 state-of-the-art mills in Spain, France and Italy, producing specialty papers, coated woodfree paper and base paper. Lecta's mill in Zaragoza (Spain) also has a pulp manufacturing plant. In 2023, the Group opened a new converting facility for self-adhesive materials in Aschaffenburg, in Germany. All the mills are certified to strict environmental, energy, quality, and occupational health and safety management systems standards.

With a production capacity of approximately 1.4 million tons, we sell all around the world and employ 2,734 people in the year ended 31 December 2024.

While primarily operating from our main offices in Spain, Lecta maintains a global presence with sales offices strategically situated in 8 key countries, and 4 own merchants in Europe, North America and North Africa. This gives us a thorough understanding of customers' needs and enables us to provide the best service and products to them. Lecta serves more than 20,000 customers present in different paper segments, giving us extensive knowledge and the possibility of offering synergies to our clients by offering a complete range for their needs. Proximity, advice, service, and a wide range of products adapted to their needs are the bases of our relationship.

Lecta is also active in the distribution business in southern Europe, with its own distributors in France, Italy, Portugal, and Spain.

Lecta's origins date back to the acquisition, at the end of the 90s, of three companies with a long-standing tradition and well-established brands in their home markets: Cartiere del Garda in Italy, Condat in France, and Torraspapel in Spain. The parent company of the Lecta Group is Lecta Ltd, a limited company incorporated in the United Kingdom. The shared capital is held by multiple funds and investors.



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Lecta's products ^{1/3}

Wide range of products



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Currently, Lecta offers 13 different types of papers, each with slightly different applications, most of which can be grouped into two main categories: i) labelling and packaging, and ii) commercial printing and publishing.

Within each of these categories, there are various applications, such as flexible packaging or food service for the first category, and digital printing and commercial printing for the second. Additionally, notably, across virtually all 13 products, Lecta offers ranges with distinct technical characteristics that serve to optimize their use in any of the mentioned applications. The following table shows all the products and their possible applications:

	LABELLING AND PACKAGING						COMMERCIAL PRINTING AND PUBLISHING		OTHER APPLICATIONS	
	Pressure-sensitive materials	Wet glue labelling	Flexible packaging and bags	Food service	Rigid packaging	Thermal printing	Premium publishing and printing	Commercial printing	Wide format	Business forms
Metalvac Metallised	•	•	•					•		
Creaset CWF1S	•	•	•		•					
Termax Thermal	•					•				
Adestor Self-adhesive	•									
Lineret Release liner	•	•							•	
Eurokote Cast-coated	•	•			•			•		
Diva Art Paperboard					•			•		
EraCup Paperboard				•						
KraFit Kraft			•							
Coral UWF	•	•	•				•	•		
Condat Creator Garda CWF2S							•	•		
Creator Urban CWF1S									•	
Eurocalco Carbonless										•



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Lecta's products ^{2/3}

New products launched for diversification ^{1/2}

As mentioned, one of Lecta's core values is innovation. Anticipating consumers' needs through the promotion of ideas and initiatives is a key factor in Lecta's business development. For this purpose, Lecta's Innovation Director is in charge to maximize synergies and innovation efforts among all mills. Lecta is continuing to work intensively on the development of new products, directing and consolidating its strategy towards specialty papers, and expanding its offering to cover the growing demand in market segments such as labelling, in terms of rigid and flexible packaging, and food service.

It is worth noting that Lecta's products, as detailed below, are manufactured under Good Manufacturing Practice (GMP) standards, complying with ISO 14001 and EMAS environmental management standards, ISO 50001 energy efficiency standards, ISO 9001 quality standards, and ISO 45001 occupational health and safety standards. They have PEFC or FSC® C011032 Chain of Custody Forest certifications.

During the year 2023, Lecta introduced over 40 new products, significantly advancing its specialty papers strategy and showcasing notable market innovations. Following this, 2024 has served as a year of consolidation, focusing on strengthening these achievements and preparing for new developments. Some of these developments will be unveiled at Labelexpo Europe, a premier label and package printing event that will be held in Barcelona, Spain, in September 2025. In 2024, Lecta has developed more than 20 new products, some of the most notable of which, in terms of their innovation in the market, are as follows:

2024 has served as a year of consolidation, focusing on strengthening these achievements and preparing for new developments.



Termax TFX, TFS and TC30X

In September Lecta launched the new Termax range of high substance thermal papers which are specifically designed for ticketing applications. This new product offering is designed to meet the growing demands for quality and durability for a wide range of applications in admission and access control ticketing for events, transportation tickets, boarding passes, parking lot tickets, data carrier tags for product identification and tracking in the supply chain and logistics and supermarket shelf labels, among others.

These new Termax products include Termax TFX (phenol-free) and Termax TFS (BPA-free) papers, available from 105 to 130 g/m², and the top coated Termax TC30X (BPA-free) paper, available from 115 to 135 g/m². These papers are characterized by their excellent printability on both sides, and their high thermal image stability and durability. The new range is adaptable to different market needs, making it the ideal choice for a wide range of applications requiring high substance and high caliper.



Lecta's products ^{3/3}



New products launched for diversification ^{2/2}

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Termax TC20X and TC20XB

In February 2024, Lecta launched two new high-quality phenol-free thermal products. These products offer excellent chemical and environmental resistance, Termax TC20X and TC20XB papers provide high image resolution, good temperature resistance, high sensitivity, and both are phenol-free. The TC20XB also has a protective layer on the back to protect the label when used with more demanding adhesives. With the launch of these new grades, Lecta enhances its product range and strengthens its position on the specialty paper market for labelling.



Termax TCLLX

Finally, in the Termax range, Lecta released TCLLX, a new thermal facestock designed specifically for manufacturing linerless labels. This product, in addition to meeting the highest quality standards, also stands out for its durability and resistance to environmental elements. Its moisture- and grease-resistant property makes it the ideal choice for a wide range of applications, from logistics and retail environments to supermarket scales and food packaging, as well as for use in fast-food restaurants and take-out orders.

The launch of this product further reinforces Lecta's commitment to the principles of the Circular Economy, represent a significant opportunity for encouraging waste reduction in the labelling industry, and represent an efficient solution to minimize the volume of process waste.



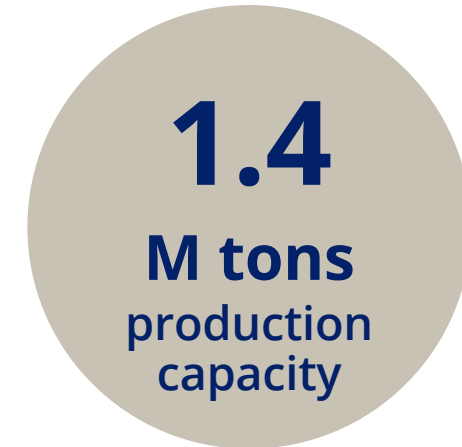
Metalvac FP

Metalvac FP is Lecta's metallized paper designed for flexible packaging applications that do not require any specific barrier properties. Its defining feature lies in its unique treatment process, adhering to current regulations to ensure no emission of unfamiliar odours that could compromise food aroma and taste.

In addition to these, in 2024, Lecta has continued its development of innovative, circular solutions for the flexible packaging markets, through the comprehensive, versatile range of carrier bag applications. Although not necessarily innovative from a market point of view, this range represents a recent innovation for Lecta, marking our initial venture into this type of offering. All solutions in the range are made from biodegradable and natural materials.



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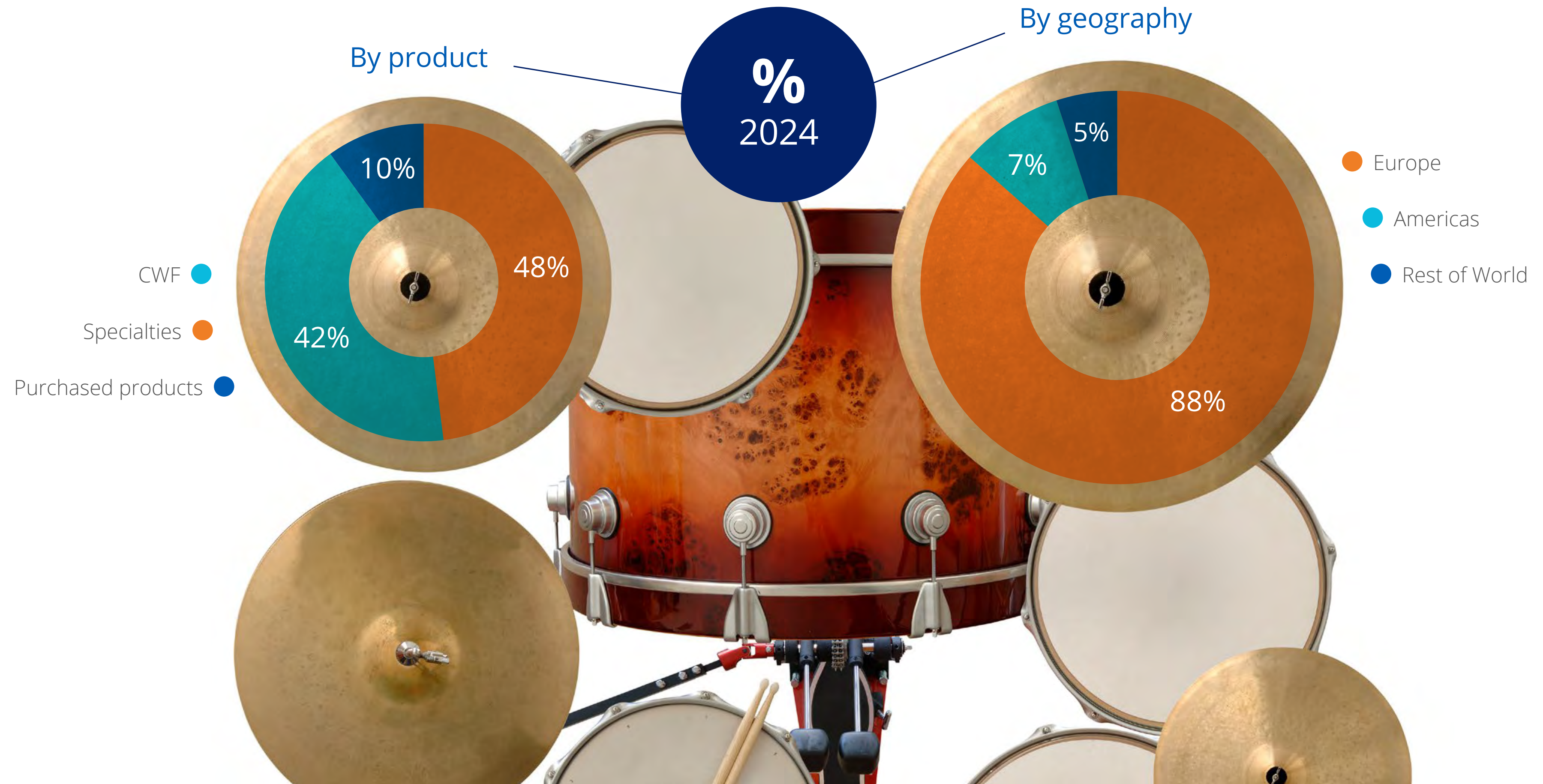
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Revenue Breakdown





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EcoVadis rating

In accordance with the ESG strategy and Lecta's firm commitment to sustainability, In 2024 Lecta was awarded the Platinum Medal in its EcoVadis Sustainability Rating in its second year assessed and rated at Group level.

This highest recognition is a great achievement, with the Group's overall score of 85 out of 100 placing Lecta among the top 1% of over more than 130,000 companies currently assessed by EcoVadis, and among the 10 best companies out of the more than 300 rated in the Pulp, Paper and Paperboard industry.

This global platform of sustainability assessments has a very rigorous methodology built on international sustainability standards, including the Global Reporting Initiative, the United Nations Global Compact, and the ISO 26000. The Sustainability Scorecard illustrates performance across 21 indicators in four areas: Environment, Ethics, Labour and Human rights, and Sustainable Procurement.

Regarding environmental aspects, Lecta has maintained the high level of excellence achieved in previous EcoVadis assessments and has even improved in key sustainability areas such as the reduction of GHG emissions, the use of renewable energy and the disposal of waste in landfills.



OVERALL SCORE

Percentile **99th**

85/100

With a score of 85/100 Lecta is positioned among the 10 best companies out of the 300+ rated in the Pulp, Paper and Paperboard sector.

PLATINUM Top 1%

ecovadis

Sustainability Rating

AUG 2024

The scores obtained by Lecta in the areas of Ethics, Labour and Human Rights areas improved considerably, largely due to including in the assessment the details of actions that we were already carrying out, as well as new developments like the reinforcement of existing policies, the issuance of a new cybersecurity policy and the training of all our employees in the Lecta Code of Ethics.

We also improved in Sustainable Purchasing, where Lecta is making progress in consolidating a more sustainable and responsible supply chain, through re-approval of suppliers on our digital purchasing platform, and the issuance of a specific Supplier Code of Conduct to ensure alignment of our suppliers with our ethical principles in our business relationships.

This prestigious award reflects the collective efforts and dedication of Lecta's employees, customers, suppliers, and business partners. It acknowledges their significant contributions to integrating more sustainable practices into daily activities, reinforcing Lecta's position as a leader in environmental and social responsibility.



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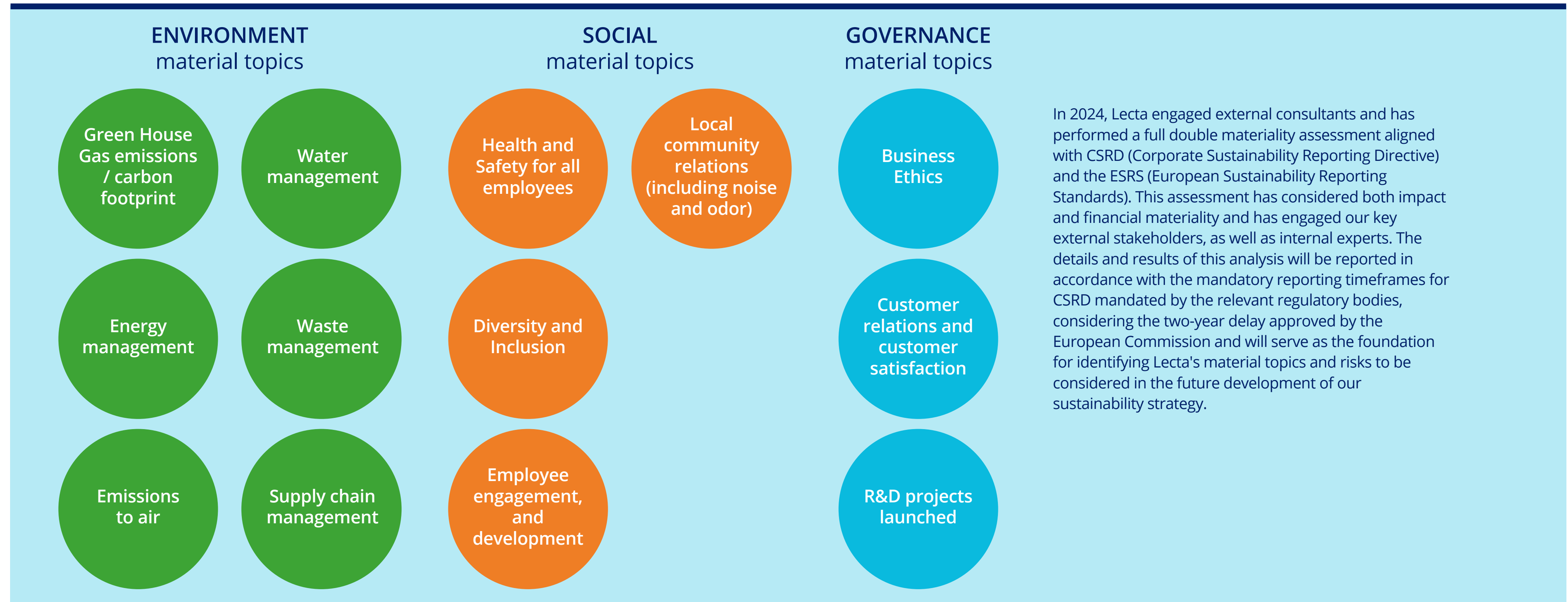
Material topics and strategy

The basis for our sustainability work is a regular analysis and review of material topics. The Group's assessments of material ESG topics complement and support the risk management process focusing on financial risks and opportunities.

In 2022, Lecta conducted a materiality analysis to identify critical aspects for the company's operations. This qualitative analysis aimed to identify and prioritize the most significant ESG issues that could impact Lecta's financial performance, or stakeholders' assessments of its performance, and contribute to decision-making regarding sustainability strategies and reporting.

In 2024, Lecta engaged external consultants and have performed a full double materiality assessment aligned with CSRD (Corporate Sustainability Reporting Directive) and the ESRS (European Sustainability Reporting Standards).

This assessment was performed through a market and industry analysis and benchmarking process and involved a range of internal stakeholders from different departments and geographies, and it has formed the basis for Lecta's Sustainability Report for the years ended 31 December 2022 and 2023. The material topics identified are included below:



In 2024, Lecta engaged external consultants and has performed a full double materiality assessment aligned with CSRD (Corporate Sustainability Reporting Directive) and the ESRS (European Sustainability Reporting Standards). This assessment has considered both impact and financial materiality and has engaged our key external stakeholders, as well as internal experts. The details and results of this analysis will be reported in accordance with the mandatory reporting timeframes for CSRD mandated by the relevant regulatory bodies, considering the two-year delay approved by the European Commission and will serve as the foundation for identifying Lecta's material topics and risks to be considered in the future development of our sustainability strategy.



