

Dynasol Gestión, S.L and Subsidiaries

Non-Financial Information Statement for the year
ended 31 December 2021

*Translation of a report originally issued in Spanish based on our work
performed in accordance with the audit regulations in force in Spain. In
the event of a discrepancy, the Spanish-language version prevails.*

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1. Introduction

Spanish Non-Financial and Diversity Information Law 11/2018 came into force on 28 December 2018. Under this Law, certain companies are obliged to present, as a part of their directors' report, a non-financial information statement ("NFIS") which includes information relating to environmental and social matters, in addition to employee matters, respect for human rights and anti-corruption and bribery matters. Until 31 December 2020 this law did not apply to Dynasol Gestión S.L. and its subsidiaries ("the Dynasol Group") because it had fewer than 500 employees. On 1 January 2021, the framework for application was extended to organisations with more than 250 employees. In this context, this report, which is presented as part of the Director's Report for the year ended 31 December 2021, includes information on the Dynasol Group for the period from 1 January to the 31 December 2021. This document was prepared in accordance with the Global Reporting Initiative Sustainability Reporting Standards ("GRI standards") selected.

Materiality of the report

At the Dynasol Group we maintain various transparent communication channels and mechanisms with all of our Stakeholders in order to listen to their expectations and interests with respect to our sustainability management and to involve them in our commitment to a sustainable future, while also strengthening our relationships with them. In order to respond to the non-financial information requirements, in 2021 we conducted a materiality analysis in accordance with the GRI principles and standards, which serve as an international benchmark for sustainability management.

This analysis was based on a study of industry sources, as well as an online consultation with Customers and Suppliers and the creation of Focus Groups with employees from various areas and professional categories. This process consisted of four steps: 1) Identification, 2) Prioritisation, 3) Validation and 4) Review, which served to appropriately identify, understand and prioritise the issues of greatest importance to our business Group and our Stakeholders:

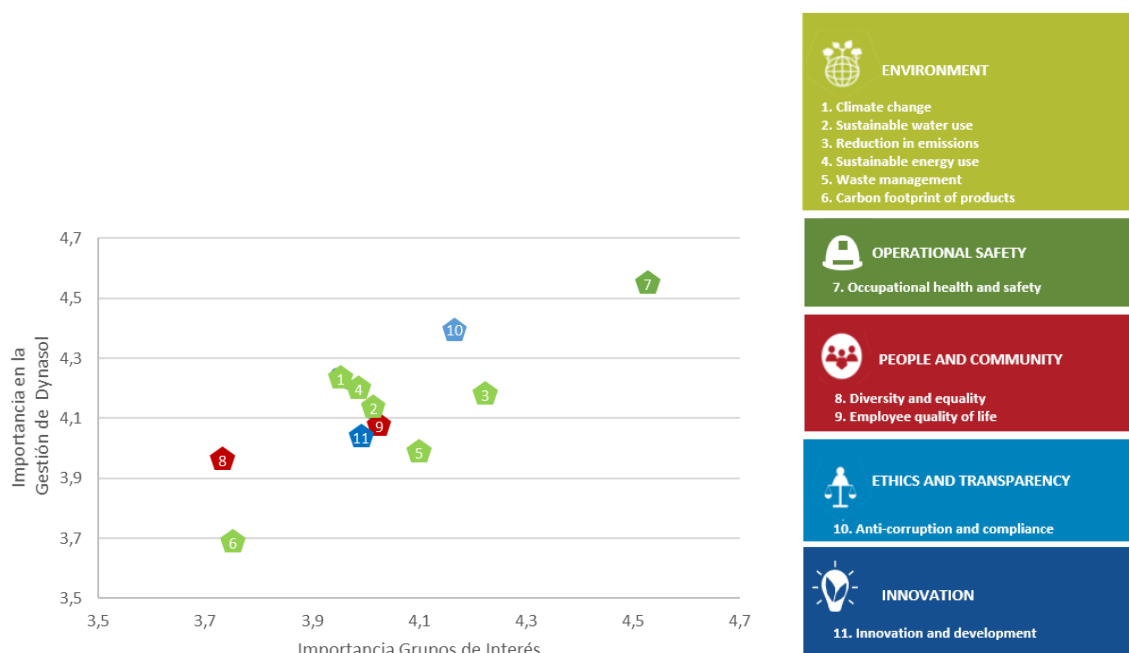
1. Shareholders
2. Employees
3. Customers
4. Competitors
5. Suppliers and outside services
6. Government and Authorities
7. Local community
8. Non-governmental political associations
9. Financial services industry
10. Professional associations
11. Insurance companies
12. Educational bodies



In 2021, material topics were identified that confirm the adequacy of the Group's sustainability commitments.

The results of the analysis were integrated into our decision-making processes, which has allowed us to improve our performance and maximise the generation of value in our environment. The following graph

shows the results of this analysis, highlighting the most relevant issues from the standpoint of all our Stakeholders, as well as those that fall within the Dynasol Group's management capacity.



Management of risks and opportunities

The Group's operations are planned in the medium term, which means that there are risks inherent to the operations that cannot be controlled, although their impact and probability of occurrence can be assessed. On an annual basis, a detailed analysis of the context in which the Group operates is conducted and those risks and opportunities that might affect the management of operations are detected for the purpose of minimising or maximising their impact.

Risks and opportunities are classified according to their impact and probability of occurrence, and when a certain assessment level is reached control actions are generated to reduce the risk or to harness the opportunity. All this information is recorded in an organisational context matrix in the management system and is regularly reviewed by management. The implementation and effectiveness of the actions generated are checked annually and the level of risk and opportunities are reassessed to determine whether the goal has been achieved or whether alternative initiatives have to be proposed.

The process of identifying and managing risks and opportunities is driven by the Group's Quality managers and involves the owners of the processes used to manage all the Group's operations with the aim of achieving a comprehensive overview.

The system seeks to avoid negative impacts on results and to maximise benefits by enabling:

- Understanding of the context in which we operate, the identification of specific risks and opportunities, and the assessment of the Group's exposure.
- Determination of the most appropriate way to manage these risks or to harness the opportunities.
- Supervision of the effectiveness of the measures adopted and the adoption of new measures when the desired results are not achieved.
- Regular reporting to management of the management, monitoring and actions performed to mitigate risks and harness the opportunities.

As a result of the context analysis conducted in 2021, three moderate- or high-level risks were detected for Dynasol; i.e. risks with a high probability of occurrence and moderate or significant consequences for the business.

These risks are:

- A shortage of semiconductors, which impacts demand in the automotive segment.
- Logistical risks related to problems with delivery times, changes in routes or lack of capacity in sea transport that may affect the quality of our customer services and the profitability of our operations; and risks related to land transport due to an imbalance between supply and demand for these services, mainly as a result of difficulties in finding labour to replace staff shortages.
- The impact of the energy crisis in Europe, which may directly affect the costs and availability of input materials used in our production centres and the selling prices of our products.

2. The Dynasol Group business

2.1 History and business of the Dynasol Group

The Dynasol Joint Venture was formed on 26 July 1999 by Repsol and the KUO Group. The two groups joined in a global business project centred on the production of solution-based synthetic rubber and the development of new products.

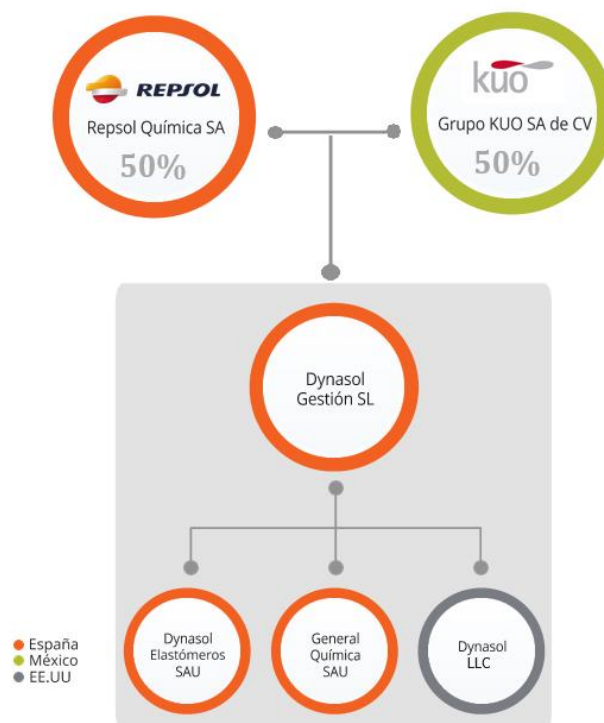
On 27 April 2015, the shareholders, Repsol Química, S.A. and Grupo KUO S.A.B. de C.V., entered into an agreement to expand their alliance in order to maintain and improve their ability to compete in the new global industrial and commercial environment.

Pursuant to the aforementioned agreement, a new Joint Venture corporate structure was created in which Repsol Química, S.A. and Grupo KUO S.A.B. de C.V. each hold a 50% ownership interest. This new structure includes two holding companies, one in Spain (Dynasol Gestión, S.L.) and the other in Mexico (Dynasol Gestión México, SAPI de C.V.).

Dynasol Gestión, S.L. is the Parent of the companies detailed in the following chart, which will be the subject of this report in accordance with the applicable legislation (Law 11/2018), and **be referred to hereinafter as "the Dynasol Group"**.

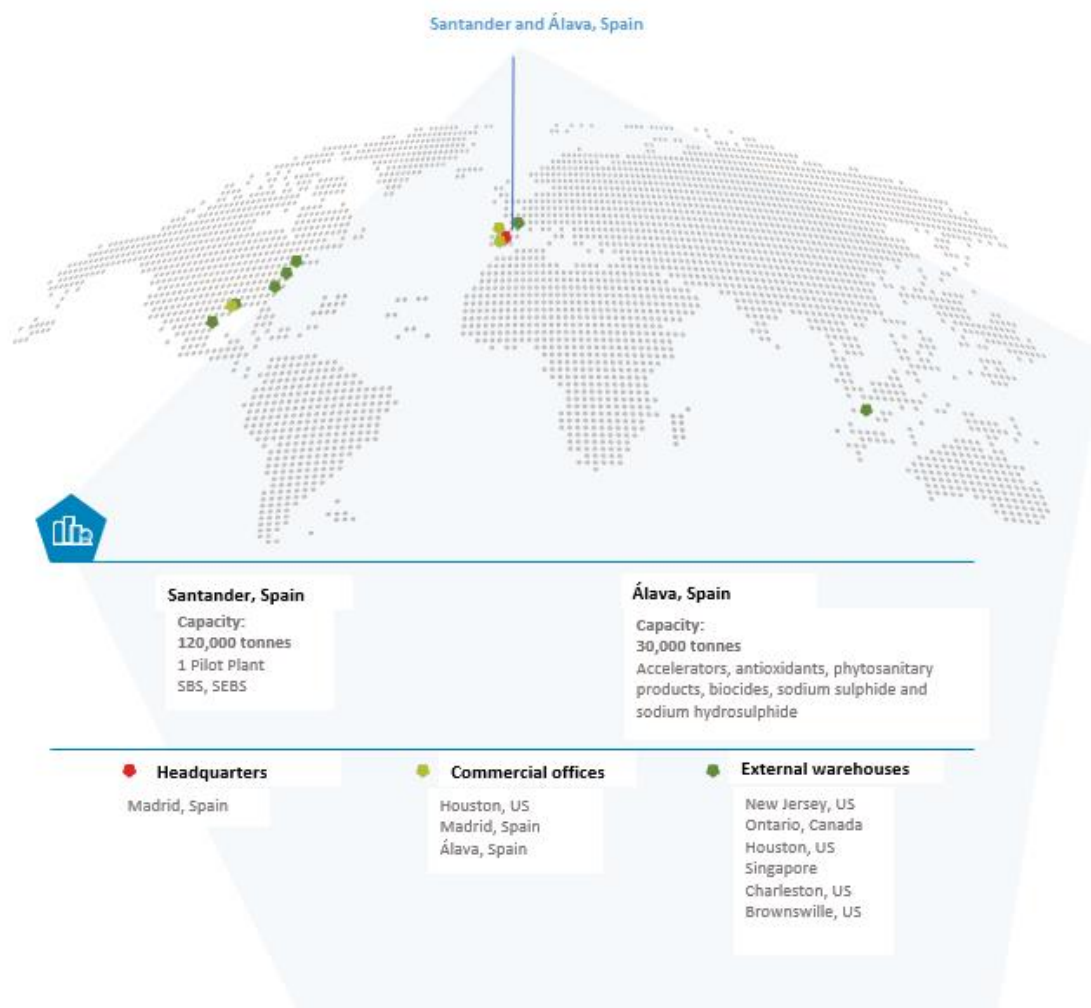
The Dynasol Group is comprised of a total of 484 employees engaged in the manufacture and marketing of synthetic rubber and rubber chemicals with sales in more than 75 countries.

