

Corporate Social Responsibility Report

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01. MESSAGE OF THE PRESIDENT

Dear reader,

With this Corporate Social Responsibility (CSR) report, we would like to share our way of working and our commitment, following a business model focused on quality, solutions innovation, a clear commitment to environmental sustainability, directing the company towards efficiency.

We achieve this by placing our **partners, customers, and suppliers at the centre**. We believe our main added value lies in the people who accompany us and with whom we work, and they are who best define us. Therefore, values such as ethics, respect, cooperation, and commitment have merged with our customer service vocation in the management of our procedures during our **40-year trajectory**.

We have **more than 35 years of international experience**, and we would like to accompany our customers in the main European markets, by putting at their disposal our trade offices in Italy, France, the United Kingdom, Portugal, and Spain, as well as our logistic centres in Italy and Spain, consisting of more than 21,000 sqm. These centres are supplied with advanced electronic systems, automatic vertical warehouses, and innovative order management systems. At present, **we export to more than 50 countries**.



We design, manufacture, and sell a wide range of products for the furniture, carpentry, hardware and DIY industry, offering solutions for homes (kitchens, wardrobes, bathrooms, etc.) and offices.



We carry out all our operations to provide logistic advantages to our customers. Thanks to our wide range of catalogue stock, we guarantee best delivery times with the best service levels.

At Emuca we would like to become a benchmark reference in the markets where we operate, offering functional solutions for furniture tools and accessories, by being a competitive company committed to our employees. In fact, since 2007 we have been awarded the **Family Responsible Company Certificate** by the Masfamilia Foundation. With this certificate, the foundation recognises how our company fosters policies and initiatives that ensure work-life balance and equality among its employees. Our company has been a pioneer in obtaining this FRC certificate, positioning itself among the first 30 companies to obtain it in Spain and the first one in the furniture industry.

In the last years, Emuca has been adopting an increasingly stronger commitment towards sustainable development in all our operations. This commitment has resulted in the integration in the company's strategy of the 10 action lines set by the Spanish Corporate Social Responsibility Strategy based on the 2030 Sustainable Development Agenda and the **17 Sustainable Development Goals** framing it.

In this regard, Emuca has undertaken several actions in 2019 trying to give more visibility to social responsibility in the company, driving good governance and transparency in the scope of management, working for quality employment, and improving the well-being of employees. Emuca has also tried to extend its commitment towards SR to the supply chain and promoted responsible consumption and care for the environment.

We are aware of the positive and negative impact our activities have both economically and socially and environmentally.

Developing our products and services entails using natural resources and the distribution of our products may generate a significant volume of emissions. Moreover, the safety of workers is consistently in our focus. In turn, due to the size of our company and our sales, our activity has an important positive economic impact on the municipalities where we operate.

All the goals achieved would not have been possible without the commitment of the best team of professionals. For this reason, we firmly believe in **quality employment** by investing in on-going training programmes, so our customers perceive us as a resolute, reliable, proactive and digital supplier, providing technology and automated procedures through a B2B platform, which is already used by 60% of our customers

EMUCA has maintained its commitment to society, increasing its staff and adding value through talent attraction with agreements with renown training centres in our city and promoting the culture of effort among our workers.

The data we compile in this report confirms that CSR is an efficient tool to improve our competitiveness and management, as well to make the most of product development management and innovating services, contributing to taking on economic, environmental, and social challenges.

From our experience, we have verified how those companies that manage their companies from an innovating and CSR perspective are better governed and less exposed to risks, and, therefore, are more competitive. Through these lines, not only we declare our CSR intentions, but also firmly commit to certain values and management manner.

Santiago Palop // President of Emuca



02. MESSAGE OF THE CEO

Dear employee, customer, and supplier,

At Emuca we continue to be committed to assume as ours the demands of **corporate, social, and environmental responsibility**. Emuca, like other companies, has already worried in the past about the impact its activities have on the society, and has been reflected on our human resources policies involving the relationship with suppliers, institutions, administrations and, evidently, customers.

However, it is time to value and rise to the surface the importance of corporate social responsibility (CSR). Emuca's 3 Ps are **People, Planet and Profit**. According to these three pillars, having also set a Code of Conduct (Compliance) as the basis for our relationships, our goal is to delve into **sustainable development goals (SDG)** to turn Emuca into a leading company avant-garde in terms of CSR in our industry and the geographic areas where we operate.



Our goal is to delve into sustainable development goals (SDG) to turn Emuca into a leading company avant-garde in terms of CSR in our industry and the geographic areas where we operate.



All the efforts from Emuca's side in applying the CSR model in its operations are based on the knowledge that it does not only attain sustainability for all groups with whom we interact: shareholders, employees, customers, and suppliers.

From the beginning of Emuca, close to four decades ago, we have always been determined to be a different kind of company, following an incredibly special business model that has led us to where we are today, so we can look ahead to the future with sustainable eyes.