Circularity based innovative products ^{1/2}



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Lecta, as a leading company in the paper industry, reaffirms its commitment to environmental sustainability and the promotion of the circular economy. We recognize the importance of adopting responsible business practices that contribute to environmental conservation and sustainable development, and this is why we focus our R&D strategy, where feasible, to align with circular economy principles. In this regard, we have integrated circularity into our business strategy, focusing on the development of innovative products that promote recycling, reducing environmental impacts by reducing waste.

In the face of a constantly evolving regulatory landscape, Lecta remains proactive in complying with environmental and forestry regulations. Particularly, we are attentive to changes in European legislation, such as the new European Union Deforestation Regulation (EUDR), which will replace the current timber regulation. Our company already complies with the current EU Timber Regulation (EUTR) and holds Chain of Custody Certifications, ensuring responsible forest management in our procurement processes. In addition, Lecta has been working on the development of phenol-free papers to the greatest extent possible. In 2024 many of Lecta's products are phenol-free, which has allowed us to obtain the Ineris Certification "No-phenols Added" in 2023. While the main reason for developing phenol-free papers was to meet growing market demands, especially in Northern Europe, it has subsequently led to the compliance with phenol-free restriction regulations both in the EU and some member states, including the Spanish Law 7/2022 on waste and contaminated soils for a circular economy.

Furthermore, Lecta has a robust policy for responsible purchasing of wood and forest-based products, based on rigorous certification

standards and due diligence, as outlined in the Responsible Sourcing section. This policy demonstrates Lecta's commitment to acquiring certified and controlled materials, thereby avoiding associations with organizations engaged in unacceptable practices such as illegal logging or unsustainable trade. Our policy also encompasses principles of human rights, indigenous peoples' rights, biodiversity conservation, and environmental protection.

Lecta's commitment to the environment is evident, which is why we constantly strive to innovate and incorporate sustainability features into our products, such as recyclability, the use of recycled fibers, or the reduction of chemicals.

Proof of this is the fact that during 2024, 97% of Lecta's paper production is recyclable through a standard recycling stream, while the remaining 3% is recyclable through a special recycling circuit. These values do not account for self-adhesive products, as they are recycled along with the packaging to which they are attached. However, 59% of self-adhesive production is recyclable through a standard recycling process, 40% through a special process, and only 1% is barely recyclable.





Lecta is committed to promoting the circular economy through product innovation and regulatory compliance.

Circularity based innovative products ^{2/2}



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Among the new products launched during 2024 it is worth highlighting the development of the following products that reassert Lecta's commitment to environmental sustainability and the promotion of the circular economy. The following products are high-quality metallized and thermal papers with a high percentage of recycled fiber. These new products underline Lecta's commitment to the principles of the circular economy, through keeping materials in use for as long as possible, thereby reducing waste generation and optimizing the use of natural resources.

Metalvac Recy 100 EWS

This innovative metallized paper for high wet-strength labels for returnable bottles, containing 100% recycled fibers, demonstrates good printability in Flexo and Offset and performs excellently in labelling trains, even in moist and cold conditions, as well as in their subsequent storage in refrigerators, ice buckets, coolers and freezers.

Termax Recy TFXr30 and Termax Recy TFXr100

Lecta's Termax thermal range stands out for its high-quality thermal papers designed to meet the demands of points-of-sale (POS), ticket, and label printing applications. Lecta's two new products in this range are both phenol-free and Ineris-certified. Made from 30% and 100% recycled fibers, respectively, both have excellent print quality in high-speed thermal printers, very good image resolution and good rigidity for label applications, mainly in the retail and logistics industries.

Through these initiatives, Lecta aims to offer products that not only meet industry standards but also align with circular economy principles by promoting resource efficiency and minimizing waste.

As well as releasing new products in 2024, Lecta has partnered with Volpak, a Coesia company, specialized in horizontal form-fill-seal solutions for the packaging industry, on a collaborative initiative to test and validate more sustainable materials for flexible packaging applications. The primary focus of this joint project is to explore the use of Lecta's sustainable papers in flexible packaging, with Volpak performing rigorous testing to evaluate the machinability and durability of new materials. The testing allows Volpak to simulate actual production conditions, ensuring that Lecta's more circular papers can be seamlessly integrated into existing packaging processes without compromising efficiency or quality.

In summary, Lecta is committed to promoting the circular economy through product innovation and regulatory compliance, supported by a strong policy for responsible purchasing of wood and forest-based products. Our efforts are aimed at creating a future where environmental conservation and economic development go hand in hand.



Adestor partnership with RecyClass

Adestor by Lecta, Lecta's self-adhesive material branch, proudly announced in April its platinum partnership with RecyClass, a key European initiative promoting plastic recyclability.

RecyClass, a non-profit organization, brings together stakeholders across the plastics value chain to improve recyclability, enhance transparency in plastic waste origin, and establish standardized methods for calculating and tracking recycled plastic content in Europe. Adestor by Lecta actively collaborates with customers, suppliers, and industry partners to drive circularity throughout the entire value chain. This collaboration is especially crucial for market segments heavily reliant on self-adhesive plastic materials like PP and PE, such as cosmetics, home care, electronics, and beverages.

This partnership reflects Adestor's ongoing commitment to minimizing environmental impact and accelerating the transition towards a circular economy within the labelling industry. By joining forces, Adestor by Lecta gains access to valuable expertise, accelerating the development of innovative labelling solutions. These solutions will not only deliver high performance but also contribute to a more sustainable and circular future.

The partnership comes alongside other initiatives promoting circularity at Adestor in 2024, including continuing to advance with the glassine silicone recovery and recycling initiative (Adestor Collect&Recycle), and has maintained its collaboration with the Circular Economy for Labels (CELAB), a global industry initiative seeking to create a more sustainable pressure-sensitive labelling industry by increasing access to matrix and liner recycling.



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Progress against sustainability targets ^{1/2}

Lectra has set targets and defined key performance indicators (KPIs) for its sustainability work. Progress is regularly monitored at Group level. Consolidated results on the Group's performance are reported annually.

Lectra recognizes the importance of the United Nations Sustainable Development Goals (SDGs) and supports 11 goals out of 17, which have been identified as most relevant where the Group has the largest impact through its operations and products.





Progress against sustainability targets ^{2/2}



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2030 Lectra's ESG targets	KPIs	Baseline year	KPI Baseline year	KPI 2023 (restated)	KPI 2024	KPI Target 2030	SDGs contribution	Evol
Greenhouse gas (GHG) emissions	Scope 1 GHG emissions (tCO ₂ e)	2021	728,408	426,426	497,984	Scope 1 + 2 53.1% CO ₂ reduction (SBTi targets)	7.2 7.3 13	▼ (1)
	Scope 2 GHG emissions (tCO ₂ e)		169,454	110,141	103,296			▲
	Scope 1 + 2 GHG emissions (tCO ₂ e)		897,862	536,567	601,280			▼
	Scope 3 GHG emissions (tCO ₂ e)		2,366,442	1,858,593	1,760,452			▲
	Total GHG emissions (tCO ₂ e)		3,264,304	2,395,160	2,361,732			▲
Water consumption	Water recycled	2022	87%	87.9%	89.8%	95%	12.2 14.1 15.1	▲
	Water consumption (m ³ / ton of paper)		12.3	14.8	13	10	▲	
Waste	Recovered waste	2022	93.7%	97.8%	97.1%	99%	12.4 12.5 14	▼ (2)
	Waste to landfills		5.1%	1%	2%	1%	▼ (3)	
Pulp and wood certification	Purchased certified pulp	2021	77%	88%	92%	100%	15.2 15.5	▲
	Chain of custody controlled		100%	100%	100%	100%	▲	
Health and safety	LTA (Lost Time Accident)	2021	33	25	25	≤ 12	8.8	◆
	FR (Frequency Rate)		9.1	7.5	6.98	< 3.25		▲
	SR (Severity Rate)		0.37	0.64	0.39	≤ 0.25		▲
	Engagement index		No data	0.44%	0.57%	≥ 3%		▲
Diversity and inclusion	Gender equity	2021	Female 17% Male 83%	Female 18% Male 82%	Female 20% Male 80%	To be defined on sector target	5.5 8.5 10.3	▲
	Gender hiring in professional staff		Female 36% Male 64%	Female 28% Male 72%	Female 35% Male 65%	Female 50% Male 50%		▲
	Management group equity		Female 19% Male 81%	Female 21% Male 79%	Female 19% Male 81%	Female 30% Male 70%		▼
Employee development	Training hours / Employee / Year	2021	20	13	31	40 hours	4.4 8.8	▲
	Employees under performance / Year		60	560	672	100% Professional staff		▲
Business ethics	Target population sign off (Code of ethics, Anti-corruption-bribery policy, Competition policy)	2021	No formal deployment	53%	100%	100% for each policy, starting in 2023	8.7 16.5	▲
Supplier certification	Certified suppliers	2022	90%	87%	92%	> 90%	8.7 12.6 17	▲
	EcoVadis rated suppliers		New KPI	14%	74%	> 90%		▲

Notes

- (1) Scope 1 is slightly increasing due to higher production in 2024 vs. 2023 and higher generation of electricity with Cogeneration in Spain.
- (2) The percentage of recovered waste decreased slightly (-0.7%), due to the waste generated by the new Condat boiler, which, in its first year of operation, was not able to be fully recovered.
- (3) The percentage of waste to landfills also increased compared to 2023, attributed to the same issue arising from the unrecovered waste produced by the recovery boiler at Condat.



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Risks

A pivotal aspect for conducting a double materiality study involves identifying and analysing impacts (how Lectra's activities affect its surroundings, both positively and negatively), as well as risks and opportunities (how the environment influences Lectra's activities, both positively and negatively, respectively), with regards to ESG. It is for this reason that in 2024, for the performance of the double materiality assessment we have identified Impacts, Risks and Opportunities (IROs) across the ESRS topics and subtopics.

The details and results of this analysis will be reported in accordance with the mandatory reporting timeframes for CSRD mandated by the relevant regulatory bodies, considering the two-year delay approved by the European Commission and will serve as the foundation for identifying Lectra's material topics and risks to be considered in the future development of our sustainability strategy.



In 2023, a qualitative analysis of the climate risks was conducted, including both physical risks, referring to the potential adverse impacts of climate-related events and hazards, and transition risks, associated with the transition to a low-carbon economy. This analysis was reviewed in 2024 and deemed to still be applicable to Lectra's business. The analysis was undertaken as part of our compliance with UK Mandatory Climate related Financial Disclosures. As part of this analysis, we identified the following climate-related risks as being the most material to our business:

Physical risks
Drought
Wildfire
Rising temperatures
Increased likelihood of extreme weather events
Water stress

Transition risks
Public policy restrictions
Increasing carbon price
Reputational risk – arising from not adopting measures to address climate change
Technological risk – arising from not adopting new technologies that are being adopted by competitors
Market risk – arising from changes in clients' preferences towards more sustainable products

In 2025, we are also working towards performing a full quantitative climate risk assessment, which is currently underway with our external consultants.



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Introduction Paper as a sustainable story

Lecta recognizes the significance of wood as the primary raw material in the production of all our products: barrier, specialty, coated and non-coated papers. The forests from which wood is harvested, as a natural raw material, play a pivotal role in preserving our environment, as well as upholding economic and social values within our society.

Paper, derived mainly from renewable resources, enables production methods that minimize environmental impact and enables efficient recycling post-use. As an industry, we acknowledge our environmental impact both locally and globally. From the forest to transportation, production, usage, and recycling of paper products, we engage with sustainability through our entire value chain.

Legislation, permits, and certifications are imperative in upholding high standards of sustainability and quality throughout our operations. Our primary concern is deforestation, including its impacts on conserving biodiversity, wherein certified pulp and wood fiber play a crucial role in adhering to regulations and promoting reforestation efforts.

Moreover, we address environmental challenges such as water and energy consumption. These can be mitigated through initiatives like closed-loop systems for water recycling and optimizing energy consumption using best available technologies.

At Lecta, sustainability is not just a goal but a guiding principle. We are committed to protecting the environment through responsible business practices, environmental investments, and the pursuit of innovative solutions based on natural, recyclable, and renewable raw materials. Our Quality, Environmental, Energy, and Occupational Health and Safety Policy outlines our dedication to these principles within our Integrated Management System.

In this manner, albeit paper production itself is commonly associated with sustainable practices, Lecta endeavours to ensure that the best techniques and procedures available are utilized. With the aim of demonstrating this aspect, it has obtained the certifications listed on the right across all its factories:

ISO 9001 Quality Management System	ISO 14001 Environmental Management System
ISO 45001 Occupational health and safety Management System	ISO 50001 Energy Management System
EMAS EU Eco-Management and Audit Scheme	FSSC 22000 Food safety Management System
PEFC Chain of Custody Certification	FSC® C011032 Chain of Custody Certification

For the updated list of our certifications, please visit lecta.com

Paper, derived mainly from renewable resources, enables production methods that minimize environmental impact.

In 2024, Lecta proactively began aligning its operations with the European Union Deforestation Regulation (EUDR) goals.



With the attainment of these certifications, Lecta simultaneously ensures the quality of the products it offers to its clients while demonstrating its commitment to the environment and the social responsibility of its business. In 2024, Lecta proudly announced that its **Leitza, Motril and Condat mills joined the Sant Joan les Fonts mill in achieving the prestigious FSSC 22000 Food Safety System certification. Zaragoza mill is also in the process of obtaining FSSC 22000.**

In addition to the certifications attained, Lecta has made additional environmental declarations of compliance with environmental regulation systems, including REACH and the EU Timber Regulation, and is a member of Paper Profile, a product environmental datasheet for paper that enables buyers to make well-informed product choices with regards to environmental impacts.

With regards to deforestation prevention, in 2024, Lecta proactively began aligning its operations with the European Union Deforestation Regulation (EUDR) goals, establishing a dedicated task force during 2024, and starting to work with its suppliers to carry out the relevant risk assessments. Operating as an operator, intermediary operator, trader, and exporter under EUDR, we have started to implement internal protocols and engaged with stakeholders like the Confederation of European Paper Industries (CEPI). We have also conducted tests on the EU TRACES platform and assessed API (Application Program Integration) with our systems. Lecta is committed to applying EUDR requirements by December 30th 2025, reinforcing its commitment to responsibly sourcing its forest-based raw materials.



In 2024 our absolute Scope 1, 2 and 3 GHG emissions reduction targets were validated by SBTi.

Greenhouse gas emissions ^{1/3}

Product and organisational carbon footprint



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In 2024, for the first time, our absolute Scope 1, 2 and 3 GHG emissions reduction targets were validated by SBTi as aligned with its 1.5° C target. As part of the SBTi submission and approval process, we have changed the methodology of total GHG emissions calculation from aligning with ISO 14064 to align with the GHG Protocol. This document proposes the division of emissions by scopes, with scope 1 corresponding to direct emissions from the company's activity; scope 2 to emissions from imported energy; and scope 3 to the rest of indirect emissions.

The identification and division of scope 3 source streams has been carried out using this document as a reference, which divides them into 15 subcategories, from which those considered material are chosen according to the company's activity. As a result, we have restated our baseline and 2023 emissions data, in line with a commitment to provide robust and transparent information about our carbon footprint, particularly with regards to our Scope 3 emissions, which have experienced the largest restatement. This exercise has enabled

us to identify the critical importance of our Scope 3 emissions, which made up 75% of our total carbon footprint in 2024, thus representing the greatest impact in terms of GHG emissions. Further, we have identified that the largest percentage of these Scope 3 emissions originate from the downstream processing of sold products (Category 10). For the calculation of the product's carbon footprint, the guidelines and requirements of ISO 14067:2019 have been followed.