Corporate structure



The Dynasol Group is a multi-national group with production centres and sales offices located in Europe and the US. In China, we maintain operations through Liaoning North Dynasol Synthetic Rubber, Ltd (LND) in a 50:50 joint venture with a local partner, which is engaged in the production of synthetic rubber.

The Dynasol Group's offices and production centres are found in the following locations:



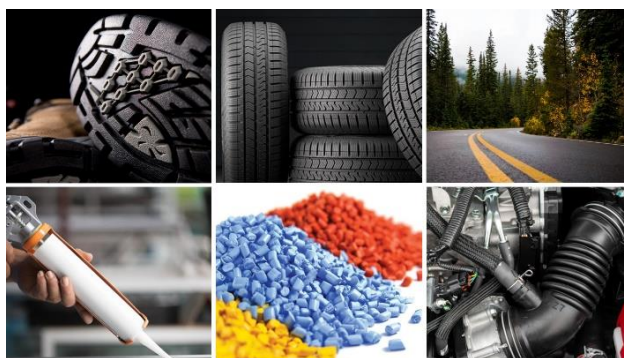
Products and grades

Dynasol Group is a world leader in the production of synthetic rubber and chemicals. Our solution plant in Santander has a capacity of 120,000 tonnes per year (TPY) of SBS and SEBS and our chemical complex in Alava has a production capacity of 30,000 TPY of various types of rubber chemicals, such as accelerators and antioxidants, among other industrial materials.

Our solution products are used in applications relating to asphalt modification, plastic modification, compounding, adhesives and seals.

The main markets served by our chemical products are tyres, tubes, hoses, technical rubber parts for cables, latex coatings, footwear and agrochemical products.

We have a presence in more than 75 countries and serve around 750 customers worldwide. We have a portfolio of more than 190 products and in 2021 achieved total sales of 198 thousand tonnes.





The products developed in our plants are as follows:

Calprene® SEBS

Hydrogenated styrene-butadiene block copolymers are

polymerised in solution and present a fully saturated

structure. They are used in highly demanding applications such as technical compounds for the automotive industry, materials for medical applications, toys and food contact applications. They are also used in highly weather resistant sealants and are widely used in low temperature applications. Thanks to their saturated chemical structure they show an excellent thermal resistance to weathering (high UV light and ozone resistance).

The products are approved for food contact use in accordance with European and US regulations. These copolymers exhibit excellent oil absorption and provide excellent mechanical properties and high resistance to ageing. SEBS are used to obtain compounds that require high transparency and in applications requiring steam sterilisation. They are available in a wide range of viscosities and in different forms such as porous pellets and powders with or without silica additives.

SEBS
Calprene
C H6110
C H6120
C H6144
C H6170
C H6174
C H6180X
C H6182X
C H6215SX
C H6110

Calprene® SBS

Styrene-butadiene block copolymers are polymerised in solution with linear or radial structures. They are available in different viscosities depending on the requirements of their ultimate application. Lower linear molecular weight grades offer very good flowability and are appreciated for their transparency and easy processability. Radial grades show higher melt strength, and offer higher mechanical

properties with a high modification performance. These properties make them suitable for a wide range of applications such as technical compounding, adhesives and sealants, and asphalt modification for road pavements and for waterproofing membranes.

The products are also used in shoe sole compounds and in impact resistance polymer modification and are approved for use in food contact applications. These products are typically presented as compact, porous pellets or in powder versions.

SBS
Calprene
C 401
C 411
C 412
C 419
C 420CX
C 480X
C 500
C 501
C 540
C 580
C 700
C 701
C 710
C 711

Rubenamid® and Rubator®

Under the trade names Rubenamid and Rubator, the rubber chemical business produces a wide range of primary and secondary vulcanisation accelerators covering all the needs of the rubber manufacturing products industry in terms of scorch safety times (from "very long" to "very short"), cure rate (from "very fast" to "very slow") and modulus development (from "very high" to "low").

Accelerators	
Rubator	Rubenamid
Rubator DPG	Rubenamid C
Rubator MBT	Rubenamid T
Rubator MBTS	
Rubator ZMBT	

Our products are useful with all kinds of natural and synthetic rubbers, and are especially recommended for NR, SBR, NBR, BR, IIR and lattices for the production of articles with high mechanical performance requirements such as tyres, conveyor belts, shoes, cables, bumpers; other general rubber articles such as toys, insulation and cable coatings, waterproofing, tubes and pipes; and products manufactured by moulding or extrusion.

Rubatan®

Under the trade name Rubatan®, General Química supplies TMQ, an antioxidant widely employed in the tyre industry and other rubber articles, which provides protection against atmospheric action and fatigue degradation, even at high temperatures.

The use of TMQ is recommended for the protection of natural and synthetic rubber vulcanisates of all types.

Antioxidants
Rubatan
Rubatan 184 (TMQ)

Non-rubber specialties

Phytosanitary products are organophosphorus active ingredients for the preparation of broad-action insecticides.

Preparations formulated with our active ingredients are commonly used to protect crops and fruit trees against pests. Phosmet also has veterinary applications in products for the deworming of domesticated animals, including pets.

Sodium sulphide and sodium hydrosulphide are supplied as solids in the form of flakes or in solution in various concentrations depending on customer requirements.

They are widely used in the leather industry, as intermediates in chemical synthesis, in the mining industry for flotation of ores, as reagents for the Kraft paper manufacturing process, for heavy metal precipitation in waste water treatment processes, and as general purpose reducing agents.

Non-rubber specialties
Agrochemicals and sodium sulphides
Incoflor Bio B
Sodium Hydrosulphide (Flakes)
Sodium Hydrosulphide (Solution)
Sodium Sulphide
Benzothiazole

2.2 Goals and strategies of the organisation

The Dynasol Group's Mission and Vision are key to guaranteeing its sustainability, and to achieve these goals, it has established a series of guiding principles that form part of the corporate culture and govern the way all the Group's employees work.

Mission: to provide differentiated solutions for the elastomer market through technology, innovation and excellent service in a safe and environmentally friendly manner and by creating sustainable value for our Stakeholders.

Vision: to be a relevant supplier in the elastomer market recognised for its technology, innovation, competitiveness and customer focus, able to rely on the people who form part of the Group and its solid organisation and taking advantage of the opportunities for growth.

Innovation serves as a lever in the pursuit of differentiated solutions for customers and improvements in the sustainability of their products. The use of rubber manufactured by Dynasol helps reduce energy consumption, and improves the durability and other characteristics of the products in which it is used.

The guiding principles reflect six core values and are characterised by their ability to foster the achievement of the established goals, to strengthen employees' commitment, creating pride by generating a sense of belonging and involvement, to attract and retain talent, to build Stakeholder loyalty and to improve economic performance.

The corporate values have a practical meaning and are known and adopted by employees:














- Responsibility and commitment: aiming to fulfil and commit to the roles and functions assigned by the organisation, while respecting safety and environmental processes, and to the local communities.
- Transparency: working on the assumption that the information handled is accessible, truthful and verifiable, pursuing clarity in the information disclosed and generating trust.
- Innovation: promoting an active-listening attitude that is open to seeking options for the creation of new products and improving the quality of existing ones. Each individual is aware of their ability to make a contribution to value creation.
- Global vision: understanding the scope of the business, the impact of each site and their contribution to the Dynasol Group's consolidated results.
- Continuous learning: being open to change and able to redesign oneself through individual, collective and organisational learning.
- Adaptability: being ability to adapt to circumstances in an agile and effective manner.
- Respect for diversity: appreciating the different ways work is performed, understood and managed in the Dynasol Group. This diversity offers a competitive edge that enables the provision of creative and differentiated solutions.

Certifications and awards

We are constantly looking to improve the processes of all the companies making up Dynasol Gestión, by sharing and adopting best practices, as well as international standards and regulations related to our activities. This has served as leverage, enabling us to create value through our products, and has also helped us obtain the following certifications and awards:

Certifications

		Solution Plant Santander	Chemicals	Dynasol Gestión, S.L.
				
Environment	ISO 14001:2014			
	ISO 14064			
Quality	ISO 9001:2015			
	IATF 16949:2016			
Health and Safety	ISO 45001:2018			



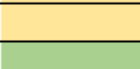






Ecovadis assesses companies' Corporate Social Responsibility (CSR) performance based on international sustainability standards while guaranteeing reliable assessments through the supervision of a CSR scientific committee and supply chain experts. The **Gold Rating** obtained by the Dynasol Group places us in the top 5% of our industry in terms of sustainability and supply chain issues.

Our sustainability focus

Sustainability is a priority for the Group in all the countries in which we operate. We are committed to sustainable management of natural resources through ethical and transparent behaviour.

In addition to having a Sustainability Plan, in 2021 we integrated the Sustainability Strategy in the Group's Strategic Plan for the next five years, as a roadmap to achieve our environmental, economic and social ambitions and thus create value in collaboration with our main Stakeholders across our entire supply chain.

Aware of the impact of the Group's business activities on the environments in which it operates, annual targets are set that cover the three aspects of sustainability and contribute to the achievement of the Long-Term Goals (2030), as well as supporting some of the Sustainable Development Goals of the 2030 Agenda (SDGs). These goals are classified according to their nature in one of the five pillars identified in the Group's Sustainability Plan: Environment, Ethics and Transparency, People and Community, Operational Safety and Innovation.

Environment				
2021 Goal	Status	2030 Goal	SDG	
Increase the percentage of development projects proposing sustainable solutions				
Increase the number of reused containers				
Reduce water consumption		Circularity and Climate Change Net zero emissions by 2050		
Implement LDAR methodology transported				
Calculate Carbon Footprint (Scopes 1+2+3) for all product families				
Reduce water and electricity consumption per tonne of product				
Reduce solvent consumption				
Continue to improve the quality of effluents				
Renew 14001 certifications at all plants				



Ethics and Transparency			
2021 Goal	Status	2030 Goal	SDG
Awareness campaign to strengthen the "Compliance Culture" at the Dynasol Group		Compliance with human rights	   
People and Community			
2021 Goal	Status	2030 Goal	SDG
Draw up an equality policy		Non-discrimination	   
Analyse key positions in each Department and establish potential successors in each of them			
Comply with the Annual Training Plan			
Prepare internal remote working regulations in the US and Mexico			
Launch the Action Plan for people with different capacities			
Execute Corporate Social Responsibility Plan			
Action plan to enter into collaboration agreements with educational institutions			
Operational Safety			
2021 Goal	Status	2030 Goal	SDG
Safety leadership programme		Zero accidents	 
ISO 45001 plant certification			
Comply with the Annual Training Plan			
work			
Reduce the total number of accidents			
accidents			
Innovation			
2021 Goal	Status	2030 Goal	SDG
Automate processes		Development of sustainable products and projects	 
Develop new Dynasol website			
Increase the % of technology projects that use eco-design methodology			
Increase the effectiveness of R&D expenditure			

93% of the goals were achieved in 2021.

Technology and innovation

The Dynasol Group has established sustainability as one of the pillars for the innovation of new products. Through its Technology Department, our multidisciplinary teams work to develop solutions that respond to market demands, taking into account the impact on the environment and society and their contribution to a more circular economy, and always in conjunction with our customers, to help them also make their businesses more sustainable.