Thanks to all of you **Emuca is an enduring and sustainable company in the long term.**

As we continue growing and evolving, we never cease to explore innovating solutions to drive a positive change in the relationship with all social agents. And we should never stop asking ourselves... what can Emuca do to be up to its responsibility with all the people with whom we interact?

On behalf of the company, **I would like to thank each and every single one of the people with whom our company has had a relationship until this moment.** We still have plenty of challenges ahead and room for improvement to continue creating among all of us a safer, more innovating, healthier, and more ethical environment.

Tobia Fait Hubert // Emuca Chief Executive Officer (CEO)



03. OUR PRINCIPLES AND STRATEGY

Our principles.

Emuca is guided by the values extracted from its mission and values, which are applied by the whole company and evidence the foundations upon which Emuca's activities are performed. These are values that define and represent the company.

We carry out all our operations to provide logistic advantages to our customers. Thanks to our wide

range of catalogue stock, we guarantee best delivery times with the best service levels.

At Emuca we would like to become a benchmark reference in the markets where we operate, offering functional solutions for furniture tools and accessories, by being a competitive company committed to our employees.



DECISIVE



RELIABLE



COMPETITIVE



PROACTIVE



DIGITAL

Mission

Offering maximum balance between quality, service, and price, in the distributed manufacturing of solutions for furniture tools and accessories.

Vision

Being the global trademark for furniture tools and accessories. Offering a wide range of innovating, useful and competitive products.

Sustainable strategy.

We are aware of the positive and negative impact our activities may have both economically and socially and environmentally. For this reason, in the last years, Emuca has been adopting an increasingly stronger commitment towards sustainable development in all our operations.

This commitment has resulted in the integration in the company's strategy of the 10 action lines set by the **Spanish Corporate Social Responsibility Strategy** based on the 2030 Sustainable Development Agenda and the 17 Sustainable Development Goals it comprises.

Commitment to SDG



Emuca has a sustainable strategy aligned with Sustainable Development Goals (**SDG**), focused mainly on three of them: decent work and economic growth (8), industry, innovation, and infrastructure (9) and climate action (13).

The development of our products and services and their distribution are actions that have environmental impact due to the use of **natural resources** and emissions, so we work constantly on their optimisation and reduction.

People are the basis of our growth, so their safety and conditions are the constant focus of our attention and on-going improvement,

as well as our increasingly greater positive impact on society. We are aware our business volume has economic impact on the locations where we are present, so our goal is to consolidate ourselves and contribute.

For all these goals to be internalised, shared, and worked on by our whole environment, we have taken several actions in 2019 to try give more visibility and importance to sustainability in the company, driving good governance and transparency in the scope of management.

And, as mentioned, working in favour of quality employment, and improving the well-being of our people throughout the chain value and promoting responsible consumption and **care for the environment**.

The work carried out during this period with the people in our ecosystem, confirms and proves that companies managing their business from a sustainable perspective are better governed and less exposed to risk. They are, therefore, more competitive.

It is therefore for this reason that we firmly believe in people and quality employment, as well as in the creation of employment and on-going training.

On-going investment in training has resulted in our surrounding perceiving us as a resolute, reliable, proactive, and digital supplier, providing technology and automated procedures through a B2B platform, which is already used by 60% of our customers. We also have agreements with renowned education centres that have allowed us to contribute through talent attraction and to continue our commitment with society.

Respecting and protecting Human Rights

Respecting Human Rights is deep within Emuca's culture and the actions developed by our team, regardless of the location where it generates value.

Emuca uses international Human Rights frameworks such as the International Human Rights Charter and the UN Global Compact as a reference.



04. EMUCA

Benchmark reference in furniture tools and accessories, in the design, manufacture and sale of a wide range of products for the furniture, carpentry, hardware and DIY industry, offering solutions for homes and offices, with more than 40 years of history, and present in more than 50 countries.

Supporting more than 3,000 references of innovating products and fostering a close relationship

with our stakeholders, we accompany our customers in the main European markets, by putting at their disposal our trade offices in Italy, France, the United Kingdom, Portugal, and Spain, as well as our logistic centres in Italy and Spain, consisting of more than 21,000 sqm. These centres are supplied with advanced electronic systems, automatic vertical warehouses, and innovative order management systems.

Italy
Padova

France
Nantes

United Kingdom
Chelmsford

Portugal
Lisboa

Spain
Valencia



Company profile

Registered name: EMUCA S.A.U

Type of company: Large company

Address: Polígono Industrial El Oliveral c/ H, 4

Municipality: Riba-Roja del Túria

Province: Valencia

Autonomous region: Comunidad Valenciana

Website: www.emuca.co.uk

Highest executive position: Santiago Palop

Contact person: Tobia Fait

Number of director employees: 115

Billing / Income: Sales in euros: €47,289,042. Operating income: €1,424,003.