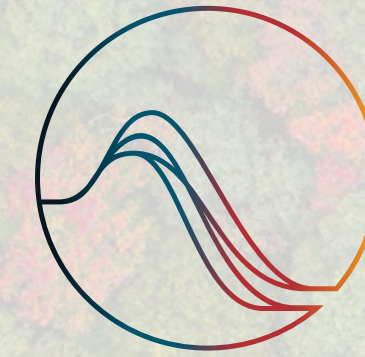
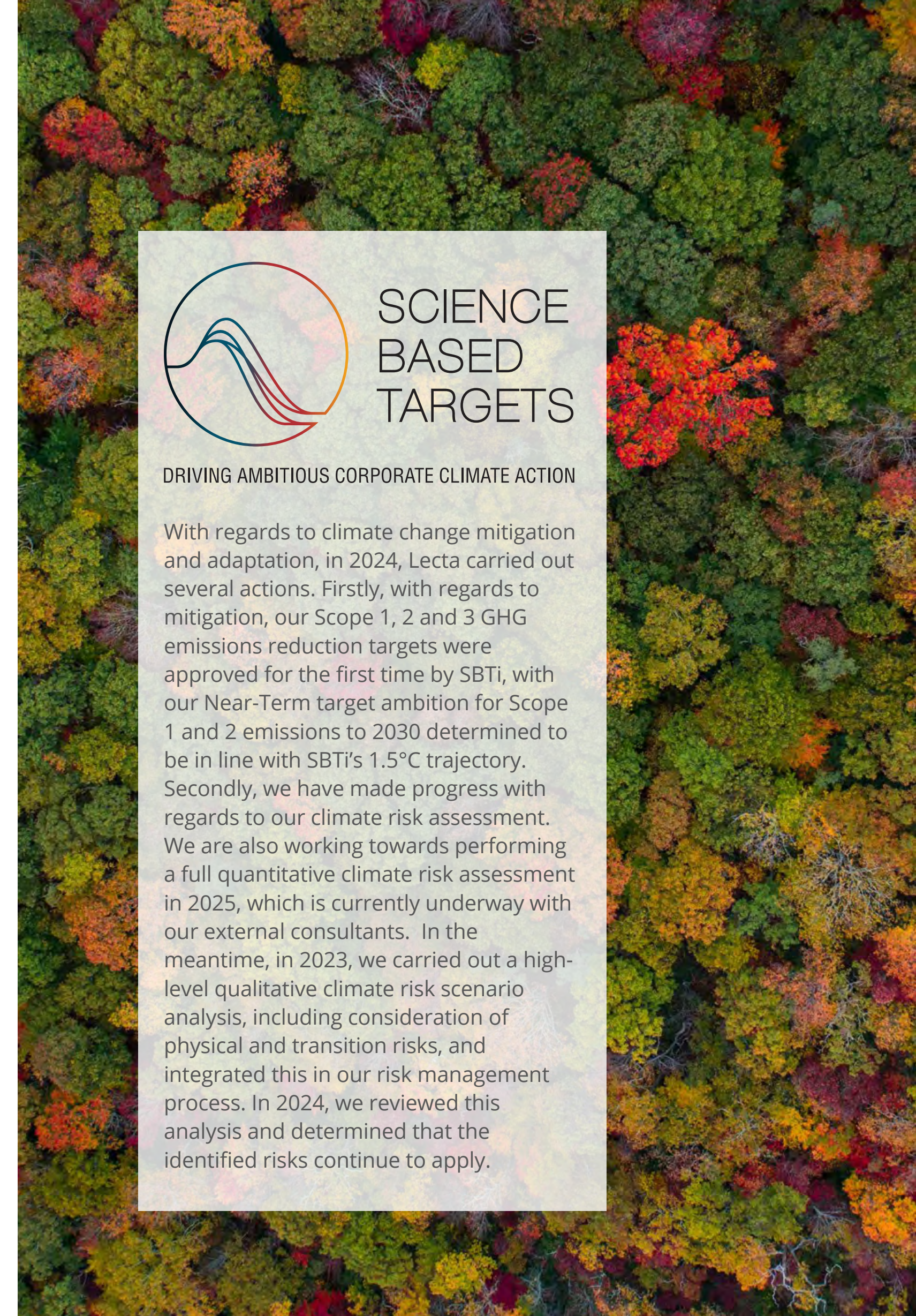
As a result of the SBTi verification process and restatement, we have updated our emissions reductions targets accordingly, establishing SBTi validated targets to reduce our absolute Scope 1 and 2 emissions by 53.1% by 2030, and our absolute Scope 3 emissions by 25% by 2030.

This strategic move underscores the company's dedication to transitioning toward a resilient, net-zero economy founded on scientific principles. Building upon the carbon footprint calculation, Lecta has developed an investment plan to reach these ambitious decarbonization and energy efficiency targets. Key initiatives include transitioning from fossil fuel energy to renewable sources, upgrading to efficient steam turbines, enhancing energy efficiency across production

lines, and optimizing transportation logistics for incoming goods intercompany semi-finished, and finished products to warehouses and Customers.

To align with our commitment to achieve the aforementioned validated GHG emissions reduction's targets, Lecta has undergone efforts to support ongoing decarbonization initiatives, as well as implementing several new initiatives during 2024. As part of our decarbonization plan, among all our mills, more than 100 energy efficiency improvement initiatives to reduce our GHG annual emissions by a minimum of 30,000 tons had already been designed in 2022. In 2024 we have been continuing to approve Capex for some of the most beneficial initiatives in term of GHG emissions reduction impact but also from an economic standpoint.

This document includes information that may be considered forward-looking in nature concerning Lecta. It refers to anticipated strategies, aims, assumptions, or forecasts related to future economic circumstances, including energy prices or similar variables. Such statements should not be seen as assurances of future outcomes, as they involve substantial risks, uncertainties, and potential developments that could fall outside Lecta's influence or be challenging to



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

With regards to climate change mitigation and adaptation, in 2024, Lecta carried out several actions. Firstly, with regards to mitigation, our Scope 1, 2 and 3 GHG emissions reduction targets were approved for the first time by SBTi, with our Near-Term target ambition for Scope 1 and 2 emissions to 2030 determined to be in line with SBTi's 1.5°C trajectory. Secondly, we have made progress with regards to our climate risk assessment. We are also working towards performing a full quantitative climate risk assessment in 2025, which is currently underway with our external consultants. In the meantime, in 2023, we carried out a high-level qualitative climate risk scenario analysis, including consideration of physical and transition risks, and integrated this in our risk management process. In 2024, we reviewed this analysis and determined that the identified risks continue to apply.

foresee. Thus, Lecta cannot make any assurance or promise that actual results may not differ substantially from these strategies, aims, assumptions, targets or forecasts.



Greenhouse gas emissions ^{2/3}



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Leitza mill, Spain



Zaragoza mill, Spain

A significant step towards decarbonization was taken in 2024, in the agreement of a contract with Naturgy, a multinational energy group, for the supply of renewable gas to Lecta. This partnership facilitates the use of biomethane gas, a renewable gas obtained from the treatment of different types of waste with

properties similar to those of natural gas, into our production processes at our Leitza (Navarra) and Zaragoza mills in Spain. Naturgy assures that the renewable gas provided has certified guarantees of origin and undergoes rigorous tests, assuring Lecta of the emissions reductions achieved. This initiative not only

highlights Lecta's commitment to cleaner energy solutions and combatting climate change, but also our promotion of the principles of the circular economy, in alignment with our 2030 Agenda.



Key initiatives include transitioning from fossil fuel energy to renewable sources.



Greenhouse gas emissions ^{3/3}



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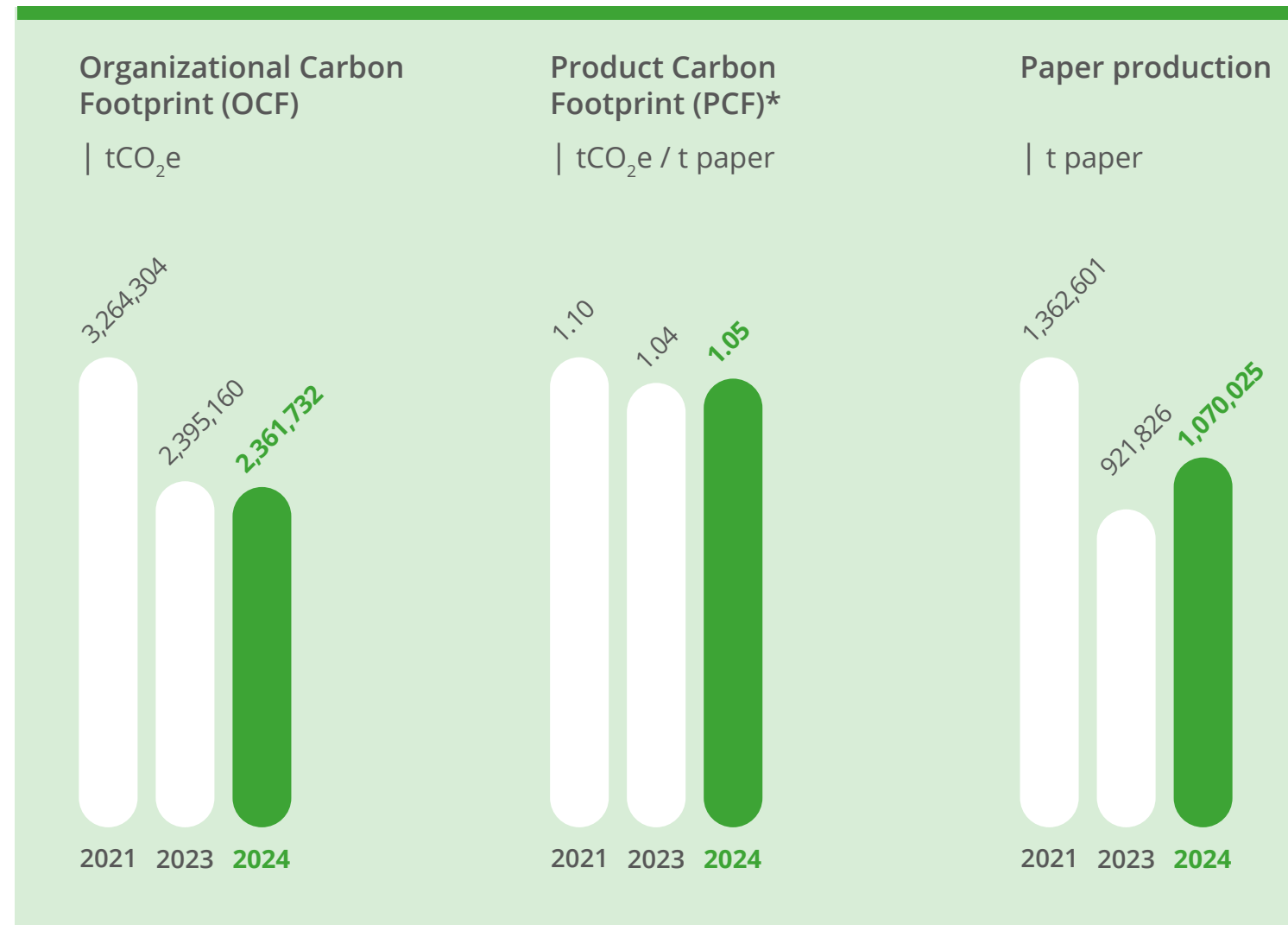
Carbon footprint reduction
Baseline 2021

Scope 1 + 2 reduction by **53%**

Scope 3 reduction by **25%**

Total reduction by **33%**

SDGs contribution: 7 AFFORDABLE AND CLEAN ENERGY, 13 CLIMATE ACTION



* Scope 3 in Product carbon footprint includes emissions related to raw materials production, raw materials and products transportation, waste management, municipal water consumption, employees commuting, transport and distribution of energy (well to tank), energy consumption in subcontracted activities where applicable.

** Scope 3 emissions categories calculated by Lecta are Category 1 Purchased goods and services, Category 2 Capital goods, Category 3 Fuel- and energy-related Activities, Category 4 Upstream transportation and distribution, Category 5 Waste generated in operations, Category 6 Business travel, Category 7 Employee commuting, Category 8 Upstream leased assets, Category 9 Downstream transportation and distribution, Category 10 Processing of sold products, Category 12 End-of-life treatment of sold products and Category 13 Downstream leased assets. Other categories included in the GHG Protocol do not apply to Lecta.

Our overall GHG emissions follow the decreasing trend in 2024 with respect to baseline. Our 2024 Organizational Carbon Footprint (Scope 1 + Scope 2 + Scope 3) reflected a 27,6% decrease against the 2021 baseline year. Our Product Carbon Footprint (Scope 1 + Scope 2+ Scope 3) also decreased from 1,10 in 2021 to 1,05 in 2024.

Greenhouse gas emissions	2021 (Baseline)	2023	2024
Scope 1 (tCO ₂ e)	728,408	426,426	497,984
Scope 2 (tCO ₂ e)	169,454	110,141	103,296
Scope 1+2 (tCO ₂ e)	897,862	536,567	601,280
Scope 3 (tCO ₂ e)**	2,366,442	1,858,593	1,760,452
Total	3,264,304	2,395,160	2,361,732

RDF boiler at Condat



Condat mill, France

In our ongoing commitment to decarbonization of our industrial processes, the recent start-up of the Condat Refuse Derived Fuel (RDF) Boiler marks a significant milestone. The boiler combusts locally collected waste otherwise destined for landfill, instead of burning fossil fuels. Since it came into operation in September 2024, the mill in Condat has avoided emissions of 4,789 tCO₂e in 2024 from natural gas that would have otherwise been required for steam generation in the production process, and it is expected to avoid around 16,000 tCO₂e in year 2025.

In addition to emissions reductions, the boiler sources fuel supplied from the local area, with 90% of refuse derived fuel coming from within 200km of the Condat mill. The fuel used is made up exclusively of waste that would have otherwise gone to

landfill, with no other option for treatment, including parts left over after recyclable waste has been treated by the supplier, including from furniture waste. As such, the use of refuse derived fuel also has a positive social impact on surrounding communities, through provision of an alternative waste management solution.

Lecta is also working alongside a third party, in collaboration with the authorities in France, to establish a process for the valorisation of the generated ashes, a by-product of the combustion of Refuse Derived Fuel. The objective of the collaboration is to utilise the ashes by-product in the construction of roads in France, highlighting our dedication to innovation and circular business models.



We are steadfast in our commitment to increasing the consumption of renewable or carbon-free energy sources.

Energy management



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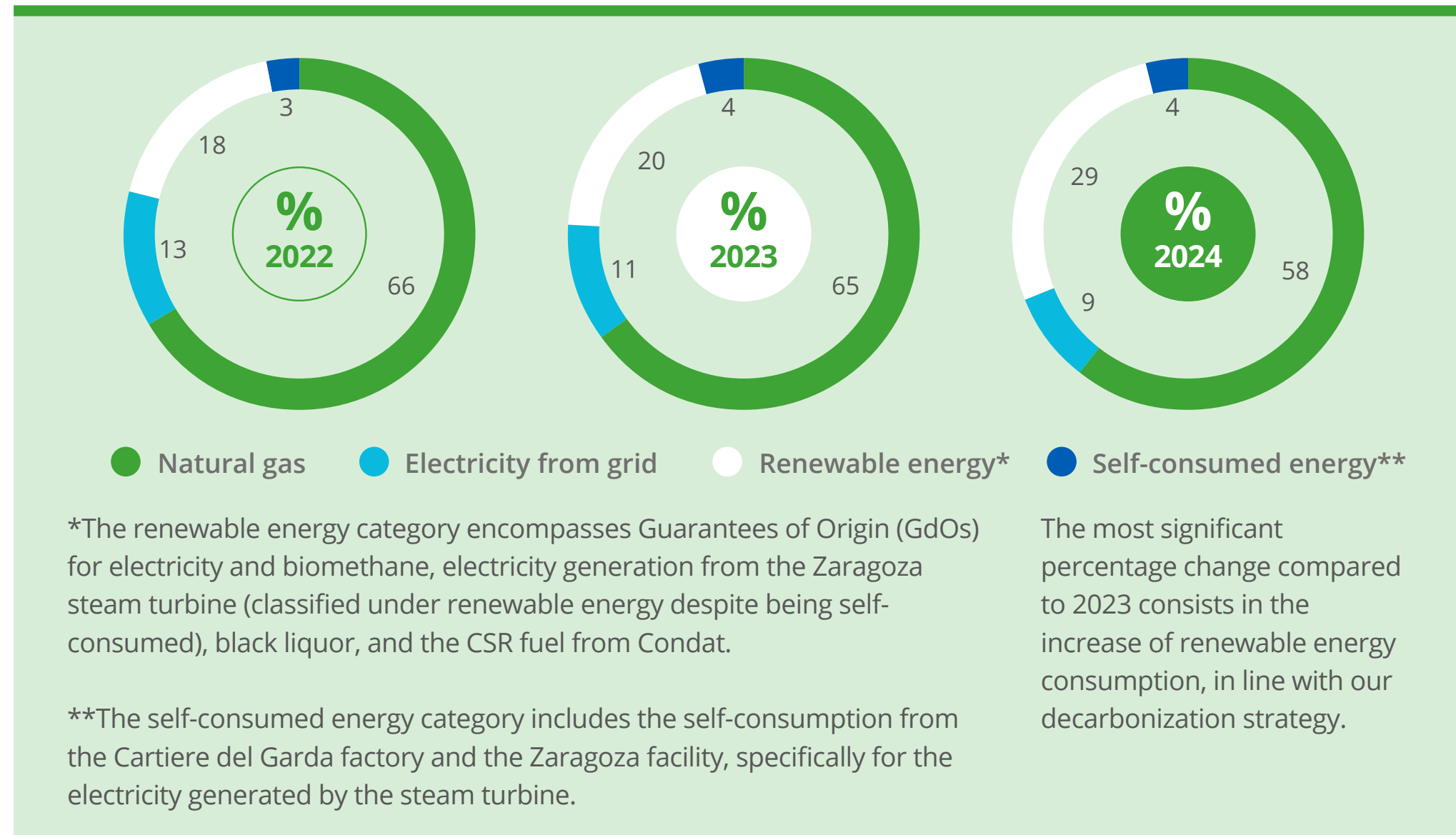
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Lecta recognizes the integral connection between energy consumption, climate protection, and cost savings within the pulp and paper industry. At Lecta, we diligently monitor and plan our energy usage across all facets of our operations and value chain.

We are steadfast in our commitment to increasing the consumption of renewable or carbon-free energy sources, aiming for a 50% increase by 2030 of our factories, have substantially increased the proportion of renewable energy in our operations. Specifically, we have achieved 21.6% renewable energy usage at our plants in Motril, Sant Joan les Fonts, Leitzia, and Almazán, and 30% at our Condat and Cartiere del Garda facilities. At the Zaragoza mill, renewable electricity is largely sourced from self-consumption, contributing to 17.1% of the total electricity demand at the factory. These advancements reflect our commitment to reducing our carbon footprint through decarbonization of our production processes.

Below is shown the energy mix of Lecta, including the % of renewable energy:



CASE STUDIES

Energy efficiency measures at our mills

Sant Joan les Fonts: Preheating of feed water to boilers

As part of the energy resource optimization process at our Sant Joan les Fonts factory, we have implemented an energy-saving initiative involving the preheating of water supplied to boilers using a heat recovery circuit. This measure focuses on utilizing a heat exchanger that

recovers energy from water flows in various parts of the industrial process. The preheating system significantly reduces the need for natural gas consumption by increasing the temperature of the water feeding the boilers, consequently lowering CO₂ emissions from the facility.