For this purpose, in 2021 we implemented the eco-design methodology for our innovation projects, the aim of which is to pursue the development of solutions that have a positive environmental, social and economic impact. This new procedure includes environmental and safety considerations from the conception of the product, and ensures each new development is more sustainable than the last. With our eco-design methodology, we seek to contribute to a reduction in resource consumption (raw materials, energy and water), a reduction in waste and emissions, a longer product useful life, the use of bio-based or recycled materials, and the use of safer and more sustainable chemicals, among others.

Also, at Dynasol we are committed to cooperative networking with research centres and universities all over the world. Examples of this include projects undertaken with the CellMat Cellular Materials Laboratory (Spain), the University of Cantabria (Spain) and the University of Huelva (Spain), among others.

Dynasol has two research groups located in Spain (Cantabria and Álava) and a technical service team for customers (Cantabria) in which a total of 39 people work. These teams are directly aligned with our business units, to ensure new developments meet the needs of our Stakeholders at all times.

At 31 December 2021, Dynasol had been granted 97 patents and had 57 new patents pending approval.

Our multidisciplinary teams work to transform the needs of our target markets into high-value products, thus contributing to a more sustainable economy:

- Adhesives and sealants

Calprene® 743 for HMPS Adhesives

Adhesives are present in our daily environment and play an important role in ensuring a more sustainable world, by allowing a reduction in the weight of materials, facilitating their recycling or extending their useful lives, and thus helping to reduce the impact of the industries involved.

In addition, environmental and safety regulations are increasingly restrictive in respect of volatile organic compound emissions in order to preserve air quality and the health of workers and end users.

The industry employs sustainable solutions such as hot melt pressure sensitive adhesives (HMPSAs) based on the SSBR, SBS and SEBS rubbers produced by Dynasol such as Calprene® 743, which solve these problems by developing low viscosity, solvent-free HMPSA preparations with significantly reduced plasticiser oil content, all of which have excellent adhesive properties for label, tape and nonwoven applications.

- Asphalt modification

Calprene® 5375X and Calprene® 580 for warm mix asphalts and concentrated modified asphalt mixes

The road and waterproofing asphalt industry is a major consumer of resources and as a result it plays an extremely important role in sustainability. At Dynasol we are working to provide solutions that are more environmentally friendly and respectful of human health by reducing energy and material consumption, increasing the durability of the asphalt mix, increasing worker safety and promoting asphalt recycling.

Our low-viscosity, high-vinyl SBS rubbers, Calprene® 5375X and Calprene® 580 help optimise the bitumen modification process by using warm mix asphalts and concentrated modified asphalt mixes.

The special structure of this type of product allows them to be added at high concentrations with lower energy consumption, thus achieving greater bitumen modification, increased asphalt mix durability and optimised transportation of the concentrated mixes.

These grades have been designed to achieve greater compatibility with different qualities of bitumen, even at high concentrations. It also fosters the cross-linking process with the bitumen, eliminating the need to add sulphur and the resulting emission of gases that are harmful to health, thus improving workers' safety.

In addition, the ease of dispersion of C-5375X allows it to be mixed at lower temperatures than conventional SBS rubbers, thus enabling it to be used in the manufacture of warm mix asphalts. Moreover, the adhesiveness of this product, in conjunction with the other properties, makes it a beneficial SBS for self-adhesive membranes.

- Technical compounding

Mechanical recycling of plastics with Calprene® H6180X and Calprene® 718

Technical compounding encompasses a large number of industries and plays a crucial role in sustainability, and the contribution of rubber to the development of sustainable solutions is decisive.

One major global concern is the issue of plastic waste. Its lack of biodegradability and its accumulation in natural environments have led institutions to promote the use of recycled plastics. However, during post-

consumption reprocessing, plastics partially degrade losing properties, and these properties have to be regained so the plastics can be used in increasingly demanding industries.

In 2021, at Dynasol we worked on improving the properties of recycled high-density polyethylene (HDPE) and recycled low-density polyethylene (LDPE), two polymers that generate a large volume of waste due to their regular use in industries such as packaging and agriculture. Dynasol products such as Calprene® H6180X and Calprene® 718 were selected for recycling, and very significant improvements in properties such as impact resistance, elasticity or environmental stress cracking resistance (ESCR) were obtained, which opens a new door for their reuse in the same industry or in new applications.

Therefore, by means of our rubbers we are contributing to a more circular economy, and allowing our customers to reduce the use of virgin plastic and the carbon footprint of their products.

2.3 Determining growth factors and trends

The dynamics and growth of the markets served by the SBS and SEBS product families in the Asphalt, Composite, FDA and plastic recycling industries will make it possible for the Dynasol Group to continue growing and developing new grades that will allow us to maintain our position and create value, while at the same time seeking to contribute to reducing the carbon footprint in areas of influence through product innovation.

In the synthetic solutions (SBS and SEBS) and chemicals businesses, competition is with foreign companies. Greater installed capacity in regions such as China could put pressure on our margins. However, regionalism defined as a customer's preference for local materials, as well as market cost improvement and innovation initiatives, will allow us to mitigate the potential impacts of an increased supply.

The increase in energy costs in the EU in the second half of 2021, arising from a structural shift towards the use of clean energy, represents a short-term challenge for competitiveness. The EU is gradually reducing its long-standing dependence on fossil fuels -renewable energies became the bloc's main source of electricity for the first time in 2020- although the shift has not been fast or widespread enough to contain consequences such as high gas prices and low winter storage inventories.

As coal, the most polluting fuel, is gradually being phased out, many countries are turning to natural gas as a transitional resource to bridge the gap until green alternatives such as wind turbines and solar panels enter into operation. Other regions less aware of the need to transition to clean energy could benefit from more competitive transformation costs.

Since October 2021, the Dynasol Group has been implementing measures to enable it to (a) continue operating factories, and (b) transfer energy cost increases, thus avoiding a reduction in margins.

The threat of more attractive offers from other regions remains however, although there are other factors, such as the current logistical complexity of moving products from distant regions, which act in our favour and somewhat reduce the impacts.

Phytosanitary products produced by General Química are materials used in agriculture in the EU, North America and regions of Asia and Latin America where the products are already registered. Phosmet works as a pesticide and its mode of action is as an acetylcholinesterase inhibitor (IRAC 1B classification).

This product is being evaluated by the EU and it is highly likely that its use in the Eurozone will be definitively banned in 2022, as will the import of products that have employed Phosmet. If confirmed, we will immediately be forced to develop alternative products and applications.

2.4 Corporate governance.

Our governance structure consists of the following bodies and committees:

Board of Directors

The Board of Directors is our highest management and representative body, under the terms established in the Spanish Limited Liability Companies Law and our bylaws. It is vested with powers relating to the determination of the business to be undertaken and to entering into the contracts required to carry out the corporate object, among others.

In 2021, the Board was composed of a chairman, a Deputy chairman and four directors.

At 31 December 2021, the composition of the Board was as follows:

Position	Held by
Chairman	Jose Luis Bernal Catalán
Deputy chairman	Alejandro de la Barreda Gómez
Director	Jose Francisco Font Máñez
Director	Jorge F. Padilla Ezeta
Director	Roger T. Patrón González
Director	Alejandro Oliva Rivas
Secretary	Appointed by Repsol/Kuo in each session

In addition, the Board of Directors has three sub committees:

Management Committee

The following management structure is in place for the day-to-day management of the Group:



The Committee, headed by the Chief Executive Officer, is composed of the Chief Financial Officer and IT Director, the Operations Director, the Commercial Director, the Technology Director, the Human Capital and Legal Affairs Director, the New Business Development and Sustainability Director and the Procurement Director. The purpose of this committee is to address all matters relevant to the business and the Group.

Compliance Committee

The Compliance Committee was established to ensure compliance with the Code of Ethics and Conduct. It also promotes a culture of compliance so that the risks of regulatory non-compliance and the application of the appropriate corrective controls are factors that are taken into consideration in decision-making at all levels of the Group. The Compliance Model section contains further information in this regard.

Covid-19 Global Coordination Committee



As a result of the covid-19 pandemic, the Dynasol Group has established the requisite working procedures to:

- Guide actions to address the effects of the pandemic, in order to assure the protection of all employees and people working at our facilities, as well as the safe operation thereof, in accordance with the principles established in the Dynasol Group's Health and Safety and Environment Policy.
- Guarantee the continuity of the Dynasol Group's operations and in any event ensure legally required supplies, thus protecting the Group's reputation.
- Ensure that all actions are implemented in a coordinated manner and that all the people working at the Dynasol Group receive the information required to deal with the effects of the epidemic/pandemic.

For this purpose, the organisation indicated in the foregoing diagram has been established, with daily monitoring of both confirmed and suspected cases of covid-19 infection of Group personnel at all work centres, and the implementation of the necessary preventive measures in accordance with the requirements and recommendations established by the competent authority in each case, which include:

- Use of masks
- Frequent hand washing
- Limitations on capacity
- Increased ventilation
- Remote working
- Closure of dining rooms and common areas

3. Environment and climate change

For the purpose of understanding environmental and social concerns, maintaining the state of the environments in which we operate and respecting the resource requirements of the communities that depend on them, at the Dynasol Group we endeavour to manage the environmental impact of our operations and projects wherever we have a presence.

The Dynasol Group has a Health and Safety and Environment Policy.

Políticas de Seguridad, Salud y Medio Ambiente

<p>Normativa del Grupo Dynasol</p> <p>El Grupo Dynasol, como proveedor de soluciones diferenciadas para el mercado de elastómeros y especialidades químicas, asume el compromiso de desarrollar sus actividades considerando la salud de las personas, la seguridad y la protección del medio ambiente como pilar estratégico esencial y transversal a todas sus actividades. Para lograrlo, el Grupo Dynasol se guía por los siguientes principios:</p> <p>Liderazgo y cultura</p> <p>La Dirección liderará los programas de seguridad, salud y medio ambiente, considerándolos como prioritarios en la toma de decisiones, y proporcionará los recursos necesarios, asegurándose de que todo el personal tiene las habilidades necesarias y trabaja de acuerdo con los principios establecidos.</p> <p>Asimismo, la Dirección impulsará una cultura de seguridad, salud y medio ambiente que promueva la adecuada percepción del riesgo, la transparencia y confianza en el reporte, el aprendizaje continuo y la innovación.</p> <p>Incorporación de criterios de salud, seguridad y medio ambiente en todo el ciclo de las actividades</p> <p>El Grupo Dynasol asegurará la gestión proactiva del riesgo y de los impactos en todo el ciclo de las actividades y productos con objeto de prevenir daños en las personas, los bienes y el entorno, considerando la Sostenibilidad un eje estratégico en el desarrollo de nuestras actividades.</p> <p>Gestión integrada</p> <p>La línea de mando integrará la seguridad, salud y el medio ambiente en la gestión del negocio, siendo responsable de la aplicación del sistema de gestión y de la obtención de sus resultados.</p> <p style="text-align: right;">Luis Felipe Llamas Gómez Director de Operaciones</p>	<p>Cumplimiento de las normas</p> <p>El Grupo Dynasol cumplirá las leyes locales y la normativa interna independientemente del área geográfica donde opere. Dicha normativa interna se elaborará considerando las tendencias legislativas y los estándares internacionales.</p> <p>Mejora continua</p> <p>El Grupo Dynasol establecerá objetivos de mejora y metas en seguridad, salud y medio ambiente de forma sistemática, evaluando el desempeño y aplicando las correcciones necesarias para alcanzar los logros propuestos, definiendo procesos de verificación, auditoría y control para asegurarlos.</p> <p>Comunicación y relaciones con la sociedad</p> <p>El Grupo Dynasol mantendrá canales de comunicación con los grupos de interés y trabajará conjuntamente con las comunidades locales y la sociedad, aportando su conocimiento e informando de manera fiable y transparente.</p> <p>Los canales de comunicación incluirán a los trabajadores y sus representantes donde estos últimos existan, facilitando su participación y consulta.</p> <p>Sea cual sea el puesto o ubicación geográfica, todos los empleados y contratistas son responsables de su propia seguridad, así como de contribuir a la salud, seguridad y desempeño ambiental individual y colectivo.</p> <p>La Seguridad, Salud y Medio Ambiente son principios básicos en la toma de decisiones. Todos los empleados y contratistas tienen la responsabilidad de asumir este principio que será además apoyado por la Dirección.</p> <p style="text-align: right;">Felipe de Jesús Varela Hernández Director General Grupo Dynasol</p>
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As stated in the policy, it applies to all Group employees and its content is supported by the ISO 14001:2015 Environmental Management Systems and ISO 45001:2018 Occupational Health and Safety Management Systems certifications.