Financial subsidies: Official subsidies: 11 (thousand)

Notes: Net amount revenue Palbox Holding, SL and subsidiary companies €62,923,000



Our activity involves both internal and external stakeholders, and all of them are affected to a greater or lesser degree by company decisions and activities. Among them we highlight customers, employees, shareholders, suppliers, and society due to their impact level.

We know that, without a good relationship with stakeholders, we cannot attain our goals set. For this reason, through both transversal actions and specific actions for each stakeholder group, we try to build a close, solid, and satisfactory relationship including aligned goals.



We listen to the opinion of all our stakeholders to create value.



At EMUCA we place our collaborators, workers, customers, and suppliers at the core of our strategy because we believe our main added value relies in the people that accompany us with whom we work. We know that listening to their needs is essential for creating shared value.

For this reason, we keep a constant and fluid relationship with our different shareholder groups. Our main communication channel and source of information is our website www.emuca.es, where a large amount of information regarding the company can be found and where there are customer and supplier sections.

Furthermore, due to our customer focus we have numberless communication channels seeking satisfaction and permanent contact: chat, email communications, mobile messaging, phone calls, YouTube channel, social networks, satisfaction surveys, online bulletins, posters, etc.

Regarding employees, Emuca has internal communication channels and an employee portal where,

among other functionalities, there is a news sections and a suggestions mailbox. Moreover, the initiative "You are Emuca" aims at getting close to these stakeholders and knowing their concerns and interests. Arising from said initiative, we have already implemented actions such as flexible working hours and work from home under certain circumstances.

On the other hand, we are in touch with our suppliers and provide them with high value information during our technical days and participating in events. Said days are also done for internal staff and customers.

Finally, communication with shareholders is done through meetings or follow-up reports regarding safety, PCH, waste management, etc.

05. STAKEHOLDERS





06. OUR GOVERNANCE

Management Decision Committee

Emuca is a family company founded by Silvino Palop, with a 100% Spanish share capital, framed within **Grupo Palbox Holding, S.L.**

In terms of corporate social responsibility, aligned with the Principles of the Global Compact, the Board of Directors and the executive director set the lines to follow, and its implementation is done through the different area managers.

The organisation follows the scope of a **Family Responsible Company** endorsed as “**good practice**” by the UN setting the action lines in terms of Labour Rights and extends its intention to work strengthening other aspects related to the environment, innovation and infrastructures and responsible production and consumption.

Sales Committee

Mission

Applying sales and marketing actions in line with the Sales and Marketing Plan, following sales/Mk data and actions.

Frequency of meetings

5 times a year

Participants

1. General Sales Director
2. Industry Sales Manager
3. Distribution Sales Manager
4. Italy’s Market Manager
5. UK’s Market Manager
6. Portugal’s Market Manager
7. France’s Market Manager
8. Marketing & Communication Manager
9. SAC Manager
10. Export Market Manager

Compliance

Mission

Identifying, advising, alerting, controlling, and reporting risk of regulatory non-compliance in the company, as well as implementing in the company a culture to face risks in the decision-making process

Frequency of meetings

Quarterly

Participants

1. President of Emuca
2. Business Development Director
3. Human Resources Director
4. CEO Holding
5. External consultant

Communications Committee

Mission

Planning and implementing internal and external communications promoting the dissemination of the trademark through omni channels, driving awareness of Emuca's values, promoting employee participation and commitment, and facilitating commercial agreements.

Frequency of meetings

Monthly

Participants

1. President of Emuca
2. Executive Director
3. Human Resources Director
4. Marketing Director

Financial Committee

Mission

Analysis and knowledge, with the subsequent competences and powers, regarding all matters related to business development and financial management including, among other, portfolio management (assets and liabilities), etc.

Frequency of meetings

Monthly

Participants

1. President of Emuca
2. Financial Director
3. CEO Holding

Product Strategy Committee

Mission

Defining the product strategy to include in the company, new ranges, potential alliances with suppliers and other companies, strategies based on the geographical origin of products.

Frequency of meetings

Quarterly

Participants

1. President of Emuca
2. Executive Director
3. Business Development Director

Comité de Producto

Mission

Implementing product strategy, analysing product portfolio, analysing the market and the timing of on-going projects.

Frequency of meetings

Monthly

Participants

1. Sales Director
2. Marketing Director
3. Business Development Director
4. R+D coordinator
5. Business Intelligence Manager
6. Operations & e-Commerce Product Manager





07. TOWARDS SUSTAINABILITY

As a certified **Family Responsible Company** (FRC), Emuca has been submitting its evolution report in accordance with the Consolidated SMEs Management Model adjusted to the reality of our organisation, FRC standard 1000-2 – Ed. 4.

This year we wanted to go one step forward, one big step forward in terms of quality, towards excellence and sustainability and prepared our first sustainability report.