Cartiere del Garda: Condensate recovery system upgrade



Alto Garda Power plant, Italy

As part of our continuous energy-efficiency improvement, we have updated the condensate recovery system at our Cartiere del Garda facilities during the year 2024. This update has been applied to both the factory condensate circuit and the AGP energy plant. The project aims to minimize losses and make use of the heat that was previously wasted.

The initiative involves replacing traditional condensate traps with a new generation of traps (without moving parts). By recovering more condensates, which contain more thermal energy than supply water, we reduce natural gas consumption and thus CO₂ emissions across the facilities.

Motril: Air compressor replacement initiative



Motril mill, Spain

In early 2024, the Motril factory completed the implementation of three new air compressors to enhance the efficiency of its compressed air network, operating at a pressure of 6 bar. This strategic upgrade involved replacing several outdated compressors with newer models that boast significantly higher energy efficiency. By minimizing the idle load of the existing compressors, this initiative is poised to improve the specific power performance of the entire system. Furthermore, the project incorporates a sophisticated control module, providing the installation with advanced optimization capabilities. Together, these enhancements are expected to deliver substantial electrical energy savings and contribute to the facility's overall operational efficiency.



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Emissions to air

In addition to carbon dioxide (CO₂) emissions, Lecta monitors other atmospheric emissions, including nitrogen oxides (NO_x).

Continuous and punctual monitoring of air emissions is done in the Lecta mills.

For our pulp production mill, the major air treatment methods are electrostatic precipitators including bag filters for the lime kiln, wet gas scrubbers and absorption tower. In the Paper production mills we use natural gas and/or natural gas cogeneration boilers and for metallized paper production a scrubber is additionally used, burning the organic volatiles. The legal compliance of all legal limits applicable is a must for Lecta, as demonstrated by the EMAS registration which is annually subjected to verification. Continuous and punctual monitoring of air emissions is done in the mills to guarantee compliance. The mills are also periodically monitored by the local authorities, according to local, national, and European laws. We are working in a proactive approach to comply with any new regulation and have during the last years invested in additional upgrades of our equipment based on related changes.



Lecta remains committed to anticipating and carefully managing water usage and consumption.

Water management

Water is a crucial resource in the pulp and paper industry, necessary for both pulp production and the paper forming process.



Rigorous chemical-physical and biological treatment of wastewater from our processes is conducted before it is discharged. As well as complying with legal limits, ongoing efforts are focused on further minimizing environmental impact, particularly to control any eutrophication of water bodies that we discharge water to. As such, we continuously measure against targets related to parameters like Chemical Oxygen Demand (COD) and total nitrogen discharged.

Our mills also implement closed water systems for repetitive water usage. Lecta remains committed to anticipating and carefully managing water usage and consumption through enhanced efficiency and other water management strategies.

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Furthermore, as evidenced by our climate-risk analysis detailed in the ESG risks chapter, the locations of Lecta's factories are prone to experiencing periods of drought. These were observed throughout 2023 and early 2024, particularly in some of our mill locations in Spain, with some projections indicating even greater challenges in the coming years as a result of climate change and associated extreme weather events. Consequently, managing water consumption responsibly and proactively is pivotal to ensuring the efficiency of Lecta's production process and to prevent or mitigate actual and potential future risks.

Our mills employ high rates of water recycling, with discharged amounts nearly matching intake levels. Variations occur due to weather conditions, such as rainfall, and other factors like water evaporation in our production processes, which depend on the type of paper produced. Since Lecta is primarily a user rather than a consumer of water, the quality of water discharged back into rivers, lakes, and seas is paramount.

TARGETS 2030

- Water consumption**
Baseline 2022
- Water recycled**
Increase to **95%**
- Water consumption**
Decrease to **10 m³ / ton paper**

	2022 (Baseline)	2023	2024	SDGs contribution
Water recycled	87%	87.9%	89,8%	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Water consumed m³/ton of paper	12.3	14.8	13	14 LIFE BELOW WATER 15 LIFE ON LAND

The indicators demonstrate that in 2024, we made positive progress against both of our water consumption targets for 2030. There was an increase in the percentage of recycled water (+2%), and a reduction in overall water consumption of 1.8m³ /ton of paper produced with respect to previous year. The decrease in water consumption per ton of paper produced is a direct result of our water saving measures, as well as the change in prevailing market conditions, since the levels of production and demand have increased in 2024, compared to 2023. The improvement in our water recycling KPI is a result of water recycling measures implemented in our mills.



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Waste management

Management of process waste is performed in collaboration with trusted partners, to ensure sustainable disposal as well as maximizing possibilities of reuse.

Most of Lecta's waste is specific to pulp and paper manufacturing and as such is included in the European list of waste with a non-hazardous characterization. This includes sludge from wastewater treatment.

Since waste management is a highly regulated area, and permits are required for handling waste, it is critical to have solid and trustworthy waste management services suppliers that can support Lecta in meeting the ambitions set out in the sustainability strategy.

TARGETS 2030	Waste	Recovered waste	Waste to landfills
	Baseline 2022	Increase to	Decrease to
		99%	1%

	2022 (Baseline)	2023	2024	SDGs contribution
Recovered waste	93.7%	97,8%	97,1%	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Waste to landfills	5.1%	1%	2%	14 LIFE BELOW WATER

The percentage of recovered waste decreased slightly (-0.7%), due to the waste generated by the new Condat boiler, which, in its first year of operation, was not able to be fully recovered. However, plans are already underway for a partnership with a waste management service to be able to recover this waste in 2025.

The percentage of "waste to landfills" also increased compared to 2023, attributed to the same issue arising from the unrecovered waste produced by the recovery boiler at Condat.



AENOR certification in Zaragoza mill

In 2024, our Zaragoza mill obtained the AENOR "Zero Waste" certification granted to organizations putting waste management at the core of their environmental objectives, to prevent waste ending up in landfills. The external audit conducted in July 2024 verified that 99.44% of the waste generated at the mill in 2023 had been recovered.

The Zaragoza mill is the first Lecta plant to obtain the "Zero Waste" certification, a milestone that solidifies Lecta's reputation as a leader in environmental practices and responsible waste management, as well as our alignment with circular economy principles.

The tools provided through the system optimize waste management processes, prioritizing prevention, waste reduction and recovery, and correct segregation of different types of waste.

The certification endorses and adds compatible complementary value to the ISO 14001 environmental management system and the EMAS Regulation.



Lecta remained steadfast in its commitment to environmental sustainability.

Value chain management ^{1/4}

Production process overview



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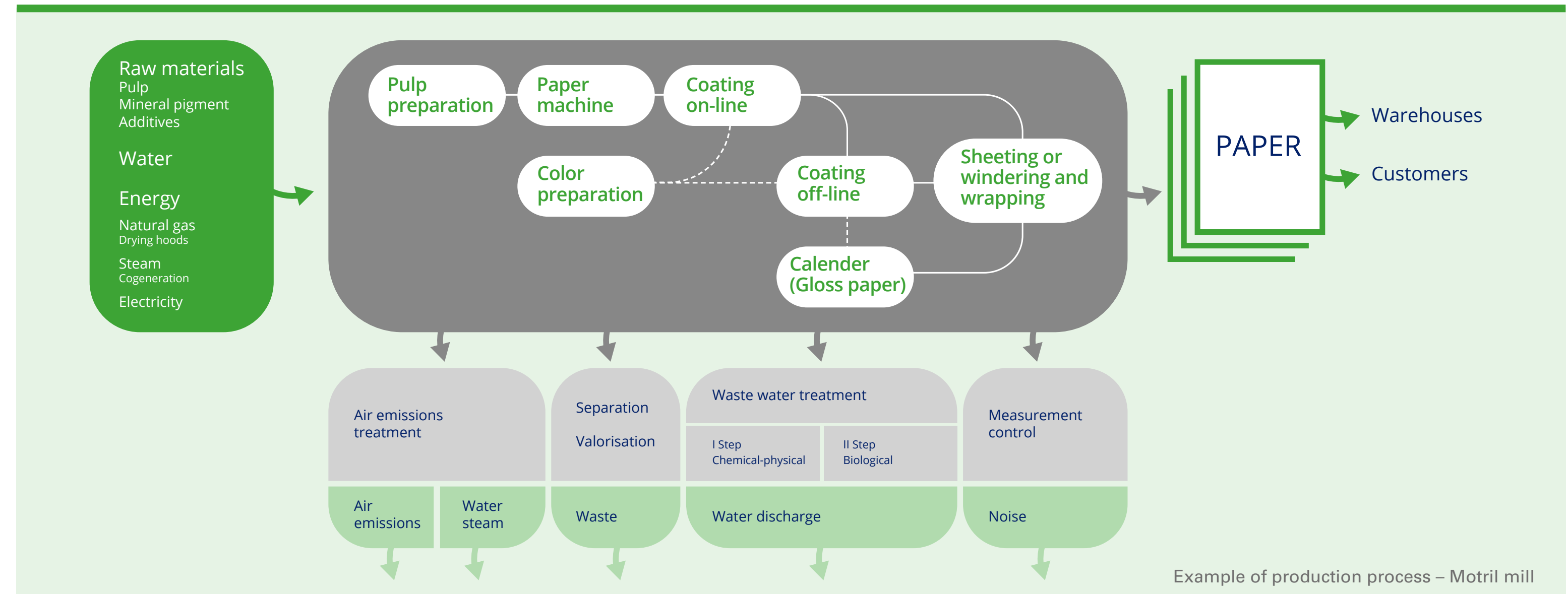
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Lecta operates seven distinct production sites, encompassing a pulp and paper integrated production mill, two facilities dedicated to specialty paper conversion, and others focused on manufacturing various products including coated, uncoated, and functional papers.

The production process initiates with the blending of raw materials such as pulp, mineral pigment, and additives, along with water. The composition of the mixture varies according to the desired paper type. Subsequently, the pulp mixture undergoes processing in the paper machine, where it is evenly dispersed onto a continuous, permeable plastic cloth.

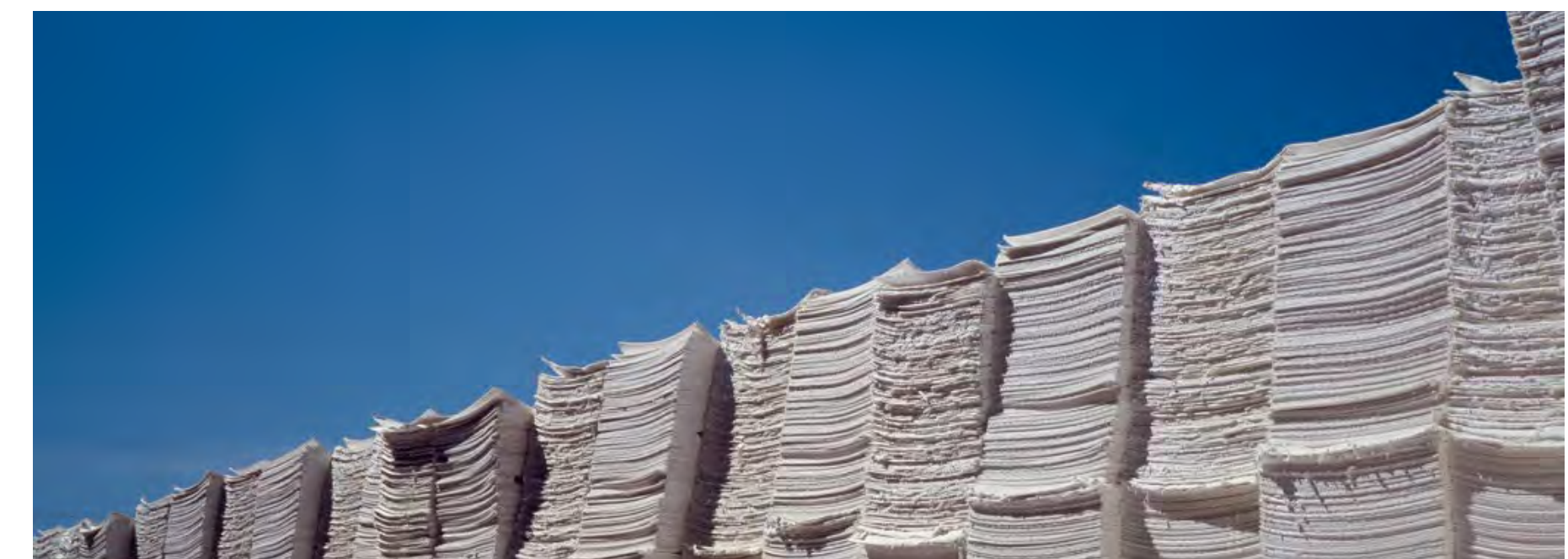
In the wire section, water is drained off as the sheet of paper begins to form. The process can be succinctly outlined in four main stages: preparation, dewatering, pressing, and drying. Following these, a fifth stage, known as completion, may entail additional processes like smoothing, coating, roll cutting, sheeting, and packaging. At specialty paper production sites, input materials include paper reels and films instead of pulp.

The final products are delivered in the form of sheets or reels, packaged for distribution and storage in Lecta's own warehouses or thirdparty facilities. Alternatively, products can be directly shipped to customers.



Despite encountering production challenges resulting in a notable reduction compared to previous years, Lecta remained steadfast in its commitment to environmental sustainability. The company prioritized the optimization of resource management, particularly focusing on water and energy, integral to Lecta's production processes. Noteworthy efforts in 2024 led to an enhanced utilization of renewable energy sources, a reduction in overall emissions and an increased percentage of water recycling all of which have been described in the previous sections of this report.

Pulp, Zaragoza mill, Spain.





Lecta is preparing for the full implementation of the European Union Deforestation Regulation (EUDR) by the end of 2025.

Value chain management ^{2/4}



Wood pulp and fiber purchase

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When paper is produced from wood fibers sourced from responsibly managed forests, it becomes a renewable material. Responsible plantations and harvested operations act as carbon sinks, sequestering CO₂ from the atmosphere and mitigating climate change.

Lecta acknowledges that wood, the basic resource with which our specialty, coated and uncoated products are produced, is a natural raw material that, at the same time, is critical for preserving our environment as well as the economic and social values in our society.

Since the purchasing of wood pulp and fiber is crucial to Lecta's activities, firm performance standards have been established to ensure its purchase is carried out in alignment with our sustainability targets, and in keeping with corporate interests and criteria, our Code of Ethics, and the Integrated Management System Policy.

In Lecta's Responsible Purchasing Policy for Wood and forest-based products, we commit to purchase controlled and certified wood fiber to preserve the environment and the economic resources for families and local communities.

Lecta's policies are compulsory for all Lecta's activity centers. This requirement spans across all activity centers involved in the assessment, approval, negotiation, and contracting of goods, products, and services, ensuring strict adherence to sustainability principles.



A robust PEFC (Program for the Endorsement of Forest Certification) and FSC® (Forest Stewardship Council®) C011032 Chain of Custody system is implemented, guaranteeing traceable and responsible sourcing of wood and wood fiber. This system helps protect biodiversity and addresses the social aspects of sustainable forestry. By carefully checking that raw materials are not from illegally cleared or damaged areas, following EU Regulation 2023/1115, efforts are made to protect valuable forests and respect the rights of local communities.

In our ongoing commitment to sustainability and transparency in the supply chain, Lecta is preparing for the full implementation of the European Union Deforestation Regulation (EUDR) by the end of 2025. This initiative reflects our dedication to ensuring that our products do not contribute to deforestation.

Lecta operates as an operator, intermediary operator, trader, and exporter under EUDR. The implementation process involves a collaborative effort between our technical, IT, and marketing departments, and we have established a dedicated task force since 2024, as well as starting to work with our suppliers to carry out the relevant risk assessments. We have started to implement internal protocols and engaged with stakeholders like the Confederation of European Paper Industries (CEPI) and have conducted tests on the EU TRACES platform and assessed API (Application Programming Interface) integration with our systems. We are committed to applying EUDR requirements by December 30th 2025 as required, reinforcing our commitment to responsibly sourcing our forest-based raw materials.



Moreover, we continue to uphold our commitment to distance ourselves from any practices associated with illegal logging, human rights violations, forest conversion or degradation, or non-compliance with labour rights as per the International Labor Organization (ILO) standards. These actions do more than just follow the law; they show a comprehensive commitment to sustainability, focusing on environmental care, social responsibility, and economic health. The goal is to keep the world's forests healthy and vibrant, helping to create a more sustainable future for everyone.



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Packaging

Since paper is a delicate product based on natural resources, it is sensitive to humidity, light and temperature. The final packaging before distribution to the customer is therefore critical for maintaining high quality and securing minimum damage during delivery. For these reasons and because its durability is high, shrink wrap, made from plastic, is still the most used type of packaging for the paper industry.



Lecta is actively advancing its commitment to environmental sustainability by persisting with its ongoing initiatives aimed at minimizing the utilization of shrink wraps in its operations. This initiative is part of a broader strategy to integrate more recycled components into packaging materials, aligning with global sustainability trends and consumer demand for more sustainable solutions. Lecta aims to achieve a dual objective: reducing its environmental impact by decreasing reliance on single-use plastics and other non-renewable resources, while simultaneously promoting a circular economy through the adoption of more recycled materials.

Since 2020, Lecta has innovated by using polyethylene-free soft-wrap paper for its Adestor self-adhesive products, which is fully recyclable and minimizes environmental impact and waste management costs. The company is committed to continuous progress, adapting to societal needs, and taking packaging reduction and recycling seriously, in compliance with both current and upcoming European legal frameworks.