At the Group we seek to minimise our environmental impact and undertake to actively contribute to caring for the environment through the efficient management of resources in all our processes and the pursuit of innovative solutions aimed at circular production models.

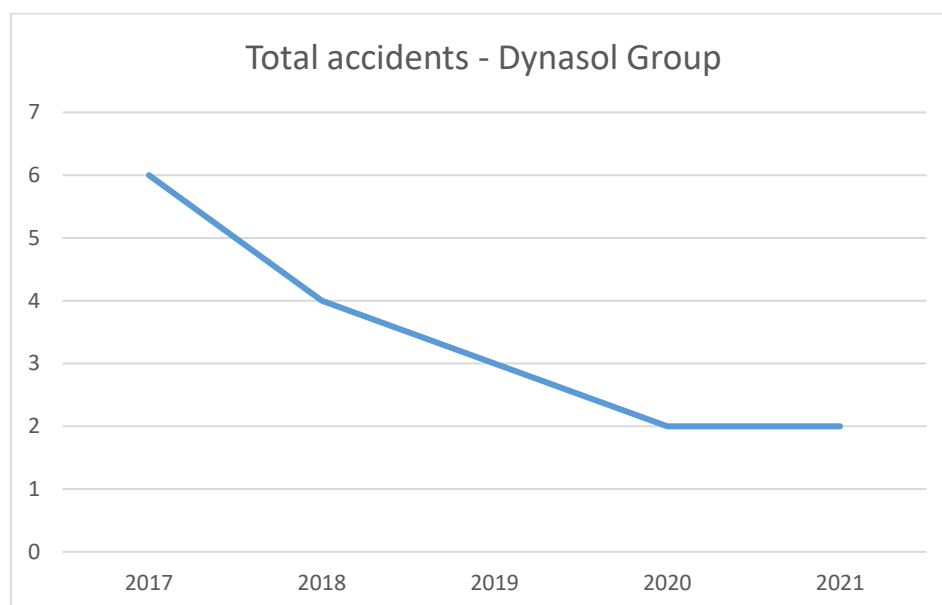
3.1 Environmental impact of activities

As indicated above, and as a consequence of the development of our industrial activities which involve the handling of chemical products for their transformation, the possible effects arising from these activities have an impact both on the environment and on the health of workers and the local community:

- Environment:
 - Consumption of natural resources: raw materials, water and energy (steam and electricity).
 - Generation of waste
 - Air emissions (including noise)
 - Effluents
- Safety:
 - Employee accidents while carrying out duties.
 - Industrial accidents with possible effects on both workers and the environment.

One of our goals is to guarantee the employee and environmental integrity. Safety is a priority at all our work centres and we seek to identify, assess and manage risks in order to protect our employees and the environment in which we operate with the aim of achieving zero accidents.

The Safety and Environmental Leadership program, Avanza, was launched in 2020. Thanks to this approach and our other activities in the field of safety, we have managed to reduce the Group's accident rate by 67% with respect to 2017 (see graph).



In 2021 two employee accidents occurred, both involving men, and in one case the employee had to take time off work. The frequency and severity rates are shown below:

FR	0,8	Frequency rate: no. of accidents with sick leave per million hours worked
TFR	1,61	Total frequency rate: no. of accidents & acc. with/without sick leave (injuries requiring more than one treatment by a medical professional that do not result in leave) per million hours worked
IG	0,03	Severity rate: days lost for accident-related sick leave per million hours worked

Numerous activities are performed in the field of safety, including most notably the internal and external audit procedures and the implementation of a program to improve the Culture of Safety and Environment.

In relation to the environmental impact of industrial accidents, no incidents took place which gave rise to impacts that were felt outside the Group's facilities.

Environmental and safety certifications

All our production centres are certified in accordance with the ISO 14001:2015 Environmental Management Systems standard.

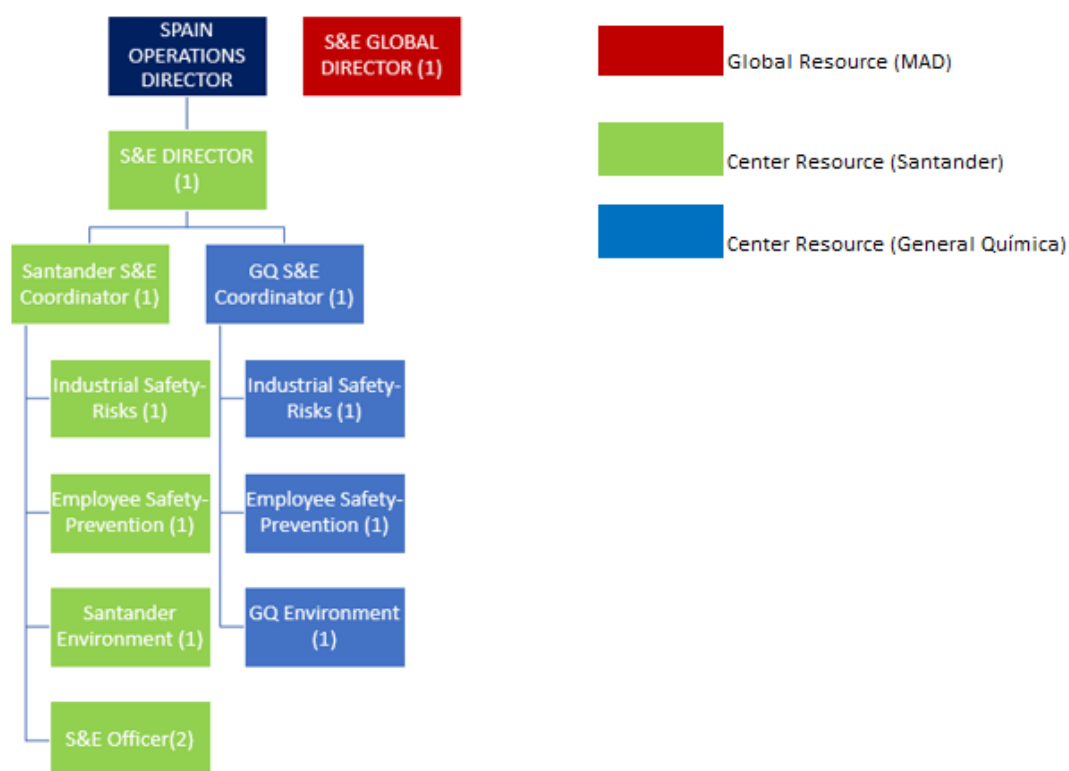
The production centres are certified in accordance with the ISO 45001 Occupational Health and Safety standard and conduct the mandatory Occupational Risk Prevention management system Audits in accordance with Article 30 of Royal Decree 39/1997, of 17 January, approving the Prevention Service Regulations.

They are also certified pursuant to UNE-EN ISO 14064-1:2019 Greenhouse gases and greenhouse gas emission checks in accordance with Directive 2003/87/EC of the European Parliament and of the Council, of 13 October 2003, establishing a system for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC.

Resources allocated to prevention

As indicated in the Health and Safety and Environment Policy, its principles must govern the actions of all Group employees, as well as those of any contractor providing services to our Group.

The following dedicated structure for Safety and Environment is also integrated into the Operations area, since it is the area of highest risk in these fields, and provides services to the whole Group:



Specific expenses and investment budgets are available for Safety and the Environment in order to cover all the control and improvement tasks, studies and any other activities required for risk control and continuous improvement in these fields.

Application of the precautionary principle

Prevention and continuous improvement are basic principles underlying the performance of the Dynasol Group's activities. Our goal is achieve zero accidents from both a safety and an environmental standpoint. For this purpose, regulations are in place that define the risk studies required at each stage of our activities.

From an employee and industrial safety standpoint, industrial risk studies (HAZOPs, what-ifs and similar), employee risk assessments, environmental impact assessments, etc. are conducted according to requirements in each case.

Provisions and guarantees for environmental risks

The Dynasol Group did not identify any infringements of environmental laws or regulations. All the provisions in this connection are detailed in the consolidated financial statements.

3.2 Circular economy and waste prevention and management

The reduction in waste generation is the first of the waste-related measures promoted at the Dynasol Group. On an annual basis, all our Operating Centres define maximum targets for waste generation, in pursuit of the most efficient use of resources possible based on the products manufactured.

We recover the greatest quantity of the resources contained in the waste possible and in 2021 we were subsequently able to redirect a total of 329 tonnes of hazardous waste (15% of the waste managed in 2021) to other forms of recovery, such as for reuse, recycling and waste heat usage, among others.

In the case of non-hazardous waste, the amount destined to other forms of recovery in 2021 was 3,620 tonnes; 89% of all the non-hazardous waste managed during the year.

3.3 Sustainable use of resources

The efficient and sustainable use of resources is a basic pillar of the Dynasol Group's Health and Safety and Environment Policy and the origin of various programmes applied to raw materials, energy, water, etc.

Water consumption and supply in accordance with local limitations

Compliance with local water consumption permits is clearly only the first step in the consumption of a key environmental asset such as water. In addition to this compliance, various studies are being planned and developed to reduce specific water consumption of our Operating Centres.

Indicator	2020	2021
Production [metric tonnes]	107.384,07	130.114,36
Fresh water from the public network [m³]	4.667,00	3.884,25
Fresh water from surface water resources [m³]	5.582.232,04	5.925.770,29
Fresh water from groundwater resources	16.065,04	97.783,96
Total fresh water captured (consumed) [m³]	5.602.964,08	6.027.438,50
Specific value of total fresh water captured (consumed) [m³/metric tonne]	52,18	46,32

As a result of these initiatives, an 11% reduction in specific water consumption (the amount of water consumed per tonne of product manufactured) was achieved.

Consumption of raw materials and measures adopted to improve the efficiency of their use

Bio.based/circular materials

- In 2021, the Dynasol Group took an interest in the availability of sustainable materials (of a biological or circular origin) to be used as raw materials in the manufacture of rubber and chemicals for rubber. As a result of consultations with the main suppliers of Dynasol's most important raw materials, it was ascertained that availability is currently low and it is essential for plants to obtain ISCC Plus certification to be able to purchase this type of material and to sell sustainable rubber and chemicals to our customers. The use of this type of material will have a positive impact on the CO₂ emissions of products that include rubber or rubber chemicals at the end of their useful lives, as well as promoting circularity by reducing the amount of waste that ends up in landfills or being burned.
- Findings and development initiatives: In order to be able to procure this type of raw material and sell the products generated from it, the Dynasol Group's plants must obtain ISCC Plus certification. The analysis of the availability of these materials from alternative suppliers is scheduled to continue in 2022, and the plant certification process is set to begin.

Packaging

- Packaging reuse rate In 2021, the Dynasol Group set itself the target of increasing the number of containers reused by 30% with respect to the number considered in the budget for the SBS and SSBP product families. In 2021, Dynasol contributed to recycling more than 4.5 million plastic containers, which is equal to the waste generated by 6,090 people in one year.
- Future targets: Targets have been set for 2022 to continue increasing the number of returnable containers with respect to the number achieved in 2021 and an additional aim is to ensure that 10% of the "Big Bags" used at the plants are reused. These targets represent a further step towards achieving Dynasol's 2030 target of recovering at least 50% of the waste generated and reducing CO₂ emissions intensity (Scopes 1, 2 and 3) by 30% with respect to 2019.
- Finished goods packaging and logistics cycle optimisation indicator: This is another target that was set in 2021 with the idea of reducing the Scope 3 emissions associated with the transport of finished goods. The target set was to reduce CO₂ emissions by 40 kg/tonne transported, to achieve a value of 49 kg/tonne transported.

Direct and indirect energy consumption

As for other environmental factors, annual programmes are established to reduce specific energy consumption at all the Operating Centres. These savings also give rise to reductions in direct and indirect greenhouse gas emissions.