It is a tool that helps us to consolidate our commitment and drives us to improve our competitiveness and management, as well as taking advantage of the opportunities to develop innovating products and services that contribute to undertaking economic, environmental, and social challenges.

<<
At Emuca we are aware our growth must depend on improving the satisfaction of the different stakeholders related to the company and the progress and well-being of society overall, as well as respect and care for the environment.
>>

For preparing this report, we have based ourselves in the **10 action lines set by the Spanish Corporate Social Responsibility Strategy** and has been developed trying to follow up the principles of materiality, inclusion of stakeholder groups, sustainability, and comprehensiveness of the international standard Global Reporting Initiative (GRI G4).

At Emuca we are aware our growth must depend on improving the satisfaction of the different stakeholders related to the company and the progress and well-being of society overall, as well as respect and care for the environment. Therefore, for preparing this progress report a methodology reporting by stakeholder group has been used and the steps below have been followed:

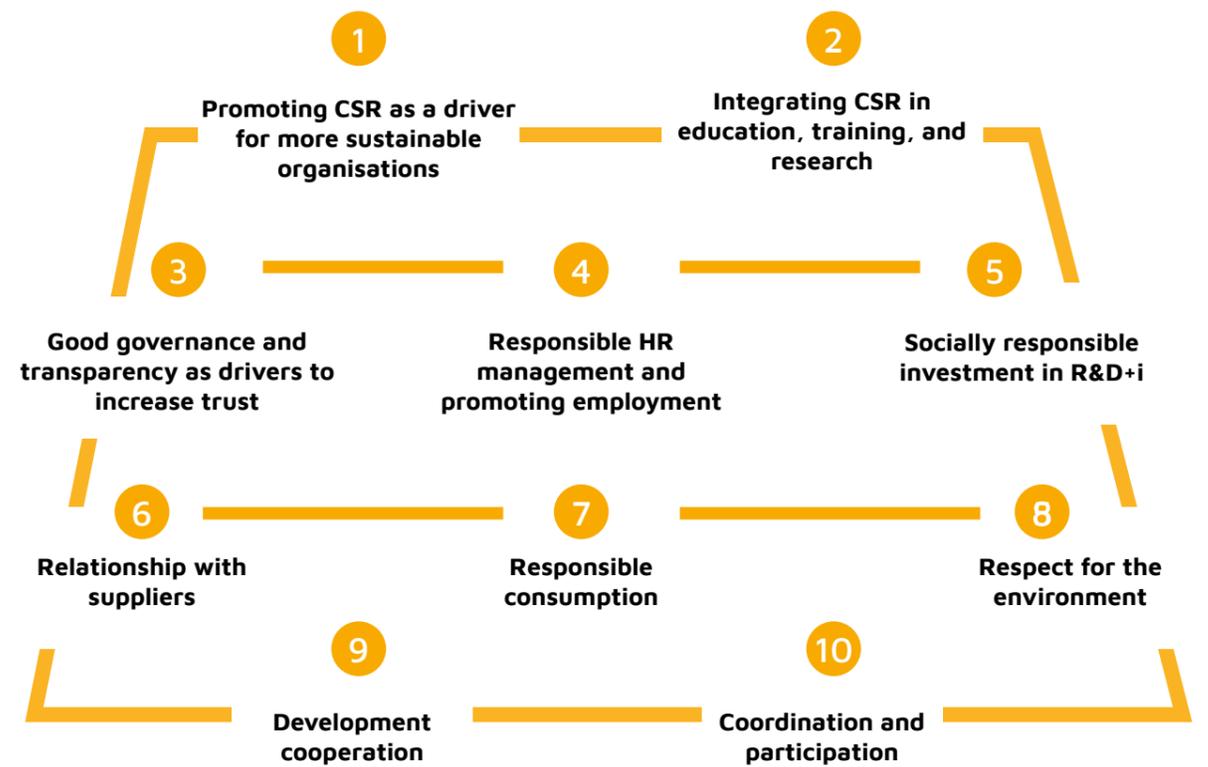
Selecting the main stakeholder groups relevant for the company's activities.

Identifying the most significant impacts and challenges related to the different stakeholder groups.

Exposing the policies, actions and projects carried out to neutralise detected risks and materialising opportunities.

Since it is the first year this sustainability report is submitted, there are no comparison details related to previous years in terms of Social Responsibility. It is for this reason that the purpose of this report

is to determine adequate tools and indicators to follow up assessment and control of the results obtained following the actions implemented.



08. SUSTAINABLE DEVELOPMENT STRATEGY

In the recent years, Emuca has been assuming an increasingly strong commitment to its role as a company from the perspective of sustainable development. This commitment has resulted in the integration in the company's strategy of the

10 action lines set by the Spanish Corporate Social Responsibility Strategy based on the 2030 Sustainable Development Agenda and the **17 Sustainable Development Goals**.