Aside from shrink wrapping, Lecta’s standard packaging materials include wooden pallets, plastic wrapping, and cardboard. Of these components, the cardboard is fully recycled.

Lecta’s packaging recycling management is carried out through the “Cartón Circular” initiative.



Lecta complies with European recycling regulations by managing its responsibilities through a company dedicated to recycling the packaging sent to customers. Lecta’s packaging recycling management is carried out through the “Cartón Circular” initiative, in collaboration with ASPAPEL. In this way, Lecta adheres to an

Extended Producer Responsibility (SCRAP, because of its acronym in Spanish) system and pays a fee based on the tons of packaging produced.



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Transport

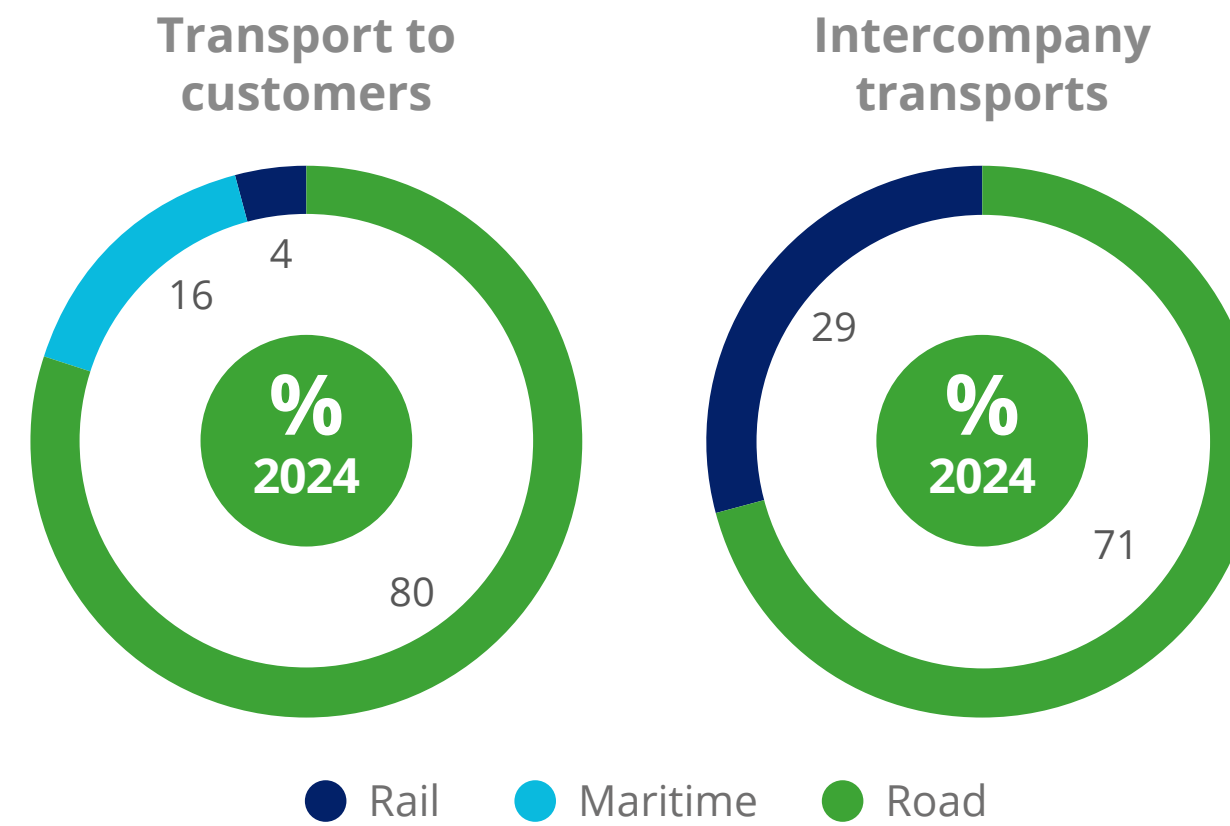
Inbound and outbound transportation encompass, respectively, the processes of supplying incoming raw materials, including inter-company supplies within Lecta (such as Pulp and Base Paper for conversion), and delivery of finished goods to customers, including storage in our own distribution warehouses before final delivery. Additionally, it involves site reconstruction when necessary.

The proximity of Lecta's sites to bigger cities where our major customers are located represents both a challenge, since many places are only accessible by road, and an opportunity for quick response to customer's needs. Strong customer relations are an essential part of our commitment, that must be managed alongside our focus on sustainable distribution, considering fluctuations in the volume of goods sold.

As such, in 2024, road transport remained the primary mode of transportation for both types of shipments. Within this mode of transport, Lecta strategically aimed to avoid dead freight as much as possible, optimize routes and increase the use of intermodal transport. This strategic shift reflects efforts to enhance efficiency and reduce environmental impact.

Part of the strategy involved collaborating with local providers near our factory locations to minimize overall kilometres travelled and therefore help to reduce our Scope 3 carbon footprint. Specific efforts were tailored to each region. In 2024, we have been restructuring our logistic capabilities by opening a new warehouse in Karlsheim in Germany while closing the one nearby our Condat mill in France. This strategic location was chosen to enhance our delivery efficiency across key regions, including the French,

Lecta strategically aimed to avoid dead freight as much as possible, optimize routes and increase the use of intermodal transport.



German and Belgian markets, reducing transit times and improving service reliability for our customers. For UK deliveries, we continue to increase the use of short sea shipping and multimodal deliveries, to mitigate the adverse effects of traffic-related issues on costs and emissions, with transport to the UK via the Port of Bilbao substantially increasing from 96 tons in 2023 to 1,352 tons in 2024. In Spain, Transportation Management Systems (TMS) are employed to address challenges related to fluctuating tariffs and other logistical issues.

Lecta is a member of associations of large shippers, such as Transprime where it advocates for government authorization of some initiatives, such as those linked to larger load limits for land transport, to help reduce Scope 3 carbon emissions from distribution.

CASE STUDIES

Intermodal transport trials: Emissions reductions



Elancourt warehouse, France

In September 2024, we initiated intermodal transportation trials from our Sant Joan les Fonts plant to our warehouse in Elancourt, Paris area. Throughout 2024, we successfully transported a total of 781 tons, with the volume expected to increase in 2025. By integrating intermodal transport, we achieved significant environmental benefits, reducing Greenhouse Gas emissions by up to 15,136 kg CO₂ from July to December. This initiative underscores our commitment to minimising our carbon footprint through the optimization of logistics.

Despite global disruptions occurring in 2024, caused by conflicts affecting the Red Sea and the Suez Canal, leading to increased costs and transit times, Lecta's customer service remained largely unaffected. Strong continuity plans are in place, coordinated directly with

transport providers, to mitigate such risks. In addition, Lecta continuously works to ensure the continuity of product distribution by contracting at least two transportation service providers in each country where it operates, to ensure business continuity even in the face of adversity.

Towards clean transportation in Italy



In 2024, we reached an agreement to launch a sustainable transport initiative in collaboration with Arcese Trasporti in 2025. Our goal is to have 25% of the transport from the Cartiere del Garda plant to destinations in Italy conducted using Hydrotreated Vegetable Oil (HVO) fuel. Additionally, in the second half of the year, we have plans in place to implement an electric shuttle truck (BEV) to carry out transport between the Cartiere del Garda plant and the Arcese Trasporti warehouse. This initiative reinforces our commitment to reducing our carbon footprint and promoting more clean transportation and logistics solutions.



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Our workplace

At Lecta, we recognize that our team is our greatest asset.

Lecta prioritizes responsible behaviour towards all individuals and communities reached by its business operations, positioning this responsibility at the heart of its sustainability efforts.

A fundamental aspect of this commitment is the health and safety of not only Lecta's employees but also its contractors, underscoring a comprehensive approach to workplace wellbeing. Beyond internal operations, Lecta extends its commitment to enhancing the lives of people and communities throughout its value chain, demonstrating a holistic view of its corporate impact.

At Lecta, we recognize that our team is our greatest asset. With a vision to foster a workplace that encourages professional growth and development, Lecta aims to create a dynamic yet supportive environment for its team members. The company values developing the leadership skills of our employees and is committed to establishing a culture that promotes continuous learning. Recognizing the importance of merit-based rewards, Lecta endeavours to create an atmosphere where dedication and achievements are acknowledged and celebrated.

Lecta is committed to offering its employees a wide range of opportunities for enhancing their skills and knowledge, facilitating their personal and professional growth. This approach not only benefits the individual employees but also contributes to the overall success and innovation within Lecta, enabling the company to maintain its leadership position in the industry.



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Health and safety for all employees ^{1/3}

At Lecta safety is a top priority. For the Group safety means implementing a preventive safety culture and ensuring a healthy working environment for employees, contractors, and visitors.

Lecta is committed to promoting, disseminating, and consolidating a culture of safety at work, which involves raising awareness of existing occupational risks and ensuring compliance at all levels of the company with legislation on safety and health prevention.

Creating safe workplaces is crucial for a sustainable and profitable business, and thus a strategic priority for the company. At Lecta, we do not simply comply with prevention legislation - we go beyond it to protect our employees by implementing mandatory Minimum Standards across the company. In 2024, we introduced a new Minimum Standard called Take Five. This initiative encourages employees to take five minutes before starting a task to assess potential risks, ensuring a safer work environment. Our commitment to these standards underscores our dedication to creating a secure and conducive working environment for all staff members.

Lecta's goal of no occupational injuries remains, and we are striving towards continuously decreasing our Lost Time Accidents (LTA). "Vision Zero" is Lecta's program to support a variety of global and local actions to reach the goals. It can be understood as a transformational, preventative approach that integrates three crucial dimensions: safety, health, and well-being, at all levels of our organization. Lecta has implemented this strategy on the assumption that all accidents, harm, and work-related ill-health are preventable. As such, Lecta's ambitious strategy and targets are underpinned by a holistic and transformational approach, implemented throughout all our geographies and business operations.

Creating safe workplaces is crucial for a sustainable and profitable business, and thus a strategic priority for the company.



CASE STUDIES

Awards for innovative health and safety initiatives

In 2024, several of the mills were recognised for their innovative contributions to health and safety, a testament to the company's preventative culture and employee engagement initiatives. As well being internally recognised, the winning initiatives have been outlined below in our Sustainability Report:

Cartiere del Garda: One-handed adjustment in cutters enhances workers' safety



Antonio di Blas (Cartiere del Garda mill director) gives the prize to Duilio Santoni with Marcello Maiorca and Claudio Miori.

In the Cartiere del Garda mill, one of our cutting machines has been updated to reduce the risk of accidents. Before the modification, for the worker stationed on the machine, both hands were needed to loosen the handle and adjust the cylinder. After the modification, thanks to the addition of an eccentric and an adjustment screw, the cylinder can now be adjusted with one hand, keeping the operator away from the moving parts. This modification contributes to our objective to ensure the well-being of our employees during cutting activities.

Sant Joan les Fonts: Rescue device for work in confined spaces

In the Sant Joan les Fonts mill, a rescue device has been designed for work in confined spaces, adaptable to any type of structure. This device is comprised of a system, including a base for a portable telescopic mast, which can be installed in all confined spaces where its use is needed. To operate it, the mast is moved to the corresponding base before commencing work, making it easy to implement and ensuring a quick response in case of an emergency.

Sant Joan les Fonts: Radar detection system for forklift safety in truck zones



Josep Casellas (Sant Joan les Fonts mill Director) and Bea García (Health & Safety Director) give the prize to Jordi Comalada, Oriol Mariné and Joan Matamala.

In Sant Joan les Fonts, the radar detection system identifies the presence of forklifts in truck passage areas. When a forklift is detected in the convergence zone of forklift and vehicle traffic, the traffic light automatically turns red, requiring the vehicle to stop. Once the forklift exits the area, the traffic light switches back to green, allowing the safe passage of the vehicle. This system ensures a coordinated flow of traffic and enhances safety within the facility, contributing to our objective to promote safe and visible operation of forklift trucks, reducing the risk of accidents.

Sant Joan les Fonts: LED projection for forklift-pedestrian safety



In our mill in Sant Joan les Fonts, the LED Projection System initiative enhances safety at intersections where forklifts and pedestrians interact. Sensors activate the system when a forklift approaches, triggering LED warnings. Bright projections on the ground alert both pedestrians and forklift operators to potential dangers and thus, this system increases awareness and encourages caution, reducing the risk of collisions.



Health and safety for all employees ^{2/3}

Every mill has its own Health and Safety Committee, joined by employees and union representatives.



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This year, there were 25 Lost Time Accidents (LTA), the same as in 2023, which represents a substantial reduction against the baseline of 33. Despite all the safety efforts implemented throughout 2024, the situation remains stable compared to the previous year. This indicates continued opportunities for improvement in our safety culture and accident prevention strategies, and we remain dedicated to achieving our ambitious goal of reducing the LTA rate to under 12 by 2030.

On the other hand, the Frequency Rate (FR) of accidents has continued to decrease, moving from 7.51 to 6.98. The Severity Rate also decreased in 2024, from 0,64 to 0.39 (which means that the accidents have been less severe since the duration of the sick leaves has been shorter.). These improvements highlight the effectiveness of the company's safety interventions and its commitment to creating a safer working environment. Lecta is working on minimizing, to the greatest extent possible, the severity rate of the few and scattered accidents.

Furthermore, we have reinforced our commitment to establishing safe behaviours in the workplace. We saw a rise in our Engagement Index, established in 2023, from 0.44% to 0.57% in 2024. This Index, calculated by dividing the number of reported observations and near misses by the number of employees, represents the increased focus we are placing on cultural and behavioural changes in health and safety practices. By implementing this KPI, supported by our newly digital platform, our objective is to address and change unsafe behaviour of workers, which we observed to be the cause of 88% of the 25 accidents in 2024.

TARGETS 2030

Health & safety
Baseline 2021

LTA (Lost Time Accident) **≤ 12**

FR (Frequency Rate) **< 3.25**

SR (Severity Rate) **≤ 0.25**

Engagement index **≥ 3%**

	2021 (Baseline)	2023	2024	SDGs contribution
LTA (Lost Time Accident)	33	25	25	
FR (Frequency Rate)	9.1	7.5	6.98	
SR (Severity Rate)	0.37	0.64	0.39	
Engagement index	No Data	0.44%	0.57%	



Implementation of the "Take Five" initiative

A recent effort aimed at enhancing workplace safety is the implementation of the "Take Five" initiative. This initiative encourages each worker to take five minutes before undertaking any unforeseen actions or tasks that are not part of their routine duties. This brief pause allows employees to assess potential risks and take necessary precautions to prevent workplace accidents. By incorporating this practice into daily activities, we aim to foster a proactive safety culture where prevention and awareness are integral to daily operations. Like the use of Prodivity and E-coordina software, "Take Five" is a key component in our strategy to modify unsafe behaviours and promote a safer and more conscientious work environment.

Every mill has its own Health and Safety Committee, joined by employees and union representatives. Each mill contributes to proposals to improve safety, and each year the most outstanding idea is honoured with an award, recognizing, and celebrating the commitment to enhancing safety across our operations. In 2024, it was decided that four awards would be given for Health and Safety initiatives.



Occupational Health and Safety officers from Lecta mills met at the Condat mill. From left to right: Eric Miermont (Condat), Marcello Maiorca (Cartiere del Garda), José Ignacio de la Peña (Almazán), Lisa Maslaka (Condat), Bea García (Health & Safety Director), Núria Rodríguez (Health & Safety Coordinator), Oriol Mariné (Sant Joan les Fonts), Xabier Ruiz (Leitza), Francisco Abad (Zaragoza), Philippe Magne (Condat).



Health and safety for all employees ^{3/3}



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Participants in the activity *Let's Walk Together for Health and Safety at Work.*

Every month all health and safety KPIs are reported to the management team and the Board of Directors. On a weekly basis, accidents / incidents and Near Misses are reported. This is also communicated to all management groups at Lecta monthly meetings. All new employees are introduced to health and safety procedures when onboarding. On a yearly basis, Lecta evaluates every mill to secure compliance with current national legislation. At the same time, the Group conducts health and safety awareness training. In 2022 Lecta renewed its ISO 45001 certification, and passed the surveillance audit in 2024, demonstrating a commitment to accountability and transparency with regards to occupational health and safety.

Lecta investigates and monitors all type of accidents and incidents, Near Misses and Safety Observations, including temporaries and contractors. In 2023, the Health & Safety department initiated a project to digitize preventive measures. The digitalization enabled real-time inspections and safety observations through personalized checklists on tablets or smartphones. Information is instantly shared and stored on a server, supporting accurate collection of data for health and safety KPIs, aiming to streamline actions, reduce bureaucracy, and enhance communication with stakeholders.

In 2024, two new software solutions were implemented to further improve oversight and manage health and safety within Lecta's business more effectively. Prodivy was implemented to support Lecta in managing all aspects of occupational health and safety, while E-coordina was implemented to support the management of these topics for contracted workers. These advanced tools have further optimized our processes, streamlining all health and safety management activities and data into a digital platform.

Moreover, at Lecta, an interesting program called 'Sharing Smiles' is implemented to introduce employees to a healthy and well-rounded lifestyle. This initiative provides opportunities to participate in various sports programs such as paddle, organized walks, and dance courses. By engaging in these activities, employees not only enhance their well-being but also contribute to the expansion and positive atmosphere within our professional community.





The diversity of the workforce at Lecta is viewed not merely as a statistic.