In 2021, a 7.5% reduction in specific energy consumption (fuel, steam and electricity) was achieved at our Operating Centres.

Measures adopted to improve energy efficiency

We continue to promote initiatives to reduce our energy consumption. These initiatives may vary in nature, but all aim to optimise the energy efficiency of production processes and, therefore, to reduce the impact of our activities on the environments in which we operate. In 2021, we implemented energy optimisation initiatives at all the plants. The initiatives that contributed most to improving the impact of our activities were:

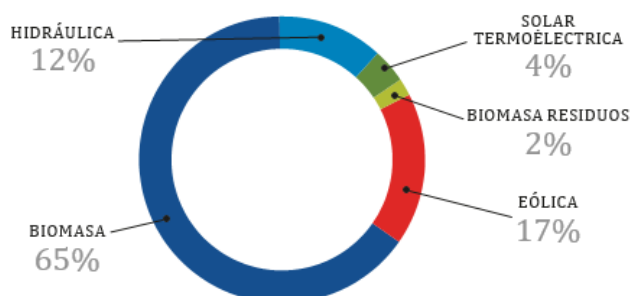
- Reduction in operating temperatures of various pieces of equipment

- Adjustments to reaction processes
- Improvements in steam traps
- Increase in the percentage of solids in reactors, to achieve a reduction in solvent consumption
- Condensate recovery

Use of renewable energy

The use of renewable energy is promoted at all Dynasol Group centres.

All of the electricity consumed by European operating centres (more than 81,000 MWh in 2021) comes from renewable generation sources, which enabled the Group to avoid more than 20,000 tonnes of indirect CO₂ emissions.



**Graph with estimated figures*

3.4 Climate change and pollution

The Group implements measures to prevent, reduce or offset CO₂ emissions that seriously affect the environment.

The study conducted on the analysis of the carbon footprint of several of our products demonstrated that the CO₂ emissions associated with our products are, in general, the lowest in terms of their whole life cycle. With the aim of reducing these emissions, the Dynasol Group is currently studying alternatives with a lower impact on the generation of CO₂ emissions at different stages of the life cycle, as well as studying measures to reduce both direct and indirect greenhouse gas emissions.

In 2021, we achieved a total reduction of 3,383 tonnes of CO₂eq at our plants in Spain, through various initiatives detailed in the energy efficiency section.

In order to adapt to the consequences of climate change, the environmental risks to which the Group is exposed are analysed annually, which allows it to identify those risks arising from climate change in response to which we may be able to develop mitigation actions. The greenhouse gas inventories of all the operating centres received the mandatory checks and ISO 14064-1 certification, as indicated in previous sections.

The greenhouse gas emissions of our centres are the result of:

- Direct CO₂ emissions due to the use of fossil fuels.
- Refrigerants.
- Indirect CO₂ emissions due to the consumption of steam, electricity and hydrogen.

Direct and indirect emissions	2019	2020	2021
Scope 1 emissions (CO ₂ , CH ₄ and N ₂ O)	2.561	2.400	2.592
Scope 2 emissions	118.145	93.892	93.006

The medium- and long-term targets set for the reduction in greenhouse gas (GHG) emissions are as follows:

- 60% of the electricity consumed from renewable sources
- 30% reduction in GHG intensity (Scopes 1+2+3) with respect to 2019
- 50% reduction in Volatile Organic Compounds (VOCs) with respect to 2019
- 30% reduction in water consumption with respect to 2019

The Group also has measures in place to prevent, reduce or offset emissions that seriously affect the environment, taking into account any type of activity-specific air pollution, including noise.

As a result of these measures, the Group avoided the emission of the following tonnes of CO₂ at our plants:

CO₂ emissions avoided

		Santander	GQ	Total
2021*	tCO ₂ avoided	17.127	7.174	24.301,0
2020	tCO ₂ avoided	13.778	6.018	19.796,9
2019	tCO ₂ avoided	9.758	3.321	13.079,6

** Estimated data*

In relation to the other emissions of non-greenhouse gases into the atmosphere, including noise, the Dynasol Group performs the mandatory regulatory controls by establishing, whenever necessary, the requisite actions to redress any deviations in these controls with respect to the established limits. In 2021, no cases such as those described above occurred.

3.5 Protection of biodiversity

The Dynasol Group builds protection of biodiversity into its asset management by means of the aforementioned risk management processes.

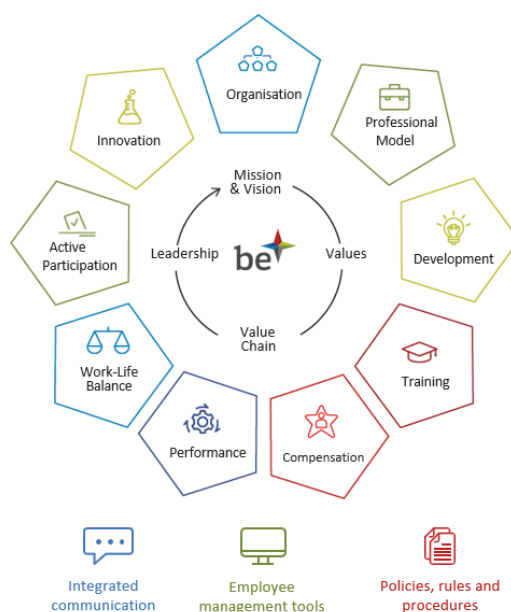
No significant impacts on biodiversity have been identified as a result the Dynasol Group's activities.

4. Social and employee matters

Employee Management System

At Dynasol we are committed to the Dynasol Team. We take pains to ensure that our people enjoy continuing professional challenges and have a professional career that is full of individual and group learning and career development opportunities.

Thanks to our Employee Management System we are able to accompany each and every one of our employees throughout the various stages of their professional career at the Group. The aim of this system is to help us to advance, achieve and attain whatever goals we set ourselves. Achieving optimum development, enabling career advancement within Dynasol and attaining high-level performance are three of the nine essential elements that make up our Employee Management System:



Detail of our Employee Management System with the 9 elements it is composed of.

The Organisational Model we have developed is founded on a global structure characterised by a transversal organisation chart, in such a way that both the Departments and a large proportion of Management have a global role. In certain operational matters, we have regional and local managers whose responsibilities include applying a vision that is closer to our operating reality.

Our team in 2021

In 2021, due to the public health situation arising from covid-19, we adopted the health authority recommendations and made new protocols available to all Group employees. We also implemented remote working for those positions where it was possible, All of this with the firm intention of guaranteeing the health and safety of all our employees. Notwithstanding the complexity of the situation, the impact of the pandemic was not reflected in the Group's workforce.

The Group's headcount at 31 December 2021 was 484 employees. Our teams are made up of persons from various generations, who exchange knowledge and add value to the Group; the average age of our Group's employees is 44.26, which is an indication of our ability to retain our talent.

As regards gender distribution, the Group has a greater proportion of male employees, who account for 67.4% of the workforce as compared to 32.6% of women. However, despite the Group's industrial nature, the number of women in operational positions has grown steadily in recent years. For example, 45% of the professionals in positions of responsibility (line personnel and senior line personnel) are women. In relation

to the geographical distribution, 96% of our employees work in Europe and the remaining 4% work in the US.

At the Dynasol Group we are committed to quality employment and value long-term employment relationships. Accordingly, the vast majority of our employees have an indefinite-term employment contract (86.57%), while temporary contracts (13.43%) are associated with the various types of contract established in the applicable legislation in each case. Also, the annual average number of contracts was 195, of which 11.79% related to temporary contracts.

With respect to the type of working hours, most employees work on a full time basis (91.7%) as compared to those who have reduced working hours (8.3%).

In 2021 a total of 14,659 hours were lost to absenteeism (only those hours lost due to illness were taken into consideration), due to ordinary contingencies. This year mention should be made of an increase in absenteeism due to the public health situation caused by covid-19.

In 2021, a total of 14 individuals joined our workforce at the various locations where the Group has a presence.

4.1 Workforce

The distribution of the Dynasol Group companies' employees is as follows:

Workforce at 2021 year-end by gender and professional category:

	MEN	WOMEN
DIRECTORS	6	1
MANAGERS	20	6
LINE/SENIOR LINE STAFF	73	70
CLERICAL STAFF	11	17
MANUAL WORKERS	216	64
TOTAL	326	158

Workforce at 2021 year-end by type of contract, gender, age and professional category:

	MEN	WOMEN
Full-time employees	306	138
Part-time employees	20	20
TOTAL	326	158

	Temporary contract	Indefinite contract
Men	42	284
Women	23	135
TOTAL	65	419

	Temporary contract	Indefinite contract
18 - 29 years old	26	13
30 - 39 years old	20	119
40 - 49 years old	12	126
50 - 59 years old	1	124
60 years old or more	6	37
TOTAL	65	419

	Temporary contract	Indefinite contract
DIRECTORS		7
MANAGERS	1	25
LINE/SENIOR LINE STAFF	7	136
CLERICAL STAFF	4	24
MANUAL WORKERS	53	227
TOTAL	65	419

Workforce at 2021 year-end by country:

Country	Employees	%
Spain	465	96
US	17	4
France	1	0
Italy	1	0
TOTAL	484	100

Workforce at 2021 year-end by age:

	Employees	%
18 - 29 years old	39	8
30 - 39 years old	139	29
40 - 49 years old	138	29
50 - 59 years old	125	26
60 years old or more	43	9
TOTAL	484	100

Average workforce at 2021 year-end by gender and professional category:

	MEN	WOMEN
DIRECTORS	6	1
MANAGERS	17	4
LINE/SENIOR LINE STAFF	77	69
CLERICAL STAFF	10	19
MANUAL WORKERS	207	51
TOTAL	317	144

At the Dynasol Group our goal is to maintain long-term development, as evidenced by the figures furnished on permanent employees. However, there are occasions when the projects we perform may involve some employees having to leave the Group. This process is carried out with the utmost respect and in strict compliance with the prevailing legislation. Even so, situations of this nature do not constitute a representative percentage of the terminations.

Number of non-voluntary terminations in 2021 by gender and professional category:

	MEN	WOMEN
DIRECTORS	-	-
MANAGERS	-	-
LINE/SENIOR LINE STAFF	-	1
CLERICAL STAFF	-	-
MANUAL WORKERS	-	-
TOTAL		1

The age range of non-voluntary terminations is between 30 and 39 years of age.

4.2 Remuneration policies

The Group's existing remuneration policies continued to be applied at the Dynasol Group in 2021, extending best practices, unifying criteria and establishing common benchmarks throughout the Group.

Our Total Compensation Package, comprised of fixed and variable remuneration, employee welfare benefits, allowances and other employee benefits, etc., is based on the organisational studies conducted which unified levels and roles across the organisation, while taking into account local market practices, regulations and benchmark studies.

This remuneration policy is managed from a global perspective, with unique and collective decision-making parameters in each of the countries in which we operate, and from a local action and perspective which adapts this common framework of reference to the reality of each country. In this way, the Dynasol Group is in a competitive position with respect to local benchmarks and has developed a remuneration policy that gives us an identity of our very own.

At the Dynasol Group, remuneration includes fixed remuneration, short-term and medium-term variable remuneration, employee benefits and a number of additional benefits.

The additional benefits available to employees may include, for example, the following:

- Pension plan including life insurance coverage
- Medical insurance
- Meal allowances
- Care services

Yet we believe that reward goes beyond the financial. Our employee value proposition includes numerous elements, based on our professional model, and other factors such as our employees' performance assessment, continuous learning, professional development opportunities, innovation and collective intelligence, as well as our work-life balance policies.