Health and well-being



Gender equality



Affordable and clean energy



Decent work and economic growth



Industry Innovation and Infrastructure



Responsible consumption and production

Emuca has undertaken several actions in 2019 trying to give more visibility to social responsibility in the company, driving good governance and transparency in the scope of management, working for quality employment, and improving the well-being of employees. Emuca has also tried to extend its commitment towards SR to the supply chain and promoted responsible consumption and care for the environment.

Thus, out of the 10 action lines set by the Spanish Government, Emuca has implemented 8. Among them, the continuity of the **Compliance Plan** within the Corporate Governance Area stands out. Its purpose is to ensure decision making and management of the company is always done following the principles of **ethics and transparency**.

Furthermore, continuity has been given to the Compliance Committee set up by resolution of the

Board of Directors on 28 October 2016, reviewing the code of conduct, as well as creating a risks map to establish the appropriate mechanism to control them.

The 27 actions implemented in terms of employee's health and safety and well-being to generate quality employment stand out.

Another of the action lines to highlight is the promotion of **Responsible consumption**, for which Emuca has participated/developed in the **Urban Mobility Challenge Campaign with Ciclogreen**.

Lastly, in line with the Respect for the environment, in 2019 efforts have been focused on **minimising environmental impact and promoting clean technologies**.

CSR actions in 2019 in line with the Spanish Social Responsibility Strategy

Actions throughout the period have been structured around the 10 action lines of the Spanish Social Responsibility Strategy.

Action Lines	Purpose	Emuca actions 2019
1. Promoting CSR as a driver for more sustainable organisations.	Dissemination of good practices in this area.	Greater visibility of Social Responsibility through the intranet.
2. Integration of CSR in education, training, and research.	Educating in the value of responsible behaviour.	
3. Good governance and transparency as drivers to increase trust.	Compliance with the Law, knowing how decisions are made in the company and how they are reported in terms of regulatory compliance.	<ul style="list-style-type: none"> Giving continuity to the Compliance Plan: ethical code of conduct, risks map, compliance committee, harassment protocol, etc. Time control (reported) Time policy Participation in the FRC Forum in Comunidad Valenciana on "Work-life balance, health and well-being"
4. Responsible HR management and promoting employment.	Creating jobs of more quality and considering groups with greater difficulty to enter the job market/ DIVERSITY	<ul style="list-style-type: none"> Maintaining insurance that improves conditions in face of accident/death Continuing improving minimum salary at Emuca > 1 year (€16,500) Collaboration with different Universities and Business Schools. Example recognition from UPV to tutor Tobia Fait; Local Employment Agencies. Seasonal flu vaccination campaign.

Action Lines	Purpose	Emuca actions 2019
5. Socially responsible investment in R&D+i	Developing an innovating culture as a sign of our identity (developing new technologies to promote sustainable development of society, from an economic, social, and environmental perspective).	Bonus low hazards rate 2018.
6. Relationship with suppliers.	Extending the good practices system to our supply chain.	Sending information controller contract to suppliers.
7. Responsible consumption.	Promoting a more sustainable, clean, and caring society.	Urban Mobility Challenge Campaign with Ciclogreen
8. Respect for the environment.	Development of measures aimed at promoting respect for the environment: minimising environmental impact, fostering clean technologies.	<ul style="list-style-type: none"> Changing the lightning of the plant for lower consumption due to LEDs Rekunion: Waste recycling in the company Photovoltaic panels
9. Development cooperation (worldwide).	Promoting socially responsible management of Spanish companies abroad	Continuing the FRC certificate endorsed as "good practice" by the UN
10. Coordination and participation (local)	Coordinate mechanisms among different public administrations, at regional and local level, to promote CSR principles and criteria, as well as fostering interchanging experiences with other countries and implementing them, within CERSE, the Corporate Social Responsibility Observatory.	

Actions within the family responsible plan

FRC	Actions
Quality employment	14
Flexibility	3
Support to families	5
Personal and professional development	2
Equal opportunities.	3
TOTAL	27

Schedule and theme of actions

Below we can see through the graph the distribution of activities according to the different lines of action

Month	lines of action	N° Actions
May	1, 3, 4	5
June	4	2
July	4	2
August	4	2
September	4	3
October	1, 4, 7, 9	4
November	3,4	5
December	4,8	3

- Healthy Company
- Employee enhancements
- Local participation
- World development cooperation
- Environmentally friendly
- Promotion of employment
- Promotion of CSR in social media
- Good government
- Responsible consumption
- Relationship with suppliers