Diversity and inclusion ^{1/4}

Workforce diversity



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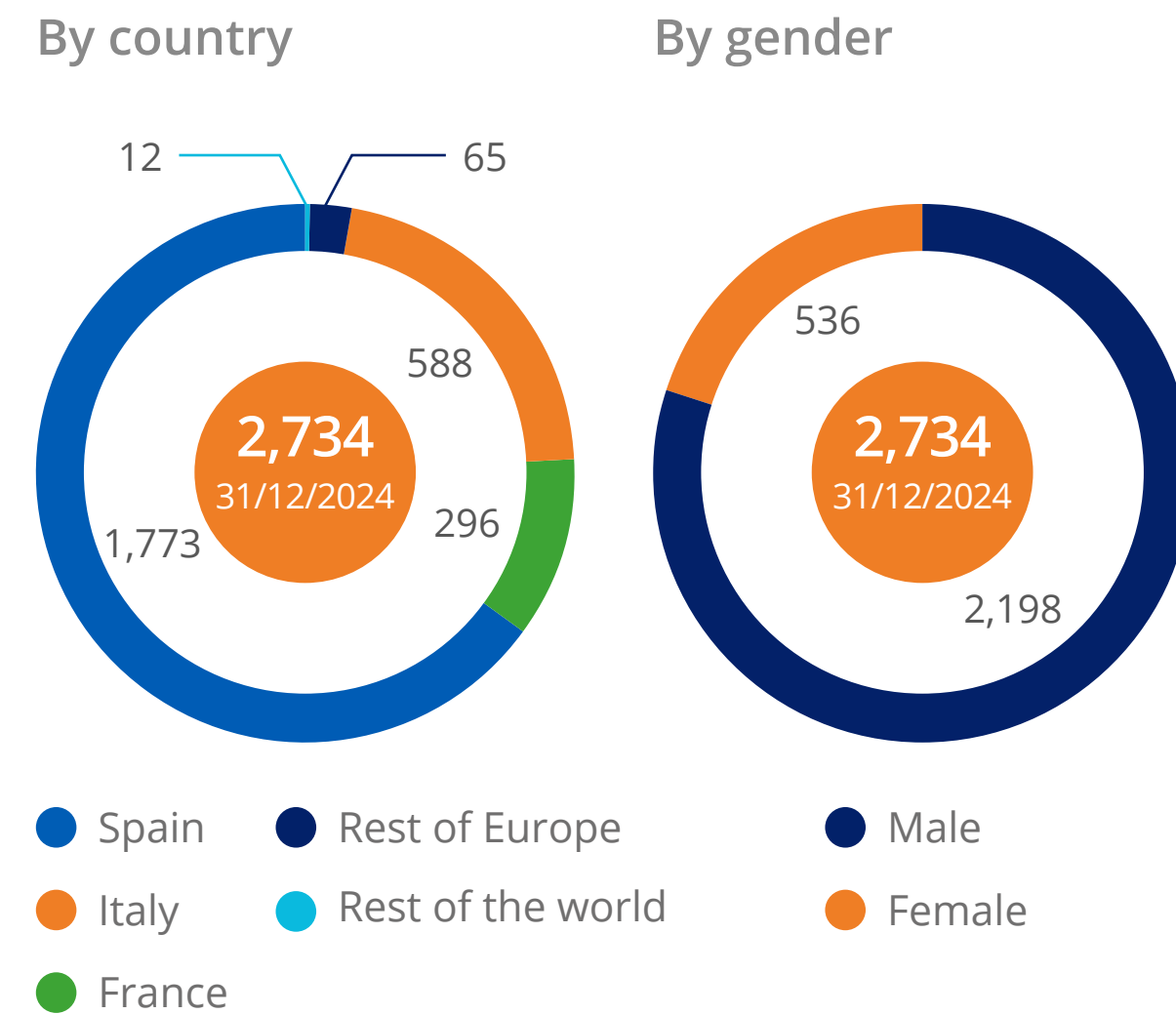
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In valuing diversity among our workforce, we recognize that the collective expertise of individuals from varied competencies, cultural backgrounds, genders, age groups, and nationalities is essential. The pursuit of such heterogeneity is more than an aspiration; it is a steadfast commitment to cultivating a workplace that is anchored in equity. In Lecta, every employee is afforded equal opportunities, ensuring that the richness of their diverse experiences and perspectives is not only acknowledged but also actively sought as a driving force for innovation and growth.



The diversity of the workforce at Lecta is viewed not merely as a statistic, but as a source of varied perspectives that enrich the company's core. This diversity includes, but is not limited to, the numerous experiences and educational backgrounds each employee contributes to the collective. Such diversity is pivotal in steering the innovation of products and the exploration of new ways of engaging with customers.

Furthermore, Lecta's commitment to inclusion is about crafting an environment where every individual, regardless of their unique identity or group affiliation, experiences a sense of belonging, respect, support, and appreciation. This holistic approach to diversity and inclusion underscores the belief that a varied workforce is fundamental not only to the company's innovation and creativity but also to its overarching success and sustainability.

In 2024, Lecta's employees are mainly of Spanish, French, and Italian nationality, with some employees from the rest of Europe, and a small percentage from the rest of the world. Overall, the Group employed 2,734 people as of 31 December 2024, with an additional 76.8 temporary employees and external workforce.



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Diversity and inclusion ^{2/4}

We actively promote a work environment that supports the growth of all our employees.

Zero tolerance of discrimination

Lecta is firmly committed to establishing a workplace that does not tolerate any discrimination, on grounds of race, religion, nationality, sex, or age (with child labour specifically prohibited), disability, sexual orientation, gender identity, or preferences, marital status, or any other criteria that contravenes legal standards. This commitment spans across various facets of employment, from hiring and salary decisions to promotions and the eventual termination of employment contracts.

Furthermore, Lecta maintains a zero-tolerance stance towards any form of physical or psychological abuse, including any actions that lead to an employee's unwarranted exclusion or isolation. We actively promote a work environment that supports the growth of all our employees and champions their personal and professional development, regardless of their background.

Central to Lecta's culture is the prevention of a work environment that could be perceived as intimidating, hostile, or offensive. To this end, all forms of violence and sexual harassment, including any conduct that could create an intimidating, hostile, or offensive working environment, are strictly prohibited under all circumstances.

To uphold these standards, Lecta has established a whistle-blower channel. This channel serves as a crucial mechanism for stakeholders to report any incidents that go against the company's policies on harassment and discrimination. By implementing such measures and championing responsible governance, Lecta not only aims to protect its employees, but also to foster a culture of respect, integrity, and professionalism.

Through these efforts, the company aspires to be a beacon of a respectful and inclusive workplace, where every employee feels valued and empowered. The whistle-blower channel is discussed in more detail in the Governance section of this report.

Lecta has made significant strides in reinforcing its commitment to ethical conduct and non-discrimination within its organization, and in 2023, collaborated with a trusted third party to establish and document a comprehensive discrimination protocol. A key component of this initiative was the launch of an awareness campaign, including communication of essential information to employees, including the introduction of a dedicated single point of contact for related matters. We have continued to prioritize communication of this protocol throughout 2024, aiming to highlight the importance of equality.



Lecta is committed to fostering the greatest equity and inclusivity.

Diversity and inclusion ^{3/4}



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Gender equity

In Spain, where over 65% of Lecta's employees are located, we have in place a Gender Equal Opportunities Plan with the aim of coordinating measures to ensure equal opportunities for men and women, in a real and effective manner, and above all the integration of gender equity in the Management Group.

Lecta's Equality Plan for 2022-2025 outlines key steps towards gender equity, emphasizing a balanced representation and equal opportunities for all genders. It focuses on actionable measures such as enhancing women's representation in leadership roles, ensuring promoting equal pay, and fostering a supportive work-life balance. Lecta has defined 31 actions to ensure adherence to this plan, including the roll-out of a comprehensive training program, which are being actively monitored internally. This initiative aligns with Lecta's dedication to diversity and inclusion, reflecting its commitment to sustainable and responsible business practices.

TARGETS 2030

Diversity and inclusion
Baseline 2021

Gender equity
% to be defined on sector target

Gender new hiring in professional staff
♀ 50% ♂ 50%

Management group equity
♀ 30% ♂ 70%

	2021 (Baseline)		2023		2024		SDGs contribution
	♀	♂	♀	♂	♀	♂	
Gender equity	17%	83%	18%	82%	20%	80%	
Gender new hiring in professional staff	36%	64%	28%	72%	35%	65%	
Management group equity	19%	81%	21%	79%	19%	81%	

Through targeted training and awareness programs, the plan aims to mitigate gender biases and create an environment where all employees feel valued and respected. Training programs cover topics including the opportunities offered by a diverse workforce, how microaggressions can present themselves in the workplace, how improving communication through inclusive language, and prevent sexual harassment and violence. Lecta's approach is a testament to our role as a leader in promoting gender equity, demonstrating a firm commitment to advancing equality within the workplace and beyond.





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Diversity and inclusion 4/4

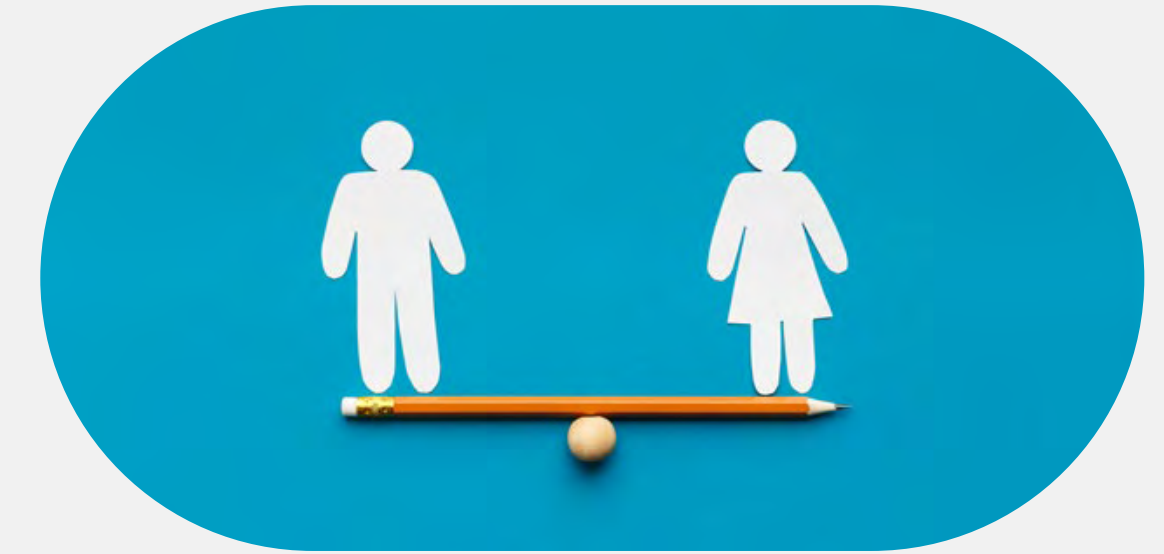
In 2024, Lecta has formed part of the Empowering Women's Talent network, promoting the inclusion of women through initiatives, activities, courses, and mentoring programs. Further, in 2024, 34 women participated in training events such as workshops, trainings, breakfast, different roundtable and attending to the Women's Talent Day. As part of these training initiatives, e-learning programs were conducted in Spain, with 823 employees completing the "Gender Equality" training and 205 employees completing the "Valuing Diversity" training offered at the distribution company Polyedra in Italy. Plans are in place to continue this trend into 2025, with initiatives underway to organize conferences in conjunction with Women's Day.

Lecta is committed to fostering the greatest equity and inclusivity, conscientiously respecting individuals of all genders and backgrounds. Despite our efforts, we acknowledge that the progress in diversifying our hiring and employment practices remains an ongoing challenge. This is, in part, a reflection of the broader industry, which has historically been skewed towards a male dominated workforce, being a sector with operations in rural areas, and requiring manual labor. Recognizing this, Lecta is dedicated to enacting meaningful change. We are actively implementing strategies aimed at breaking down barriers and promoting a more inclusive and equitable work environment for everyone. We are pleased to report a slight increase in our KPI for Gender New Hires among professional staff in 2024, with a 7% increase in the percentage of women amongst our new hires, compared to 2023. Further, we continued to move towards our Gender Equity target, with an increase of 2% in the percentage of women in our workforce.

Overall, throughout our strategy and targets, our goal is not only to achieve gender parity but to cultivate a culture where diversity in all its forms is valued and celebrated.



From left to right:
Mireia Lardin,
Mari Pau Gómez (Talent
Management Director),
Bea Garcia
(Health and Safety
Director), Rahma El Abidi
and Matilde Jiménez.



Polyedra gender equity prize

In 2024, Lecta's Italian distribution entity, Polyedra, received the certification UNI/PdR 125:2022, awarded by the region of Lombardy for the measures adopted to ensure gender equality in the workplace.

To achieve this recognition, Polyedra developed a strategic plan focusing on a series of measures aimed at promoting female employment, ensuring equal opportunities in job access, and fully implementing paternity leave in line with European practices. The topics addressed in the plan align with point 6.3 of the certification's guidelines and are divided into six thematic areas: recruitment, career management, pay equity, parenthood and care, work-life balance, and the prevention of all forms of abuse and harassment.

Additionally, Polyedra created a policy that defined the guidelines and procedures for identifying and managing cases of non-inclusivity and harassment within the company, to ensure the promotion of an inclusive work environment.

Furthermore, the company organized training to educate and raise awareness among management and employees about gender equality, unconscious bias, and the value of diversity. Participants also learned about the importance of addressing gender disparities, particularly in academia and the workplace, and the role of implicit biases and stereotypes in perpetuating inequality. For example, the event highlighted Italy's position in the World Economic Forum's gender gap report, underlining the low female employment rate despite high educational attainment.



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Employee engagement and development ^{1/2}

Lecta's commitment to continuous learning is fundamental to our culture, ensuring our workforce remains provided with essential skills for both professional growth and lifelong learning. We see the value in nurturing talent and fostering a culture centered around development and innovation.

The Lecta Academy is at the heart of our training efforts, offering a wide range of opportunities designed to enhance key competencies across technology, sales processes, and tools. Recent years have seen a particular focus on leadership development, crucial for team dynamics and individual progress. This comes alongside our training programs that run throughout the year, focused on Lecta's specific product lines, which help to continuously upskill our workforce. The number of training hours per employee increased from 13 to 31 during 2024, reflecting the organization's commitment to enhancing employee skills and professional development.

TARGETS
2030

Employee development
Baseline 2021

Training hours / employee / year
40
hours

Employees under performance and goals
100%
professional staff

	2021 (Baseline)	2023	2024	SDGs contribution
Training hours/employee/year	20	13	31	4 QUALITY EDUCATION
Employee under performance/year	60	560	672	8 DECENT WORK AND ECONOMIC GROWTH



Lecta implemented a specialized ethics training program, titled "Lecta 100% Ethics," in 2024.

To take advantage of the digital shift, Lecta has broadened access to online learning platforms, enabling employees to pursue a variety of digital courses tailored to meet the demands of a rapidly evolving workplace. This includes comprehensive training in compliance and IT security, essential for ensuring the protection of sensitive data and mitigating IT risks. As part of this shift, Lecta plans to leverage GoodHabit, an open platform, to enrich its training offerings. By expanding access to digital training opportunities and promoting a culture of continuous learning, Lecta aims to enhance employee skills and ethical standards awareness to further strengthen its organizational ethos and commitment to ethical practices.

In alignment with its dedication to ensuring an ethical culture, Lecta implemented a specialized ethics training program, titled "Lecta 100% Ethics," in 2024. This proposal introduced a number of new training modules and aimed to ensure that all employees were up to date with the Code of Ethics, promoting a culture of ethical behaviour and responsible decision-making. The results indicated that we achieved a sign-off rate of 100%. This program was available in multiple languages, reflecting a substantial effort towards raising awareness and understanding of ethical business practices across the organization.



Employee engagement and development ^{2/2}



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Lecta's commitment to creating an inclusive and collaborative environment is evident through initiatives like the "Lecta People Matters" Welcome Breakfast, which took place in Barcelona in December 2024, engaging approximately 40 new joiners. This event featured introductions to create an open atmosphere, brainstorming sessions, presentations, and a speech by our Chief HR Officer, offering valuable insights to the new joiners. Concluding with a networking session, the event encouraged newcomers to build relationships with peers, and the open format allowed attendees to voice concerns and discuss solutions, demonstrating Lecta's dedication to continuous growth and innovation.

Finally, we firmly believe in the value of providing tailored feedback and performance objectives to all our employees, and in aligning these objectives with the company's strategy. We understand that in doing so, we can provide a variety of benefits to our employees, including improved levels of motivation and purpose, a clear sense of direction for their work, and targeted personal and professional development.

At Lecta, we want to ensure that our people's voices are heard. For this reason, in 2024, we undertook an engagement survey, with the objectives of understanding the experience of our employees and identifying opportunities for improving workplace satisfaction and productivity.



Engagement survey

Lecta marked a significant milestone in its commitment to creating a transparent and engaging work environment with its first-ever Engagement Survey conducted on July 9th, 2024. This survey aimed to capture the voices of employees, providing a foundation for enhancing workplace satisfaction and engagement.

The 2024 Engagement Survey was conducted online, which posed a challenge, especially for employees in warehouses and mills who were using corporate email for the first time. This transition to digital engagement demonstrated Lecta Group's ongoing efforts to integrate technology into daily operations.

To ensure the integrity and confidentiality of the survey, Lecta Group partnered with Mercer, a leading consultancy renowned for its expertise in employee engagement. Mercer's platform provided a secure environment for data processing, reinforcing the trust employees were able to have in the confidentiality of their responses, and thus the honesty of their responses. Corporate emails and QR codes, with associated passwords, were also used to ensure the validity of responses.