The average remuneration of our employees at 2021 year-end is detailed in the following tables:

Average remuneration in 2021 by age and professional category:

	18 - 29	30 - 39	40 - 49	50 - 59	60 or more	TOTAL
MANAGERS		62.574 €	81.347 €	101.451 €	*13.391 €	88.063 €
LINE/SENIOR LINE STAFF	31.151 €	38.998 €	48.854 €	60.320 €	74.061 €	49.371 €
CLERICAL STAFF	22.637 €	24.583 €	31.650 €	30.417 €	*5.978 €	27.232 €
MANUAL WORKERS	24.640 €	28.527 €	31.333 €	33.177 €	25.680 €	29.854 €
TOTAL	26.117 €	32.124 €	40.543 €	47.389 €	41.813 €	38.718 €

**Corresponding to partial retirement*

Average remuneration in 2021 by gender:

AVERAGE REMUNERATION	
MEN	39.507 €
WOMEN	37.126 €

In 2021 the average remuneration of directors was EUR 211,889. In accordance with Spanish Personal Data Protection Organic Law (LOPD) this information is not broken down by gender or age.

The Dynasol Group has a Board of Directors made up of directors of the two shareholders (KUO and Repsol). The directors of the Dynasol Group do not receive any additional remuneration for discharging their duties as members of the Board of Directors. Their remuneration is borne by the shareholders of the Dynasol Group.

The minimum gross annual salary, without applying the salary supplements in accordance with the professional groups present in the Group under the collective agreements applicable at Dynasol Elastómeros, S.A.U., was 61% above the national minimum wage in Spain in 2021. These conditions also apply at Dynasol Gestión, S.L.

In the case of General Química, S.A.U., the minimum gross annual salary, without applying the salary supplements in accordance with the professional groups present in the Group under the collective agreement applicable, was 54% above the national minimum wage in Spain in 2021.

Equality is an important aspect of our commitment to the Dynasol Team. With regard to the gender pay gap, pay equality exists. Differences in salary arise due to factors such as length of service and the gender profile of each professional group. The average age of the Group's male employees is higher than that of its female employees.

The gender pay gap in 2021 was 6%. The formula used to calculate the gender pay gap was as follows: $(\text{average remuneration for men} - \text{average remuneration for women}) / (\text{average remuneration for men}) * 100$. Remuneration is composed exclusively of fixed remuneration.

Communication and social dialogue

At the Dynasol Group we have an Annual Communication Plan which sets out the year's various communication milestones, for which we have a range of institutional channels. All those channels enable us to communicate the Group's most important matters.

However, although those formal channels are a necessary means of communication, at the Dynasol Group we believe the most important form of dialogue is the two-way communication that should exist in the teams, between the team leader and the individuals making up the team, either collectively or individually. The role of team leader is a key element for effective communication within the organisation and forms part of the Dynasol Group's leadership model.

We also communicate and hold meetings with employees on a regular basis. Similarly, through the works councils which provide formal representation for our employees, we continuously seek to maintain suitable, constructive relations with employees' representatives.

In this connection, at the Dynasol Group we establish corporate dialogue with our employees through regular meetings and communications with the works councils. There are currently two works councils, one at Dynasol Elastómeros, S.A.U., located at the Gajano plant (Cantabria) and the other at General Química, S.A.U. located at the Zubillaga-Lantarón plant (Álava). Both companies have collective agreements. Dynasol Elastómeros currently adheres to the XIV collective labour agreement of Repsol Química, S.A. In contrast, General Química has its own works agreement, the collective labour agreement for General Química, S.A.

In accordance with corporate culture, our relationship with the employees' representatives is based on honest, transparent, trustworthy dialogue, in which both parties engage with a constructive spirit of mutual respect, aiming at all times to create a good place of work for our employees.

The number of Group employees covered by collective agreements at 2021 year-end was 314, 64.87% of the total number of employees. Remuneration is defined in pay bands organised based on collective agreements, works agreements, the prevailing legislation in those countries in which this option is not envisaged and the applicable corporate policies.

Development and training of associates

At the Dynasol Group, we regard identifying and supporting in-house talent to be important in order to address the business challenges that arise in a rapidly changing environment.

Ongoing improvement is a permanent feature of human capital management tools and we have developed our talent map with this in mind. The talent map is a tool that enables us to identify both profiles and skills and abilities that respond to the talent requirements demanded from a business perspective and thereby contribute to the fulfilment of the organisation's goals. In 2021 we updated the talent map information for the achievement of the goals detailed above.

The Dynasol Group considers training to be a key element of the Employee Management System, supporting professional development with the aim of improving and enriching the knowledge and experience of the team. Training Plans are developed each year and shape the course of training for the year. This roadmap can also be focused on the acquisition of technical know-how and business skills, among other matters. Training sessions are designed for both individuals and groups, and team leaders and the associates involved play an active role in the identification of needs and the performance of the training sessions approved in the Plan.

The Training Plan which has been in place at the Dynasol Group since 2016 envisages more than 300 actions, our goal being to achieve at least 90% of the training actions requested. At present, we are also working on the preparation of a new training system which will include three schools organised to offer training courses tailored to the position and tasks of each individual. It is also worth mentioning that at Dynasol our vision of training is not limited to our organisation. We contribute intensively and actively to the training and education of young people in our local area, complementing their academic education with work experience at a company. At Dynasol, they can put their knowledge into practice, learn from others, and improve their abilities and skills. In short, we help young people so that they are better prepared for their future careers.

Training needs are compiled at the beginning of the year. Group corporate rules establish a deadline for receipt of the training needs, and a communication campaign is conducted to encourage dialogue between the teams in order to discuss any training needs. Once the managing bodies ascertain what the training needs are, they are agreed upon and prioritised with local human capital for the purpose of creating the Annual Training Plan for each Group company. All of the foregoing information is consolidated and shapes the Dynasol Group's Annual Training Plan.

In 2021 the Group achieved a total of 20,829 hours of training. The considerable increase in the number of hours of e-learning training should be noted as a result of the global pandemic caused by covid-19. The number of training hours per employee was 28.78.

As regards the Global Annual Training Plan, 85% of the plan was executed.

In relation to the percentage distribution of training hours by professional category, manual workers, who account for most of our workforce, received the most training (57%), followed by line/senior line staff (33%).

Moreover, the enormous effort made in 2021 to digitise some of the training courses in the security area is also important.

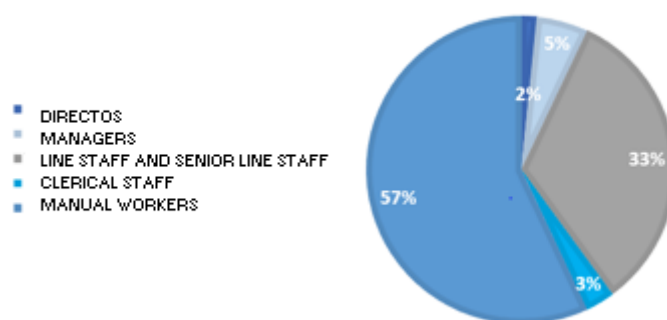
In addition to the ongoing training, activities were carried out as part of the following corporate programs:

- "The DNA of Our Leadership" program, a tailor-made training program for team leaders implemented at global level. It was launched in June 2021 and is scheduled to end in March 2022.

The overall aim of the program is to sustain the Dynasol Group's state-of-the-art, innovation process through its area and team leaders.

- Training to Learn program: In response to the requirements of the Dynasol Group's strategic plan and in order to satisfy calls for business transformation, the training proposal for the Dynasol Group's Management Team focuses on the idea of training and developing talent with the aim that management adopt a transversal mindset and perform their tasks and lead their teams from an accountability-orientated perspective, fostering a more courageous, agile and collaborative work culture. To achieve this, a program has been developed that creates connections (also known as collisions), in which the structure itself helps to encourage the highest possible number of connections between managers, thus facilitating the development of this new mindset based on conversations between the management team and their peers. This program was implemented in 2021 with Dynasol Group managers.
- It is also important to mention all the training developed in the area of health and safety as a result of the covid-19 pandemic, aimed at training any employees that had not already received such training.

Distribution of hours of training by professional category:



Performance review

The performance review system is implemented by defining, monitoring and assessing the objectives as well as the competencies and conduct of the employees under review. The process is carried out through our Employee Management System, in which a superior and an associate review and agreed upon all the available information.

The entire process is audited and supervised by the Human Capital and Legal Affairs management team with the oversight and understanding of the Management Committee. The outcome of the performance review is another input that is employed in the internal promotion processes.

Equality

By means of the People and Community pillar of its Sustainability Plan, the Dynasol Group seeks to guarantee equal opportunities with the best possible working conditions.

In 2021, a corporate equal opportunities policy was approved which focuses on ensuring complete equality of opportunities and that there is no discrimination on the grounds of gender, age, race or social condition. The Group also strives to achieve a productive, motivating and diverse working environment, which is another pillar of striking a work/life balance.

In addition to this corporate policy, the Group has a Code of Ethics and Conduct establishing general guidelines that will govern the conduct of the Dynasol Group and that of all its employees in the performance

of their tasks and in their commercial and professional relationships, acting in accordance with the law in each country and respecting the ethical principles of the respective cultures where activities are carried out in other spheres on the Group's behalf.

Besides this corporate regulation, implementation of the policies of our Employee Management System, which are audited annually and are also subject to the collective agreements applicable at the various Group companies, facilitates rigorous management of this matter.

Mention should also be made of the update of the equality plans at the Spanish companies General Química, S.A.U. and Dynasol Elastómeros, S.A.U. in order to comply with the legal requirements of Organic Law 3/2007, of 22 March, for the effective equality of women and men, and the various royal decrees governing this area. Accordingly, each of those Spanish companies has prepared its own equality plan in compliance with Spanish law, the corporate Code of Ethics and Conduct, and the Equal Opportunity Policy.

Diversity and accessibility

One of our ambitions is to boost people's development in an environment of equal opportunity. At the Dynasol Group we consider our inclusive diversity, as evidenced by our workforce comprised of employees of different ages, ethnic origin, gender and disabilities, as key to becoming more competitive.

Accordingly, this has been enshrined in our Equal Opportunity and Diversity Policy. We comply with the legal requirements established in Legislative Royal Decree 1/2013, of 29 November, approving the Consolidated General Law on the rights of persons with disabilities and their social inclusion, fulfilling the mandatory minimum social inclusion quota required under that legislation (2% as compared to 2.47%). Moreover, we carry out other equal opportunity and diversity initiatives as part of our local Corporate Social Responsibility plans.

Flexibility and labour disconnection

As a result of the unique situation that arose due to the pandemic in 2021, it should be noted that the Group prioritised safeguarding the health and safety of all employees at all times, while ensuring that all the manufacturing processes were carried out.

For this reason, many of our employees carried out their duties remotely from their homes and the success of this policy was evidenced by the fact that all our processes continued to operate without the need to work on site. This type of remote working differs from formal recognition of remote working, regulated in this case for Spanish companies in the various applicable collective agreements and which recognise a series of rights. In 2021, 8% of Spanish companies' employees formally opted to work remotely. Another important milestone worthy of note was that we were able to begin the preparation of a new procedure at the Houston office.

The world of work is changing. Although at the Dynasol Group we do not have a specific policy in place for labour disconnection, the implementation of flexible working hours was key to allowing all our employees to achieve a balance which enabled them to cope with the difficult situation arising from having to alternate between work and family. The changes made to working hours in Spain in the last three months of 2021, ultimately with the goal of safeguarding employees health and safety, while ensuring that processes operate correctly and preserving the work-life balance, should also be mentioned.

Regarding work-life policies, we provide various remunerated and unremunerated work permits and leave options which enable our employees to achieve an improved and more long-term work-life balance. We also embrace the idea of Spatial Flexibility, a new concept that makes it possible to help our employees to provide their services and achieve their goals from a physical location other than their habitual workplace.

Relationship with the community

In 2021 several actions were taken to fulfil our commitment to the communities in which we carry on our activities, lending our support to the local Action Plans rolled out in the area of Corporate Social Responsibility.

Our industrial complexes in Spain have carried out 17 actions related to the local communities in which our facilities are located. Some examples of these initiatives are as follows:

Alava Mountain Run	Support and sponsorship of the event
Asociación Española de Guardias Civiles	Collaboration with the Spanish Civil Guard Association (AEGC)
Seur Foundation	Collaboration with the "Lids for a new life" project, providing our employees with plastic lid collection points throughout the workplace to encourage recycling among our employees in a project that aims to help children with health issues.
Local festivals	Support and sponsorship of events
Football academies	Support and sponsorship of events
SEA Empresas Alavesas	Support and collaboration with this not-for-profit association for local companies
Bandera Marina de Cudeyo-Gran Premio Dynasol	Sponsorship and collaboration with the Pedreña rowing club ("Sociedad Deportiva de Remo Pedreña"), as a way of encouraging the pursuit of sporting activities and, on this occasion, awarding the first female gran prix rowing award "I

In addition, we have entered into cooperation agreements with secondary schools, to provide in-workplace work experience, and with certain universities.