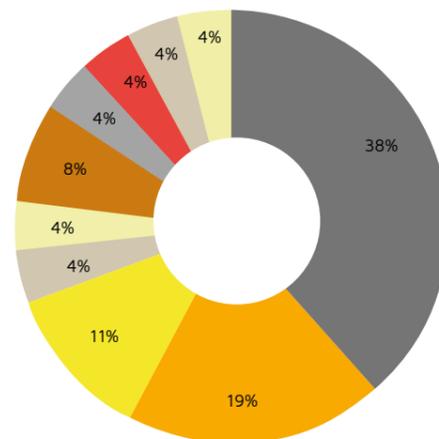


Table of relationships between stakeholders and material issues considered in the report, the EERSE lines of action and the SDGs

Stakeholder	Matters of interest	EERSE action line
Customers	<ul style="list-style-type: none"> Service quality Information security Post sales service Sales support Training 	5. Socially responsible investment in R&D+i
Personnel	<ul style="list-style-type: none"> Quality employment Training Equal opportunities. Diversity Remuneration Work environment Health and safety Flexibility Work-life balance Personal and professional development 	4. Responsible HR management and promoting employment.
Suppliers	<ul style="list-style-type: none"> Respect for Human Rights Policy to fight corruption. Sustainable procurement. 	6. Relationship with suppliers. 9. Development cooperation (worldwide).
Community	<ul style="list-style-type: none"> Corporate responsibility and support to compliance with SDG. CSR programmes. Alliances and partnerships. Responsible consumption. 	1. Promoting CSR as a driver for more sustainable organisations. 5. Socially responsible investment in R&D+i 7. Responsible consumption. 9. Development cooperation (worldwide).
Environment	<ul style="list-style-type: none"> Environmental Management. Energy and CO2. Waste reduction and management. 	8. Respect for the environment.
Partners / Shareholders	<ul style="list-style-type: none"> Good governance Transparency Ethics 	3. Good governance and transparency as drivers to increase trust.





09. CONTRIBUTION TO VALUE AND RELATIONSHIPS WITH THE ENVIRONMENT

COMMITMENT TO OUR CUSTOMERS

We work on continuous improvement of all our services on a daily basis. We understand that both companies and customers not only are essential elements in the survival of the organisation, but also, behind each, there are people. Therefore,

communication, transparency and commitment are the columns upon which our relationships are built. It is by working on gaining the trust of our customers that we attain their loyalty.



“Through a customer centric strategy, our goal is to help customers by providing them with the best solutions for tools and accessories to condition homes”



Through a customer centric strategy, our goal is to help customers by providing them with the **best solutions for tools and accessories** to condition homes. It is for this reason that we have a quality management system designed based on the **standard ISO 9001**. We make our decisions based on our customers.

The quality of our products does not guarantee the perfect experience. For this reason, we have procedures to assess risks and opportunities, in order to implement corrective and preventive actions, ensuring the best experience possible.

Training and information, the new way of attaining loyalty

EMUCA is committed to its customers through their training and information, to maximise the benefits given by their acquired products. Days, seminars, assembling videos, technical documentation, exhibition material and models are some of the tools we offer to ensure correct use of our products and services.

Response time is essential for the best experience. To shorten response times to the maximum, we have a technical forum to solve queries related to the technical aspects of our products. It was set up with agents that help to understand product needs based on the solution the customer seeks and manuals for the use of our online B2B sales platform and the correct use of our corporate trademark.

However, we are aware not all our customers have the same resources, so, through our new needs and market requirements area, we offer customised training in digital tools, trends, and other aspects relevant to the sector, according to the interests of the requester.

Privacy, a requirement

Nowadays, any kind of management requires a minimum set of personal data and frequent requests does not mean it stops being delicate personal information. At EMUCA we worry for the security of our customers and only use their data for our collaboration and to improve their purchasing experience. Therefore, EMUCA S.A. is the controller of the treatment of the Interested Party's personal data and informs its customers these data will be treated in accordance with the provisions in (EU) 2016/679 of 27 April) and Organic Law 3/2018 of 5 December (LOPDGDD) due to the legitimate interest of the Controller, thus providing the following treatment

Data will not be kept longer than necessary according to the purpose of the treatment or while there are legal prescriptions that demand their custody and when they are no longer necessary, they will be removed following adequate security measures to ensure data remain anonymous or are fully destroyed.

Data communication: no data will be given to third parties unless there is a legal obligation.

Customers have the right to remove their consent at any time, including the right to access, right to rectify, right to portability and right to remove their data and right to limit or to oppose, as well as the right to file a complaint before the Controlling Authority (www.aepd.es) if you believe treatment does not adhere to current regulations.

Purpose and legitimisation of the treatment, has a business relationship (due to the legitimate interest of the controller, section 6.1.f of the GDPR) and sending communications regarding products or services (following the consent of the interested party, section 6.1.a of the GDPR).

COMMITMENT TO OUR PEOPLE

Prepared committed professionals

To adapt to the new business environment, maintaining the trust of our customers and satisfying the needs of society, we need committed and prepared staff. Our team must reflect the diversity in our current society.