The response to the survey was overwhelmingly positive, with a participation rate of 70%, totaling 1,782 respondents, demonstrating a high level of engagement among our employees, and a willingness to contribute to the continuous improvement of the organization. The data collected is currently undergoing a detailed analysis, which will be vital in shaping our future internal communication strategies, and our organisational culture.

The insights gained from this survey will be valuable in driving the future of our business. The engagement survey is not just a measure of current sentiments, but a basis for future strategic improvements, ensuring that Lecta remains a fulfilling place to work.

Through this initiative, Lecta reaffirms its dedication to placing commitment and satisfaction at the heart of its corporate culture, paving the way for a more connected and engaged workforce.



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Relationships with local communities ^{1/3}

Lecta's dedication to sustainability is characterized by an ethical imperative to honor and take responsibility for its interactions with people and society. The responsible sourcing of primary raw materials and the manufacturing processes of the company facilitate a symbiotic relationship with local communities, who provide the workforce, contractors, service providers, and the foundational so-called "social license to operate". As a significant employer, taxpayer, and business partner in many communities, we acknowledge that our operations could have environmental and social impacts.

Being a company with a significant local presence, we proactively engage with the communities where we operate, to help contribute to the well-being of people and communities along our value chain. We support and work with communities to help them thrive economically, socially, and environmentally. We are committed to contributing to the sustainable development of the communities around us.

In 2024, continued advancements in social responsibility and sustainability were evident, reflecting a deep-rooted commitment that spans decades. Our membership of the United Nations Global Compact since 2004 (Torraspapel) and 2011 (Lecta) underscores a long-term dedication to sustainable and ethical practices. The annual release of our Sustainability Report, further underlines our commitment to clear communication with stakeholders.

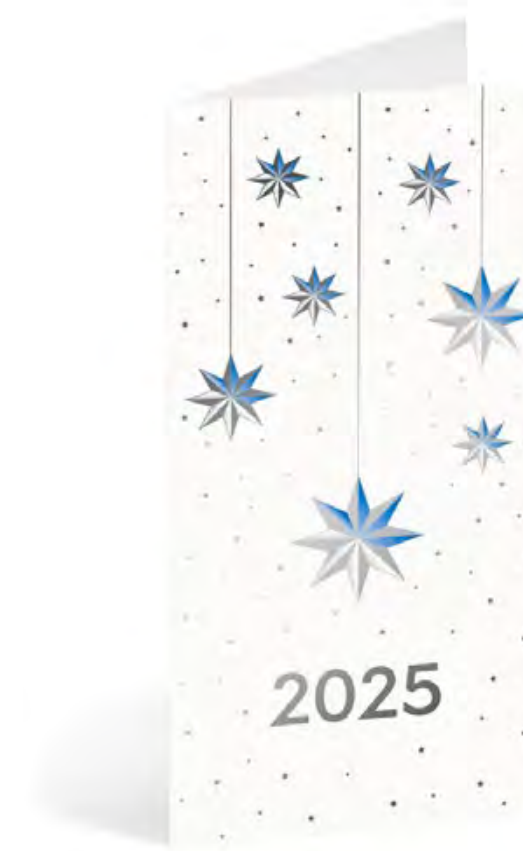
Industrially, the year saw successful audits of the multi-site integrated management system covering environmental management (ISO 14001:2015), quality (ISO 9001:2015), energy efficiency (ISO 50001:2018), and occupational health and safety (ISO 45001:2018) across all mills and the Barcelona offices, highlighting a commitment to operating responsibly and safely in the communities in which we operate.

Lecta, in its commitment to its customers and society at large, has also guaranteed from the outset and continues to agree with suppliers, that it will not purchase wood and forest products from Russia, Belarus and the occupied territories of Ukraine for the

WE SUPPORT



We are committed to contributing to the sustainable development of the communities around us.



We support MSF (Doctors Without Borders).

manufacture of its products or their use in third-party products marketed by any of the Group's companies, following the indications from PEFC and FSC® C011032 Chain of Custody standards. Also, over ten years of collaboration with the Talita Foundation highlights a sustained effort towards inclusivity for children and young people with disabilities and the ongoing tradition of distributing charitable Christmas cards, in association with Doctors Without Borders, showcases enduring support for disaster and conflict victims, reinforcing a legacy of positive societal and environmental impact.

CASE STUDY

The 50th anniversary of the Almazán mill



Almazán mill, Spain

Since its inception, the Almazán Mill has been a cornerstone of the local community, not only providing employment but also fostering a deep connection with the region's cultural and economic fabric.

Throughout the years, the Almazán Mill has evolved, incorporating advanced technologies and more sustainable practices to meet the ever-changing demands of the industry. Yet, Lecta's commitment to quality and to the people who drive its success remains unchanged. The 50th anniversary was not only an opportunity to honour past achievements but also to look forward to future possibilities.

In celebration of this landmark event, Lecta hosted several open house events,

providing employees' families and local suppliers with the unique opportunity to explore the mill's facilities and witness the intricate manufacturing process firsthand. These events were met with enthusiasm and appreciation, highlighting the strong community ties that are integral to our operations.

Moreover, Lecta welcomed students from various schools to tour the production facility. This initiative aimed to educate young minds about the manufacturing industry and inspire future generations to consider careers in this vital sector. Lecta looks forward to continuing these educational visits, with the youngest students scheduled to complete their tours this year, alongside those from another local charter school.



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Relationships with local communities ^{2/3}

Lecta wants to share its experience in papermaking with society. In France, through the Condat mill, Lecta collaborates with the International School of Paper, Print Communication and Biomaterials located in Grenoble – INP PAGORA - a renowned training centre for engineers specialized in the sector. Mill visits, internship training, provision of paper for studies and tests, participation in congresses and technical conferences are some of the activities that demonstrate our active support for the training of future professionals.

In Italy, through Cartiere del Garda, Lecta also collaborates with the best-known museums in Trentino, such as the Riva del Garda Museum, and the MUSE, a science museum, in support of initiatives to promote the area, culture and local history. At the same time, Lecta regularly participates in the sponsorship of the Adamello Brenta Natural Park, the largest protected natural area in Trentino Alto-Adige, in the Rhaetian Alps. This park has been declared a World Heritage Site by UNESCO.

Further, in 2024, Lecta continued its involvement in charitable fundraising in Italy. In December 2023, our Italian distribution entity, Polyedra, began promoting a fundraising initiative with Runfor Emma & friends Association, which supports children suffering from SMA, a rare, degenerative, and highly disabling genetic disease that prevents children from becoming adults. Polyedra continued this support in 2024, providing bibs and race packages for multiple teams to take part in the Milan Marathon, with all donations raised for the association.

In Spain, the Almazán mill has collaborated for the second consecutive year with the Soria Food Bank in its food collection campaign and has also worked with the City Council to promote and encourage blood donations. Furthermore, all activities have been and are being carried out with the participation of local businesses to support the local economy.

Our Sant Joan les Fonts mill supported the 33rd edition of La Marató de TV3 in 2024, organized by Catalonia’s state television network. This year, the aim was to raise funds for research into respiratory diseases. The mill contributed two Christmas hampers packed with different products to the Quina Solidària charity draw held at the local sports center, organized by various associations to secure funds for the cause.

In Zaragoza mill, we organized a collection of non-perishable food and personal hygiene products to assist those affected by the devastating floods in Valencia in 2024, demonstrating our commitment to supporting the local community. In October, the mill joined in the celebrations for International Day Against Breast Cancer by distributing pink ribbons and solidarity bracelets among all workers. In a significant milestone that positions the mill as a leading enterprise in the region, it achieved the RSA+ social responsibility seal for large enterprises from the Aragonese government, improving on the results obtained the previous year.

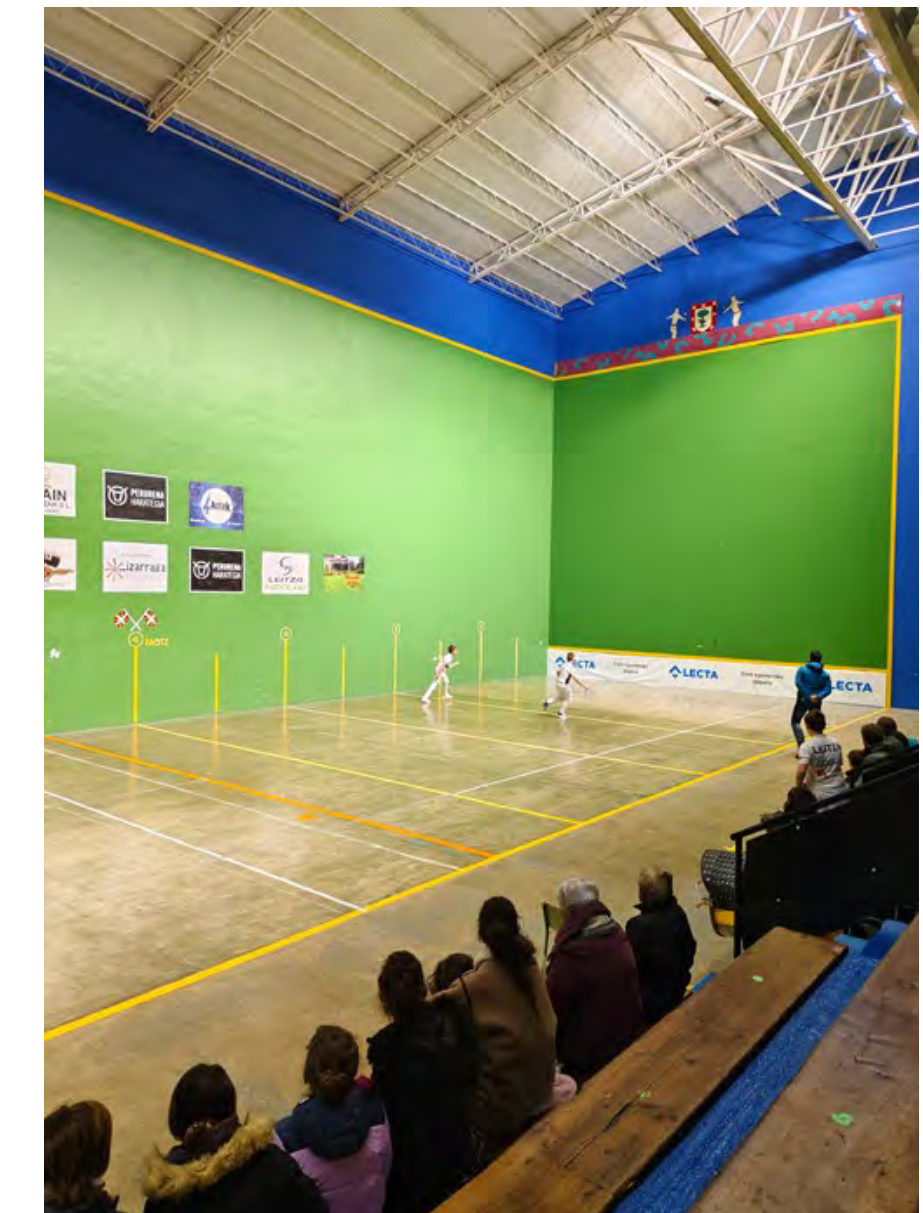


In the center, Jesús Antón (Almazán mill Director) gives the financial donation to the Soria Food Bank representatives.

Quina Solidària charity draw held at the Sant Joan les Fonts local sports center.



In 2024, our Leitza mill continued to support Basque sport by advancing its sociocultural project initiated the previous year. Part of the project budget was allocated to supporting the local Basque pelota school, providing valuable aid for promoting this uniquely Basque minority sport among young people in the area. The aim was to promote minority culture and sports among young people, and Lecta’s logo therefore adorned the fronton wall and the players’ kit in the seven categories of the Pilota Eskola Aurrera: on the arm of the sweatshirts and on the front and back of the t-shirts.



Local Basque pelota school, Leitza.



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Relationships with local communities ^{3/3}

The Motril mill in Spain also engaged in several solidarity activities, including the donation of 300 kilograms of food for the San Silvestre charity run in December, and the provision of facilities for local health practices and the fire department. Additionally, the mill donated paper to AFA Contigo Alzheimer Motril, an association that provides support for relatives of people suffering from Alzheimer's disease.



Finally, one of the initiatives promoted by the Sharing Smiles team at the Barcelona office was participation in the 2024 Barcelona Women's Race on November 17. Attracting more than 35,000 participants last year, the charity run supports the fight against breast cancer, gender violence, and social inequalities. Thirty-four women from the headquarters took part in the run, showing solidarity with these important causes, and were represented and sponsored by Lecta.

Lecta participants in the 2024 Barcelona Women's Race.

CASE STUDY

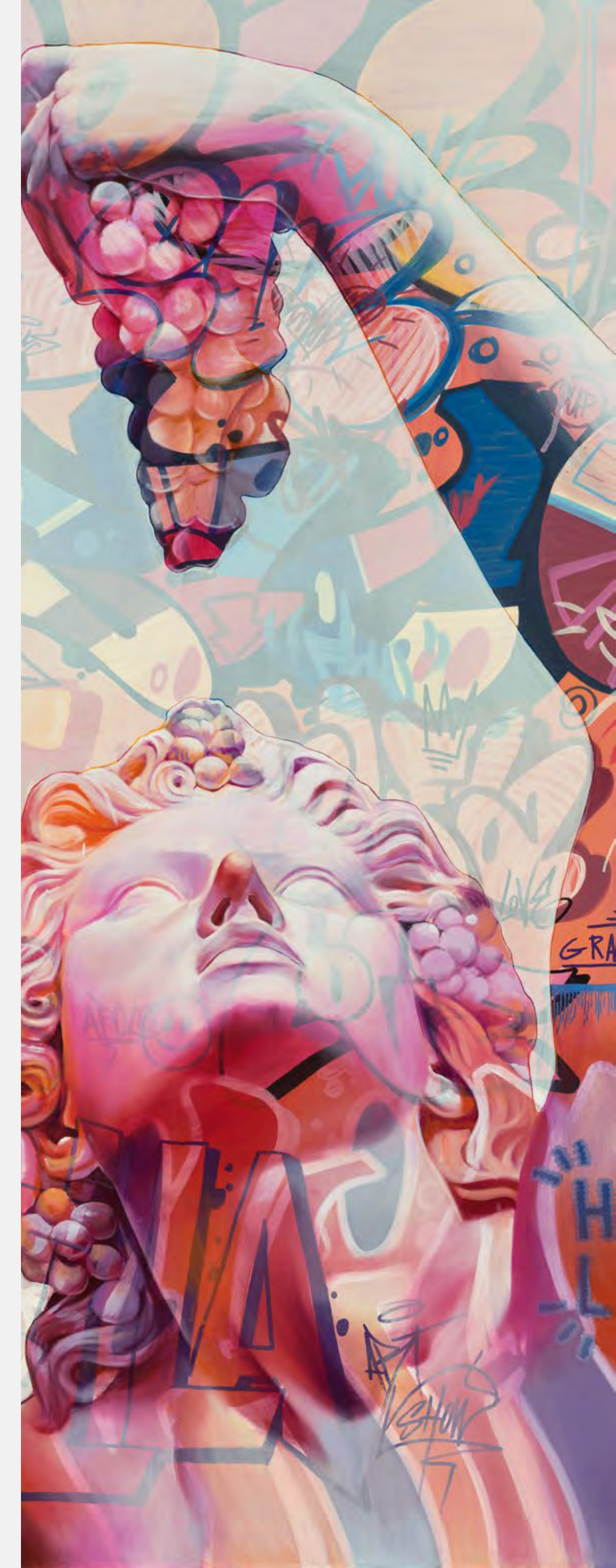
The synergy between paper and art

In 2024, Lecta was honoured to participate in the publication of "Our Odyssey," the first anthology of the renowned art duo from Valencia (Spain), PichiAvo, which commemorated their last ten-year creative career.

The collaboration between Lecta and PichiAvo highlighted the importance of paper as a medium for perpetuating artistic creation. The Condat matt Périgord and Coral Book White premium-quality papers used in "Our Odyssey" guaranteed the impeccable reproduction of each work, capturing the rich colours, textures, and details. Each page became an extension of the artwork, turning the book into a sensory experience which, as the art duo PichiAvo stated, paid homage to art. In their words:

"For us, paper is the starting point for everything we do. Every sketch, every idea that emerges, begins on paper, and that makes it a crucial part of our artistic process. We wanted to convey that importance in Our Odyssey by using different types of papers and textures that reflect the essence of our work. The choice of paper for the book was also vital for faithfully reproducing the colours and details of the original pieces, ensuring that every page captures the visual experience of our art as we conceive it."

Lecta's involvement reinforces our position as a means of expression of artistic creativity and reaffirms Lecta's commitment to art by providing PichiAvo with the experience and resources to capture their work, creativity and passion on paper.





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In 2024, The Board of Directors approved the new Sustainability Policy.

ESG governance structure ^{1/2}

Responsible business is crucial to Lecta’s success. In 2022 Lecta initiated its ESG journey under the Transformation Office lead. Ambitious targets for 2030 were set during 2022, in alignment with EU Green Deal and other international frameworks, and progress against these has been closely monitored during 2023. Materiality was established considering the main risk factors that have been addressed for many years, steered mostly by certification requirements, and in 2024, we have engaged external consultants and have performed a full double materiality assessment aligned with CSRD and the ESRS.

In 2023, Lecta acknowledged and formalized the pivotal role that innovation can play in driving sustainability, through the creation of an Innovation Director role. While sitting outside of the formally defined ESG Organizational structure, the Innovation Director takes responsibility for ensuring that ESG criteria are considered in the development of innovative new products, supporting the integration of Lecta’s sustainability targets with the business strategy.