Respect for human rights

In addition to complying with the applicable legislation in force throughout all the territories in which the Group carries on its activities, Dynasol undertakes to respect internationally recognised human rights, which cover the rights set out in the International Bill of Human Rights and the principles relating to the rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight Fundamental Conventions implementing them.

With the aim of identifying, preventing, mitigating and responding to any potentially negative consequences in respect of human rights, Dynasol conducts an ongoing due diligence process of its own activities and those that are directly associated with its operations, products or services undertaken or performed with respect to its commercial relationships. In addition, the Group includes actions relating to human rights in its employee training and communication plans and promotes the use of support tools in order to disseminate knowledge of those rights with the aim of guaranteeing their protection.

5. Code of Ethics and Conduct

At the Group we are committed to carry on our activities in an ethical and transparent manner, in accordance with our Values and the corporate Code of Ethics and Conduct, which was approved by the Board of Directors in 2016.

The objective pursued by the Code of Ethics and Conduct is to establish general guidelines that will govern the conduct of the Dynasol Group and that of all its employees in the performance of their tasks and in their commercial and professional relationships, acting in accordance with the law in each country and respecting the ethical principles of their respective cultures where activities are carried out in other spheres on the Group's behalf.

The ethical values and principles which serve as a reference and guidelines for employees' conduct are those mentioned in the Goals and strategies of the organisation section.

Strict observance of these values results in the following guidelines and rules of conduct:

- Compliance with the law and contractual undertakings.
- Respect for human rights.
- Recruitment, professional advancement and equal opportunities.
- Safeguarding both health and safety, and the environment.
- Resolution of potential conflicts of interest.

The Code of Ethics and Conduct is applicable to all the employees of the Dynasol Group, including contractors and their employees, external consultants, independent professionals, temporary staff, trainees and other suppliers and service providers, whether they provide their services at the Group or carry on their activities in other spheres on behalf of the Group.

Compliance model

The Compliance Committee, set up as an independent body, promotes a culture of compliance with current legislation and the application of the appropriate corrective controls.

In 2021, the main training actions conducted in the area of Compliance were as follows:

- o Informative podcast on the Compliance Model
- o Online training on the Crime Prevention Model (CPM)
- o Series of webinars on each of the risk domains that comprise the Compliance Model
- o Communication campaign on the Code of Ethics and Conduct
- o Culture of Compliance campaign: focusing on the added value of having an effective Compliance Model in place in terms of its relationships with stakeholders (customers, suppliers, banks, etc.) and the benefits for the Group's employees.

The Dynasol Group can also implement an internal investigation procedure when circumstances come to light which may constitute risks or suspicions of the potential commission of crimes by the legal entity or of potential breaches of the Group's crime prevention model (CPM) and/or the realisation of the risks identified in the Regulatory Compliance Model which may give rise to non-compliance with legislation and, therefore, to liabilities for the offender and/or for any company in the Dynasol Group, which although not criminal in nature could give rise to civil or administrative liabilities.

For this purpose, the Dynasol Group provides its employees with an electronic whistle-blowing channel buzon.transparencia@dynasol.com the use of which is guaranteed by the following principles:

- Confidentiality: Any information relating to the reporting will be duly safeguarded with the utmost confidentiality by all those involved in the communication, investigation and resolution process.

- Safety: It is forbidden to take any action that constitutes a reprisal against any employee for having reported, in good faith, the ethically questionable situations or irregularities identified.
- Respect: Those involved in the reporting will never be challenged. All reporting is considered to be important, and is analysed and investigated thoroughly.

Combating corruption, bribery and money laundering

At the Dynasol Group, we have a responsibility to our employees, our shareholders and the communities in which we operate to maintain ethical and legal conduct in the course of our activities. Our Code of Ethics and Conduct expressly prohibits any involvement in activities that involve bribery or corruption in any form.

In addition, the Board of Directors approved the Anti-corruption Policy proposed by the Compliance Committee which aims to reiterate the Dynasol Group's commitment to strict compliance with legislation on preventing crime and combating corruption, developing the principles set out in the Code of Ethics and Conduct for Group employees, rejecting all forms of corruption and applying a zero tolerance criterion regarding any breach of this policy.

With the aim of preventing corruption, the Dynasol Group carries out all its activities in accordance with the legislation in force in all its areas of business activity and in all the countries in which it operates, and undertakes:

- Not to influence the intentions or objectivity of persons outside the Group in order to obtain any kind of benefit or advantage through the use of unethical practices and/or practices contrary to the applicable legislation.
- Not to give, promise or offer, directly or indirectly, any asset of value to any natural or legal person, with the aim of obtaining undue advantages for the Group.
- Not to allow any facilitation payments.
- Not to finance or to show backing or support of any other kind, directly or indirectly, for any political party, its representatives or candidates.
- Not to unduly request or receive, directly or indirectly, commissions, payments or benefits from third parties.
- To promote internal training in the area of crime prevention and the fight against corruption.

In addition, the Group has a Standard for Gift and Hospitality Management, which will be approved by the Management Committee in 2022, setting out the guidelines and general requirements for good order that will be observed by the Dynasol Group for all matters related to corporate gifts and hospitality when they are offered or received by employees of the Group within the framework of or due to their professional activities with third parties on behalf of the Group.

6. Benefit to society

6.1 Sustainable development

Sustainability is key to the Group's strategy; promoting inclusive and sustainable economic growth is a way of contributing to development in those regions in which the Group has a presence; driving progress, encouraging the creation of decent work and improving living standards.

In order to ensure the continuity of its business activity in 2021 the Group has established a strategy based on sustainability which will help to achieve the long-term commitments acquired. The strategy defines a series of objectives which are subdivided into the following areas:

- **Environment:** There is a need to reduce global CO₂ emissions to prevent global warming, in addition to minimising waste generation and promoting circularity. In order to respond to this need, the Group has established objectives in relation to circularity and climate change which aim to reduce emissions, minimise the use of resources and encourage the use of fossil-fuel free raw materials.

	Environment	
	Circularity	Climate Change
2030 Goals	20% of raw materials are sustainably sourced	60% of the electricity consumed from renewable sources
	Recovery of 50% of the waste generated	Reduction in GHG intensity of 30% with respect to 2019
		Reduction in Volatile Organic Compounds of 50% with respect to 2019
		Reduction in water consumption of 30% with respect to 2019

- **Innovation:** In order to respond to the stakeholders' new demands and to help achieve the environmental objectives, it is essential to develop new ways of working which take sustainable issues into consideration when developing new grades.

	Innovation
2030 Goals	Eco-design methodology in 100% of new developments
	70% of R&D efforts allocated to sustainable projects
	Increase portfolio of sustainable products

- **Operational safety:** As its most important asset, the Group safeguards employees' health and safety promoting a culture of safety with the aim of achieving "zero accidents".
- **Ethics and transparency:** The aim is to govern the actions and activities of the Group while respecting ethical principles by establishing targets that help to promote a culture of integrity and responsibility in all Group employees as well as in suppliers, contractors and associated entities.
- **People and community:** in order to guarantee equal opportunities in the best possible working conditions, the goal has been set to apply compensation and recognition policies that ensure there is no discrimination on the basis of gender.

6.2 Subcontractors and suppliers

Seeking to contribute to the communities in which we operate, we choose local suppliers in order to promote employment and economic development. As a result, 81% of our suppliers are local. In addition, since we are aware that it is our duty to promote sustainability throughout our value chain, we make sustainable acquisitions taking into account policies and legislation related to issues such as: safety, environment, legal compliance and transparency.

Procurement policies and standards define the criteria and directives required for the acquisition or contracting of materials and services, under the best possible conditions in terms of price, opportunity, quality and payment terms and conditions, while always taking into consideration matters related to legal compliance, safety, employment, and safeguarding the environment.

The Group requests that all the suppliers in the supply chain develop and operate environmental management systems related to their commercial activities and systems for the management of any chemical substances in their products. In addition, all suppliers are requested to sign our Code of Ethics and the terms and conditions of each agreement inform suppliers of the minimum safety and environmental standards they are required to comply with, in addition to the penalty policy applicable should a breach arise.

Each purchase agreed upon or contract entered into is formalised in a standard order or agreement which summarises the terms and conditions applicable as outlined previously and the commercial terms and conditions agreed in each particular case. Defining the specific performance indicators that facilitate service monitoring in supply agreements is encouraged, which is distinct from the ongoing evaluation also carried out.

Achieving the sustainability goals associated with reducing the Group's carbon footprint in its supply chain commences at supply level and is fostered by promoting the good use of containers and packaging, thus optimising in each case the container required and promoting their reuse.



The ultimate objective is to promote the development of a solid portfolio of suppliers, contractors and associates; in a relationship which will be governed by the principles of objectivity, transparency and equal opportunities, while complying, at all times, with the provisions of the organisation's Code of Ethics and Conduct.

No. of local suppliers	2020	2021
% of local suppliers	79%	81%
% amount awarded to local suppliers	EUR 173 M	EUR 284 M

6.3 Consumers

Relationship with our customers

Management of the Dynasol Group is based on a process of continuous improvement certified in accordance with the internationally recognised ISO 9001 and ITAF 16949 quality standards. As a result, in order to ensure our customers' satisfaction, a complaints management process is in place which includes the development of corporate procedures and IT tools that facilitate appropriate management, monitoring and measurement of its customers claims.

This process provides details of all the activities to be carried out providing a clear definition of responsibilities in each case in order to guarantee a response that satisfies our customers, avoids their recurrence and promotes continuous improvement at the Group.

The Quality area undertakes continuous monitoring to ensure the correct performance of complaints management and fosters the creation of work teams made up of all the parties involved. In 2021 a total of 49 complaints were managed in comparison with the 60 received in 2020, which highlights the ongoing positive trend with regard to reducing and managing complaints.

We are fully committed to continuing to improve our customers' experience and taking their specific needs into consideration when developing new products and services.

6.4 Tax information

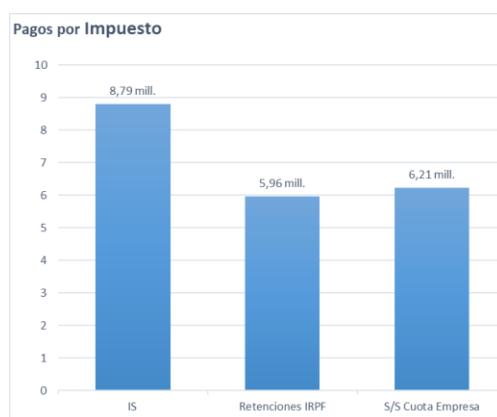
Profit or loss by country

The Group's consolidated profit for 2021 amounted to EUR 31,350 thousand. This consolidated profit is broken down into EUR 28,445 thousand in Spain and EUR 2,905 thousand in the US.

Income tax paid in 2021

The Dynasol Group is aware of its responsibilities in matters of welfare and social and economic development in the countries in which it operates and knows that the taxes it pays support that development and welfare. Accordingly, the Dynasol Group implements a tax policy based on responsible payment of its taxes, through the application of best practices in the management of its tax matters, the transparency of its actions and the promotion of cooperative relationships with governments, with the aim of avoiding significant risks and unnecessary conflicts.

The Dynasol Group paid EUR 23.6 million in taxes and similar public charges in the jurisdictions in which it operates. The main taxes paid were income tax (EUR 8.79 million), employees' personal income tax (EUR 5.98 million) and social security contributions (EUR 6.21 million).