Our executives are aware there is a need for policies based on a **work-life balance management model** because of the benefits having more committed and motivated personnel brings to the

Policies upon which we build our jobs

Quality

Every person deserves a decent remunerated job. However, the efficiency of an employee largely depends on optimal working and hiring conditions, decent salaries, etc.

At EMUCA we pay special attention to our workers providing them with the tools they need to do their job adequately, clean, and wide work centres, quality ergonomic furniture. Regarding the selection policy, we always try to select members of staff that live close by to the work centre or to the action's geographical area. Moreover, we value seniority and experience to recognise the work

Flexibility

Maintaining work-life balance is complicated. It is for this reason that we understand flexible personnel management is an essential tool to facilitate work-life balance.

The purpose of our **flexible work policies** is to reduce "time" conflicts between work and family. Seeking balance between professional and personal and/or family life to have happier and more balanced people that promote a more cohesive and efficient team.

Office and sales personnel may opt for flexible working hours both when entering and leaving work. Employees have free disposal days to be enjoyed whenever they choose. Said days may be divided and enjoyed in half days, thus increasing the flexibility of this measure. The organisation

organisations, as well as of using our position to build the society where we want to live.

The company's management undertakes to develop FRC within the scope of the organisation and it is documented on a permanent basis.

these employees have been doing for years helping us grow.

It also ensures optimal assessment of performance by goals, which enables the worker to know through a non-biased system its professional evolution through the assessment of its direct supervisor. Employees' salaries are above the salaries in the collective bargaining agreement because of our incentives policy.

wants to also stay vigilant of the personal and family needs or difficulties employees may have at any given time. Consequently, a personalised customer services has been established, through which special circumstances of employees are dealt with special measures: reduced working hours, flexibility, etc.

Personnel, as well as **working intensive hours in the summer**, may freely choose when to enjoy one week of their holidays to coordinate better their holidays with their partners or school holidays.

Growth

We invest in training people. Each person contributes different knowledge and perspectives to the team, so training our people is the first step to build qualified teams. It is intended that a large number of working hours are taught during working hours and that trainers travel to the company, so employees are more comfortable and save time.

In addition to covering their whole training needs for the best performance at work, we grant

scholarships for additional training hired by employees themselves. Internal promotions and career plans are promoted by publishing vacancies on the intranet to facilitate employees or relatives' access to other positions. Suggestions and complaints submitted by employees through the Suggestions Mailbox are taken into consideration. There are also other active communication channels between employees and the company: intranet, information board, email, etc.

Family

Without supporting or caring for the personal and family circumstances of employees, it is impossible to attain professional success. EMUCA wants to be present in the important moments of our employees' family life: marriage, birth of children, education of children, death of relatives, difficult economic situations, illness of relatives, etc. It is for this reason that we implement measures to support employees and families (kindergarten tickets for employees with children under 3 years old, marriages are celebrated with a significant amount of

money, credits are granted at no interest or commission rates, non-refundable money amounts are given, a baby's layette is given when children are born, life insurance coverage has been extended, meal tickets are handed to contribute to family economy, application of relatives or acquaintances is rewarded and a personalised customer service has been created).

Integration and equal opportunities

As a company, we have social responsibilities and the obligation to promote integration and equality policies. For this reason, our selection policy pays special attention to the integration of groups that are currently socially disadvantaged, as well as families that are dependent and/or have specific needs.

From the procurement area we collaborate with NGOs and entities dedicated to integrating in the labour market people at risk of exclusion: drug addicts, people with disabilities and other unfavoured groups (Cáritas, Banco de Alimentos, Cruz Roja, Intermon Oxfam etc.) because every person needs an opportunity to change and we believe we can give those opportunities, due to the nature of our company.

Health and safety at work

We give priority to protecting our employees before any circumstance. For us, ensuring the health and safety of all our company workers, as well as the health and safety of stakeholders (suppliers, external workers, visitors, etc.) is crucial. General Observations. The Occupational Risk Prevention Plan consists of the company's policies regarding risk management and our employees' health.

Furthermore, several activities to ensure health and safety at work and minimise risks are carried out. Among other, these are:

- On-going training to employees depending on their activity - Management of PPE for all employees depending on their needs
- Health Surveillance Plan - Drills - Training to act and assist in case of hazard or emergency.

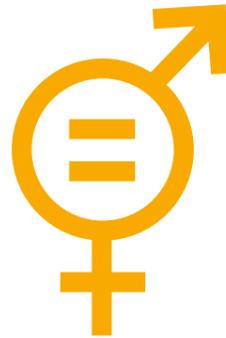
Said **Occupational Risk Prevention Plan** is handed to all company employees.

Gender equality

We believe in people and their qualities, not their gender. Currently, the percentage of men and women are as follows: 71,2% and 28,80% (respectively), enjoying the same benefits regardless of their gender. Analysis and follow up of use and level of satisfaction with FRC measures already implemented.