Group wide policy framework

Our Group-wide framework for ESG governance documents describes the hierarchy of our governing documents, decision mandates and mechanisms for identifying and managing risks and deficiencies. The framework contains Lecta’s Code of Ethics and Modern slavery statement, both approved by the Board, and signed by the CEO. These are accompanied by Group procedures, guidelines, and other supporting documents.

Sustainability policy

In 2024, The Board of Directors approved the new Sustainability Policy, which affirms Lecta’s commitments to Environmental Responsibility, Social Accountability, Economic Resilience, and Transparency and Accountability. The policy, signed by our CEO, addresses the topic of climate change through its commitment to emissions reduction as part of its environmental pillar.

Lecta’s Sustainability policy highlights environmental protection as a business priority, which translates into the provision of specific certified management systems, and the use of means and technologies that do not harm the environment. These provisions not only comply with existing legislation, but also consider the development of scientific research, best practice in the field, and planning and carrying out investments aligned with environmental protection. Everyone at Lecta must commit to maximum efficiency and diligence in order not to harm the environment and its biodiversity, when carrying out their respective activities.

Various management systems

Lecta carries out its industrial activity using various management systems designed to offer products and services of the highest quality, to achieve the highest energy efficiency, to protect the environment and to protect the safety and health of workers, with international certifications ISO 9001, ISO 50001, ISO 14001, ISO 45001, FSSC 22000 and EMAS. Lecta also has PEFC and FSC® C011032 Chain of Custody certifications.

The management of the quality, environmental and energy policies is covered by an integrated multi-site management system called LIMS (Lecta Integrated Management System). The integrated policy is the commitment of Lecta towards Society, stakeholders, and the environment, and it applies to all Lecta sites.

Strict compliance with international standards of quality, energy, environment and occupational health and safety and compliance with the certificates integrated into the LIMS management system and its procedures form an essential part of Lecta’s commitment in this Code of Ethics and, as such, should be seen as a complement to it.

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ESG governance structure ^{2/2}

Lecta Limited's Board of Directors

- Lecta Group ESG Strategy approval.

Lecta Limited's Board - ESG Committee

- 3 Board Members including CEO and attended by Chief Transformation & Sustainability Officer.
- Review and Challenge ESG Strategy; Prepare approval of strategy presented to the full Board for approval.

CEO, supported by Executive Committee

- Ensure ESG Strategy is aligned and coherent with Business Strategy and properly executed.

Chief Transformation & Sustainability Officer

- Reporting to the CEO and member of the Executive Committee.
- Responsible for Lecta Group ESG Strategy – preparation and implementation.

Group Sustainability Manager

- Reporting to the Chief Transformation & Sustainability Officer.
- Elaboration and Tracking of ESG projects implementation together with stakeholders.
- Tracking ESG KPIs.

ESG Expert Committee

- Its members are experts in several business areas.
- Steering projects contributing to the ESG targets related to their area of expertise.

Environmental Managers in each mill

- Leading environmental actions in the mills.





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Business ethics 1/6

TARGETS 2030

Business ethics
Baseline 2021

Target population sign off
(Code of ethics, Anti-corruption-bribery policy, Competition policy)
100% for each policy starting in 2023

SDGs contribution

8 DECENT WORK AND ECONOMIC GROWTH

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

	2021 (Baseline)	2023	2024
Target population sign off (Code of ethics, Anti-corruption-bribery policy, Competition policy)	No Data	53%	100%

Lecta's emphasis on business ethics as a material topic reflects a deep understanding of its critical role in sustainable development. Adopting ethical practices transcends regulatory compliance, embedding principles of transparency, integrity, and accountability into core business operations.

This year marked the full deployment of comprehensive online training programs across sites in Spain, France and Italy, focusing on pivotal subjects such as the Code of Ethics, gender equality, and, for specific employee groups, anti-corruption measures. These educational programs are designed to reinforce core values and empower all team members with the knowledge and tools necessary to conduct business in an ethical, socially responsible manner.

Lecta's ambition is to act responsibly in all parts of the value chain and conduct our business according to sound business principles and in accordance with appropriate laws, regulations, and international standards.

By 2024, Lecta had fully deployed its training program, with all employees completing their sign-offs, marking the conclusion of a comprehensive risk assessment of the Penal Code reforms from 2019 to 2024 concerning risks associated with new crimes. The analysis revealed that none of the offenses pose a "very high" or "high" risk. In our ongoing commitment to maintaining a stable and secure environment, we are diligently monitoring offenses identified as "medium risk," such as corruption, bribery, and embezzlement, through vigilant oversight and robust controls to prevent any potential escalation.

In our first Sustainability Report, published in 2023, covering year 2022, we defined the foundational elements of our Environmental, Social, and Governance (ESG) strategy, emphasizing the importance of integrity and responsible conduct across all facets of operations. This strategy underpins our commitment to upholding the highest standards of business ethics and fostering transparent, ethical interactions with all stakeholders. Aligned with these guiding principles, we embarked on a significant initiative upon to bolster awareness and understanding of ethical standards among the workforce.



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Business ethics ^{2/6}

Code of ethics

Lecta's Code of Ethics serves as the foundation for our activities, and it contains the ethical principles and core values for the entire Group's operations. Within the framework of the Ten Principles of the United Nations Global Compact, of which Lecta has been a participant since 2011, in its Group Code of Ethics, Lecta has adopted the main principles, values and pillars that govern the Group's activity regarding human rights, labour conditions and relations, protection of the environment and the fight against corruption.

In 2024, we formally reviewed our Code of Ethics, ensuring its update, though without any significant content changes. That update reaffirms our commitment to transparency, respect for the law and good governance, which are the foundations of sustainability and corporate social responsibility. Ultimately, it reflects our willingness to strengthen relationships with its stakeholders through ethical and responsible behaviour, which guarantees the wellbeing of people, respect for the environment and contributing to the society at large. Lecta's Code of Ethics is a centrepiece of its corporate strategy, complements the already existing codes in the different jurisdictions of its subsidiaries and is applicable to the entire Group.

All employees are expected to be aware of the principles and content of the Code of Ethics, as commented above in section 5. To ensure implementation and compliance, all Group

All employees are expected to be aware of the principles and content of the Code of ethics.

employees have followed an online training, leading to a questionnaire and requiring acknowledgement sign-off at the end. The need for compliance with this Code of Ethics is made known to customers, suppliers, third parties and collaborators via Lecta's web pages, through the General Purchase and Sale Conditions, and by other, more specific means such as contracts or orders confirmations. In 2024, we achieved a sign-off rate of 100%, making our target 2030 already achieved.

Based on the Code of Ethics, a regulatory body consisting of policies, regulations, rules, and procedures, which apply to Lecta's various internal activities, has been developed. The regulatory body includes the preventive measures and controls that must necessarily be applied to Lecta's daily activity.

In 2024, the Supervisory Body has recorded five consultations related to Ethics, without any particular significance, all of which were resolved in accordance with Lecta protocols. After providing the necessary clarifications to the individuals or entities involved, no complaints were filed.



Whistle-blower mechanism

Lecta has a whistle-blower channel available for all stakeholders, including employees, suppliers, and clients. It is available (i) on Lecta's web page; (ii) on the Lecta Intranet; (iii) by email or phone. Any complaints are received by the Supervisory and Monitoring Body of the Ethical Code and are either answered by this body or forwarded to the relevant department. Complaints can be made anonymously through these channels, and Lecta is actively promoting this possibility at all its premises and for all employees both by trainings and the use of posters at the sites.

This mechanism outlines the process for the investigation of complaints and the imposition of sanctions where necessary, emphasizing the role of the Supervision and Oversight Body in initiating investigations upon notification of potential non-compliance. At the heart of this procedure lies protection for this data under the General Data Protection Regulation (GDPR) and other applicable data protection laws. Data within the Complaint Service shall never be accessed by any personnel other than those designated for this specific purpose, and information is never held any longer than

The number of communication channels has increased.

necessary for decisions to be taken on each reported incident. Strict measures apply for the anonymization and, where applicable, deletion of such data.

The process spells out the procedures for the receipt and thereafter response to the queries on the Complaint Management System and Compliance model and is hereby delegated to the Supervision and Oversight Body to address. In accordance with applicable legislation, an individual manager has also been appointed to the Whistleblower Service. The number of communication channels has increased, allowing complainants can access email, phone, intranet, and web-based submissions, including provisions for anonymous reporting. All this underlines Lecta's commitment to the highest standards of legality and ethics, ensuring the maximum confidence of the organization through the confidentiality and protection of the complainant.

In 2024, the Supervisory Body has not received any complaint originating from the whistle-blowing channel.



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Anti-corruption, bribery, and competition policies

Lecta does not tolerate any kind of corruption or influence with respect to public authorities, officers or any natural or legal person connected, directly or indirectly, with public authorities or officers. Lecta also regards compliance with legislation on the protection of free competition as a fundamental principle and demands full compliance with it in the countries in which it operates.

This policy establishes a clear framework of conduct to be respected by Lecta’s employees and those of the dependent companies, allowing them to reduce the risk of corruption in all their fields of operations. It has provisions ranging from the prohibition of giving undue advantages to public officials or executives of the private sector, the regulation of gifts and hospitality acceptance in regulated, moderate, and transparent circumstances, to the implementation of due diligence processes before the establishment of relevant business relations. The implementation of such an inclusive anti-corruption policy further strengthens Lecta’s ethical standing, as well as our market reputation.



In 2023 and 2024, the overall management Group and all employees in contact with suppliers and customers have completed an online training that includes a questionnaire and requires acknowledgement of sign-off on completion of these policies.

In 2024, the Supervisory Body has not recorded any case of corruption or bribery.



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Cybersecurity

At Lecta, we understand that cybersecurity is essential in today's world, for safeguarding digital assets and ensuring operational continuity. As part of our commitment to cybersecurity, we published a new Cybersecurity Policy in 2024, approved by Lecta Board and signed by the CEO, and we also undertook several other actions to mitigate risks and ensure the protection of sensitive information. The policy is designed around key objectives: creating a framework to identify, evaluate, and address cybersecurity risks; ensuring the confidentiality, integrity, and availability of information assets against unauthorized access, leaks, changes, or destruction; complying with relevant cybersecurity laws, regulations, and industry standards; and cultivating a culture of cybersecurity awareness and accountability among all employees, contractors, and partners. Effectively communicating and implementing this cybersecurity policy is crucial in a digitalized world facing increasing cyber threats. By doing so, we can ensure that our organization remains resilient and secure in the face of evolving cyber challenges.

In 2024, Lecta implemented several initiatives to enhance its cybersecurity systems. For example, the two-factor authentication period was reduced, improving agility in account and system protection. Additionally, the Supervisory Body recorded several system access attempts, all of which were successfully blocked by our security systems. Further, Lecta initiated an OT (Operational Technology) Inventory & Blueprint Project, through the initiation of a detailed asset inventory within the OT environment,

along with the development of a blueprint to enhance management and visibility. We have also undertaken progressive implementation of Network Access Control (NAC) solutions at the main headquarters to improve network access security and segmentation, as well as implementing additional complementary projects focused on continuous security improvement, including policy reviews, enhancement of alert systems, and improvements in incident response mechanisms.

Throughout 2024, the security committee, created in 2022, continued to meet based on needs to monitor actions. The function of this committee is to promote, ensure and respond to the security of the company's information. This committee is responsible for making decisions on the general security strategy, ensuring direction and managerial support for the administration, and developing security measures.

The company has also organized a security training for all Lecta employees, including new hires. The main objective of this training is to make Lecta employees aware of the importance of cybersecurity in the company, and of the fundamental role that each of them has in minimizing risks. At least twice a year, IT manages internal phishing campaigns to measure the level of attention of employees, taking the opportunity to reinforce awareness afterwards. Employees who fall for phishing attempts must complete mandatory training to improve risk identification skills.



In 2025, to continue to enhance security, we are planning to implement geolocation access controls to block access from countries without commercial activity and restrict access to corporate devices only. This initiative will be accompanied by the deployment of a Privileged Access Management (PAM) solution, aimed at reinforcing secure control over critical systems and sensitive credentials. Following implementation, we will enforce monitoring and audits of privileged user activity, further reducing the risk of insider threats and credential misuse. As part of our Zero Trust strategy, we also plan to gradually replace traditional VPN connections used by clients with Zero Trust Network Access (ZTNA) technology. This new technology will enforce identity-aware access to applications and services, reducing attack surface by hiding internal resources from public exposure, and improving security posture by continuously verifying users and device context before granting access. It will also result in improved

user experience by avoiding full network tunneling and optimizing access to only necessary resources.

To further improve operational efficiency, Lecta is currently in the process of transitioning to SAP, among other enterprise management software, with successful implementations already carried out in the distribution businesses in Portugal, Spain, France and Italy. The implementation of the software in the rest of the business is planned for 2025. The software being implemented includes SAP Commercial Cloud, Salesforce, warehouse management systems, and manufacturing execution systems in our distribution businesses, with further plans for other divisions. The implementation of these systems will continue to enhance logistical and operational efficiency. To ensure issues are addressed quickly during transitions, a dedicated support team is in place, ensuring the timely resolution of all incidents.



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Responsible sourcing

Purchasing is identified as a key function within the company due to its significant economic, environmental, and social impact. Fundamental rules of action are established by Lecta to ensure that the professional purchasing activity is conducted correctly, in alignment with the criteria and objectives of corporate interests, the Code of Ethics, and the Integrated Management System Policy. Adherence to the Purchasing Policy is mandatory for each of Lecta's business centres involved in any evaluation, validation, negotiation, or contracting processes for goods, products, and services. As outlined in the value chain management section of this report, we have in place specific policies with regard to the purchases made throughout our value chain, including the purchasing of pulp and fiber, and contracting of distribution providers.

The assessment of suppliers is conducted based on compliance with requirements as well as internal feedback and control over their activities. Various raw materials and services are utilized by Lecta in the production of papers. In selecting suppliers for raw materials and process additives, we consider not only the quality of service, material conformity, and punctuality of delivery but also sustainability criteria, such as environmental certifications or participation in environmental improvement programs. Providers of waste disposal and transport services are selected based on legislative compliance and service quality, with information visits occasionally made to final waste treatment plants.

We also prioritize supplier selection based on merit, considering price, quality, delivery capacity, general service level, reputation, and integrity. We ensure that all suppliers and external personnel demonstrate a commitment to the principles outlined in the Code of Ethics, fostering the creation of long-term relationships for progressive performance improvements.

It is required that all third parties representing the company act in accordance with the applicable laws and ethical standards set out in the Code of Ethics.

Over the years, a strict yet paper-based process has been used for certifying suppliers, achieving a certification level of over 90% for purchases. In 2021, a transition was made to a more robust process with the digital platform "Jaggaer Supplier Relationship Management", tailored to our certification methodology and enabling a re-evaluation of suppliers through the platform. During 2024, we have been continuing our effort to achieving our supplier certification and we overpassed our goal having certified suppliers representing more than 90% of our spend through our digital process.

In selecting suppliers for raw materials and process additives, we consider not only the quality of service, material conformity, and punctuality of delivery but also sustainability criteria.

We have continued our engagement with EcoVadis, the most trusted supplier of sustainability ratings globally.

TARGETS 2030	Supplier certification Baseline 2022	Certified suppliers > 90% (Digital process)	EcoVadis rated suppliers > 90%
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	2022 (Baseline)	2023	2024	SDGs contribution
Certified suppliers	90% Paper based	87% Digital based	92%	8 DECENT WORK AND ECONOMIC GROWTH, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 17 PARTNERSHIPS FOR THE GOALS
EcoVadis rated suppliers	0 New KPI	14% In process	74%	



In 2024, we have continued our engagement with EcoVadis, the most trusted supplier of sustainability ratings globally, to better integrate sustainability aspects into our purchasing strategy. This collaboration reinforces the Supplier Certification process, with the goal of refining the purchasing strategy to select the best suppliers for products and services. While quality and price remain paramount, emphasis is placed on using suppliers that have an ESG strategy in compliance with our own, to contribute to our long-term targets. In 2024, we continued to move towards our target of 90% spends covered by EcoVadis Rated Suppliers. At the end of the year, 74% of our spends were effectively covered by EcoVadis rated suppliers, reflecting a significant step towards our target.

Also, Lecta is collaborating with EcoVadis in the development of their Carbon Footprint module which goal is to standardize the approach to capture carbon emission related KPIs, Product Carbon Footprint and Emission Reduction Targets. This module, which will be rolled out in 2025, Lecta to be an early adopter, will bring three major benefits: first to simplify carbon emission data gathering through the supply chain; second enhancing the accuracy of Scope 3 calculation with more accurate emission factors specific to the goods purchased; third checking that suppliers target emissions reduction is aligned with own target. All wood, pulp, base papers and recovered paper suppliers are continuously evaluated for their performance in environmental issues, human rights, and local community involvement. In keeping up with these values, Lecta has in place a PEFC and FSC® C011032 Chain of Custody system that enables us to ensure that wood used in our products comes from responsibly managed forests and legal sources.



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Human rights

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In 2024, Lecta restated its commitment to human rights and compliance with legal systems in its updated Code of Ethics. We have also continued to work towards providing training to all employees about the Code of Ethics, achieving the full sign-off in 2024.

This entails a commitment to identifying and preventing any harm caused to people, conduct continuous human rights due diligence, and in a case of breach, to take corrective action.

Our human rights work is based on the UN Guiding Principles of Human Rights and Business and is guided by our code of conduct and its associated policies, rules, and guidelines. We expect a similar commitment from our suppliers and third parties.





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