Following is a detail, by country, of the taxes paid in 2021 (in euros):

Grupo Dynasol - Pagos a gobiernos 2021 - Importes en EUROS								
País	Carga fiscal (1)			Tributos recaudados (2)			TOTAL 2021	TOTAL 2020
	IS	Otros	TOTAL (€)	IVA (3)	Otros	TOTAL (€)		
España	7.514.670	6.651.173	14.165.843	0	6.815.512	6.815.512	20.981.355	21.239.422
Francia	97.032	86.276	183.308	0	21.926	21.926	205.234	286.106
Italia	8.708	39.408	48.116	0	38.206	38.206	86.322	105.033
USA	1.166.015	997.400	2.163.415	0	175.105	175.105	2.338.519	948.377
TOTAL	8.786.425	7.774.257	16.560.682	0	7.050.749	7.050.749	23.611.430	22.578.938

NOTA: Este informe recoge los tributos efectivamente pagados en el ejercicio, por lo que no se incluyen devoluciones.

(1) Carga Fiscal; tributos que suponen un gasto para el grupo, minorando su resultado. (i) IS: recoge pagos por impuestos sobre beneficios y (ii) Otros: pagos que suponen un coste para el grupo (aranceles, cánones, seguridad social a cargo de la empresa, Impuesto sobre Bienes Inmuebles, etc).

(2) Tributos Recaudados; tributos que no minoran el resultado del grupo porque se retienen o repercuten al contribuyente final (i) IVA: recoge todos aquellos pagos por el Impuesto sobre Valor Añadido/Agregado y (ii) Otros: aquellos pagos que se retienen o repercuten al contribuyente final (retenciones rendimientos de trabajo, seguridad social a cargo del empleado, etc.).

(3) IVA España: Sólo hay devoluciones, dado que General Química S.A.U. y Dynasol Elastómeros S.A.U. son sociedades netamente exportadoras, como consecuencia el informe no recoge ningún importe por este concepto.

2021 saw an upturn in the Dynasol Group's activities following the global crisis caused by covid-19, which resulted in an increase in its income and the profitability of its business activities and, as a result, an increase in the taxes paid in 2021.

Government grants received

In 2021 the government grants received by the Dynasol Group were as detailed below (in euros):

Importes en Euros					
País	Sociedad Receptora	Entidad Concesionaria	Importe	Finalidad	Fecha Concesión
España	Dynasol Elastómeros S.A.U.	Gobierno Cantabria	125.860	Desarrollo de nuevos productos	22.11.2018
España	General Química S.A.U.	Gobierno Vasco	14.999	Contratación Personal Investigación	05.11.2021
			140.859		

Good tax practices

The Dynasol Group assumes the commitment to fulfil best practices in responsible tax compliance. Its tax policy, approved by senior executives, is illustrated by the following commitments

- Responsible legal compliance
- Efficient tax management
- Relationship with the public authorities
- Tax risk prevention
- Transparency

Presence in non-cooperative jurisdictions

The Group undertakes not to maintain a presence in tax havens, non-cooperative jurisdictions, tax free territories or other countries or territories classified in a similar way under EU legislation or in the domestic legislation in the various countries in which the Group operates, except where its presence is necessary and justified on business grounds. At present, the Dynasol Group does not have a presence in countries or territories of this nature.

GRI STANDARDS

CONTENTS OF THE NON-FINANCIAL INFORMATION STATEMENT	REPORTING STANDARD	LOCATION IN THE REPORT
General information		
Business model	GRI 102-1 GRI 102-2 GRI 102-3 GRI 102-4 GRI 102-5 GRI 102-7 GRI 102-18 GRI 102-22 GRI 102-40 GRI 102-54	4-6, 16-18
Markets in which it operates	GRI 102-6	7-8
Goals and strategies of the organisation	GRI 102-15	10-11
Main factors and trends that could affect its future evolution	GRI 102-15	15-16
Principal risks relating to the Group's activities	GRI 102-15 GRI 103-3	5-6
Reporting option used	GRI 102-11 GRI 102-15	4
Materiality principle	GRI 102-46 GRI 102-47	4-5
Environmental issues		
Management approach: description, and the findings and conclusions of the policies associated with these issues, as well as the main risks related to these issues that are associated with the Group's activities	GRI-103-2	19-23
Detailed background information		
Specific information on the current and foreseeable effects of the Group's activities on the environment and, where applicable, on health and safety	GRI 102-29 GRI 102-15	19
Environmental certification or assessment procedures	GRI 102-29 GRI 102-15	11-12, 19
Resources allocated to prevent environmental risks	GRI 102-29	21
Application of the precautionary principle	GRI 102-11	21
Provisions and guarantees for environmental risks	GRI 307-1 GRI 102-15	21
Pollution		
Measures to prevent, reduce or offset carbon emissions that seriously affect the environment	GRI 103-2 GRI 307-1 GRI 305-1 GRI 305-2 GRI 305-5	22-24
Measures to prevent, reduce or offset emissions that seriously affect the environment, taking into account any type of activity-specific atmospheric pollutants including noise and light pollution.		
Circular economy and waste prevention and management		
Measures for prevention, recycling, reuse, other forms of recovery and disposal of waste	GRI 103-2 GRI 306-2	22-23

CONTENTS OF THE NON-FINANCIAL INFORMATION STATEMENT

REPORTING STANDARD

LOCATION IN THE REPORT

Sustainable use of resources

Water consumption and supply in accordance with local limitations	GRI 303-5 GRI 102-15	22
Consumption of raw materials and measures taken in order to improve the efficiency of their use	GRI 103-2 GRI 302-1	22-24
Direct and indirect energy consumption		
Measures adopted to improve energy efficiency		
Use of renewable energies		

Climate change

GHG emissions generated as a result of the company's activities, including the use of goods and services it produces	GRI 103-2 GRI 305-1 GRI 305-2	24-25
Measures adopted to adapt to the consequences of climate change		
Medium and long-term targets voluntarily set for the reduction of GHG emissions, and measures implemented to that end		

Protection of biodiversity

Measures taken to preserve or restore biodiversity	GRI 103-2	25
Impacts caused by activities or operations in protected areas		

Social and employee-related issues

Management approach: description, and the findings and conclusions of the policies associated with these issues, as well as the main risks related to these issues that are associated with the Group's activities	GRI 103-2 GRI 103-3 GRI 102-35	26-34
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Employment

Total number and distribution of employees by country, gender, age and professional category	GRI 102-7 GRI 102-8 GRI 405-1	27-28
Total number and distribution of employment contracts by type and annual average number of permanent, temporary and part-time contracts by gender, age and professional category	GRI 102-8	27-28
Number of terminations by gender, age and professional category	GRI 401-1	28
Average remuneration and remuneration trends by gender, age and professional category or equivalent value	GRI 405-2	29
Gender pay gap, remuneration of equal or average jobs at the company	GRI 405-2	30
Average remuneration of directors and executives, including variable remuneration, attendance fees, termination benefits, payments to long-term savings schemes and any other benefits, broken down by gender	GRI 102-35 GRI 201-3	29-30
Implementation of disconnection from work measures	GRI 103-2	33
Number of employees with disabilities	GRI 405-1	33

Work organisation

Organisation of working time	GRI 102-8 GRI 103-2	27, 33
Absenteeism figures	GRI 403-9	27

CONTENTS OF THE NON-FINANCIAL INFORMATION STATEMENT		REPORTING STANDARD	LOCATION IN THE REPORT
Health and safety			
Healthy and safe working conditions	GRI 103-2	17-18, 20	
Occupational accidents, in particular the frequency and severity thereof, and occupational diseases, by gender	GRI 403-9 GRI 403-10	20	
Labour relations			
Organisation of social dialogue, including the procedures for informing, consulting and negotiating with employees	GRI 403-1 GRI 103-2	30	
Percentage of employees covered by collective agreements by country	GRI 102-41	30	
Assessment of collective agreements, particularly in the field of occupational health and safety	GRI 403-4	17-19.30	
Training			
Training policies implemented	GRI 103-2 GRI 404-2	30-32	
Total number of hours of training by professional category	GRI 404-1	31	
Integration of, and universal accessibility for, people with disabilities	GRI 103-2	33	
Equality			
Measures adopted to promote equal treatment and opportunities for men and women	GRI 103-2	32-33	
Equality plans, measures adopted to foster employment, and protocols in place against sexual and gender-based harassment		32-33	
Anti-discrimination policy and, where appropriate, diversity management policy		32-33	
Respect for human rights			
Management approach: description, and the findings and conclusions of the policies associated with these issues, as well as the main risks related to these issues that are associated with the Group's activities	GRI 102-15 GRI 103-2		
Application of due diligence procedures in human rights matters and prevention of the risks of violation thereof, and measures to mitigate, manage and redress any abuses committed	GRI 102-16 GRI 102-17	32-33	
Complaints of violations of human rights	GRI 103-2	32-33	
Measures implemented for the promotion of and compliance with the provisions of the fundamental ILO Conventions relating to respect for freedom of association and the right to collective bargaining, the elimination of discrimination in employment and occupation, the elimination of forced or compulsory labour and the effective abolition of child labour	GRI 103-2	32-33	

CONTENTS OF THE NON-FINANCIAL INFORMATION STATEMENT	REPORTING STANDARD	LOCATION IN THE REPORT
Code of Ethics and Conduct		
Fighting corruption and bribery		
Management approach: description, and the findings and conclusions of the policies associated with these issues, as well as the main risks related to these issues that are associated with the Group’s activities	GRI 103-2 GRI 103-3 GRI 205-2 GRI 102-30	35-36
Measures adopted to prevent corruption and bribery	GRI 102-2 GRI 102-16 GRI 102-17 GRI 205-2	35-36
Anti-money laundering measures		
Contributions to foundations and not-for-profit entities	GRI 102-13 GRI 201-1	33-34
Information on the company		
Management approach: description, and the findings and conclusions of the policies associated with these issues, as well as the main risks related to these issues that are associated with the Group’s activities	GRI 102-15 GRI 103-2	37-40
The Group’s sustainable development commitments		
Impact of the Group’s activity on employment and local development	GRI 413-1	37-38
Impact of the Group’s activity on local populations and on the territory		
Relationships and dialogue with local community players		
Subcontracting and suppliers		
Inclusion of social, gender equality and environmental issues in the procurement policy	GRI 103-3	37-38
Consideration in relations with suppliers and subcontractors of their social and environmental responsibility	GRI 103-3	37-38
Supervision and audit systems and results thereof	GRI 103-3	39
Consumers		
Consumer health and safety measures	GRI 103-2	39
Grievance mechanisms, complaints received and their resolution	GRI 102-17 GRI 103-2	39
Tax information		
Earnings obtained on a country-by-country basis	GRI 207-4	39-40
Income tax paid	GRI 207-4	39-40
Government grants received	GRI 201-4	39-40

COMPOSITION OF THE BOARD OF DIRECTORS

CHAIRPERSON:

José Luis Bernal Catalán

DEPUTY CHAIRPERSON:

Alejandro de la Barreda Gómez

DIRECTORS:

Jorge Francisco Padilla Ezeta

José Francisco Font Mañéz

Alejandro Oliva Rivas

Roger Trinidad Patrón González

SECRETARY OF THE BOARD (non-director):

Federico H. Tarín Truchado

DEPUTY SECRETARY OF THE BOARD (non-director):

Leonor Abad Marín

DIRECTORS' SIGNATURES

José Luis Bernal Catalán
Chairperson

Alejandro de la Barreda Gómez
Deputy chairperson

Jorge F. Padilla Ezeta
Director

José Francisco Font Mañez
Director

Alejandro Oliva Rivas
Director

Roger Trinidad Patrón González
Director

Certificate

I, Leonor Abad Marín, Deputy Secretary of the Board of Directors of Dynasol Gestión, S.L., hereby issue this certificate to place on record that the accompanying document consisting of 47 pages, which contains the Non-Financial Information Statement prepared by the directors of the aforementioned Company for the year ended 31 December 2021, was unanimously approved by the Board of Directors at its meeting held on 24 March 2022, and was signed below by all the directors in attendance at that Board meeting, all the pages of which have been signed by me the undersigned.

The foregoing is placed on record in Madrid on 24 March 2022.

Deputy Secretary of the Board of Directors

Leonor Abad Marín

Non-Director Deputy Secretary