There is a model to request FRC measures for most measures available. There quests are recorded in the management system in the HR module.

In 2019 a survey was launched on the use and level of satisfaction of FRC. We have received 69 replies out of 106 surveys sent, representing a participation of 65%.



Set of measures	Replies	They enjoy it now or have in the past	%
Quality of employment	69	69	100
Support to families	69	31	45
Flexibility	69	57	83
Personal and professional development	69	35	51

Indicators follow up

According to the new FRC standard 1000-2, which our FRC management model follows, there is no obligation to follow up indicators. However, we deem necessary to continue measuring those indi-

cators we believe are relevant for our organisation, as well as following up and assessing results and, if applicable, making decisions in case of deviations.

COMMITMENT TO SUPPLIERS



We have a code of conduct to drive a legal, ethical, and respectful relationship with our suppliers and stakeholder groups



Building stable relationships with suppliers

We have a code of conduct that can be extended to the whole supply chain, so the Group employees interact with goods and service suppliers legally, ethically, and respectfully.

The selection of suppliers is governed by objective and transparent criteria, bringing into line the company's interest in obtaining the best conditions with the convenience of keeping stable relationships with ethical and responsible suppliers.

All suppliers working with the Group must undertake to respect human and labour rights applicable to all employees hired, as well as involving and transferring these principles to their business partners. Infringement of any of these principles will in no case be accepted by the Group.

Procurement and supplies activities must be carried out strictly observing the rules and procedures in force in the company.

Acceso en igualdad de condiciones

Group employees will not require or accept from suppliers information regarding conditions set in other companies competing with the Group.

No Group employee may offer, grant, request or accept, directly or indirectly, gifts or handouts, favours, or compensations, in cash or in kind, regardless of their nature, that may influence the decision-making process related to the performance of the duties arising from the position they hold.

Any gift or handout that contravenes this Code must be immediately returned and such circumstance must be reported to the Regulatory Compliance Committee. If it is not reasonably possible to return the gift or handout, it will be given to said Committee so, following receipt, will use it for social interest purposes.

All in all, the goal is to ensure competition under equal conditions, thus promoting a market that is fair and free to access.

Fight against bribery

In this regard, no Group employee may offer, grant, request or accept gifts or handouts from a natural or legal person with whom the Group has any kind of relationship that, isolated or jointly, in a year, are worth more than 100 euros or the equivalent amount in local currencies. Cash gifts are expressly forbidden.

The purpose is to ensure ethics and transparency in all the relationships with the company.

In the next year, the company intends on starting to assess compliance by our suppliers with the code of conduct following indicators, in order to have total control and overview of the social responsibility of the supply chain.



10. ENVIRONMENTAL MANAGEMENT



Emuca holds a strong commitment to efficient consumption of resources and waste management, as well as to reducing emissions



Linked to the SDG Climate Action, it includes actions to manage and minimise waste and optimise the use of paper in the company.

In its commitment to the environment, Emuca is responsible for organising and financing waste management related to electrical and electronic devices, batteries, and accumulators we make available to the Spanish market, ensuring adequate environmental treatment in accordance with current rules. We also collaborate in the awareness and information to customers regarding the importance of selective waste management.

Emuca's commitment to the environment is based on reducing the environmental impact of its acti-

vities, keeping a preventive focus that favours the environment and reduces the company's global carbon print.

For this reason:

- We apply on-going improvement criteria to comply with legislation and rules applicable and prevent pollution of the environment in all group facilities.
- We constantly review the environmental impact associated to existing processes, products and/or activities.

Waste management and minimisation

Our facilities have **cleaning, maintenance, and waste collection** (cardboard, wood, iron, aluminium, plastic, toners, etc.) services through external approved suppliers.

To reduce generating plastic and water waste, we have replaced the consumption of bottled water by installing fountains in all our companies. We have therefore eliminated by 95% of PET packaging waste (estimate).

We promote environmentally friendly packaging in all our processes, so products used are designed using the minimum quantity of material possible, that they are as small and light as possible and 100% recyclable. In this regard, we use recyclable cardboard packaging, of which a large quantity comes from recycled materials.

Optimising the use of paper in the organisation

Going back several years, Emuca has promoted digitisation of files and minimising the amount of paper used in the different company processes, whenever possible. Thanks to e-billing, we have had savings on paper, emissions, and envelopes.

Moreover, we have implemented a plan to separate

waste and recycle in the different company areas. We are also working in a digitisation project aimed at moving the company to a fully digital environment where there is minimum use of paper.

In administration, since electronic billing has been implemented, we have saved:

Year	A4 paper	Envelopes
2013	24.877	24.877
2014	24.285	24.285
2015	23.851	23.851
2016	25.496	25.496
2017	33.837	33.837
2018	32.179	32.179
2019	29.567	29.567

Usage of paper packs (boxes of 5 packs of 500 sheets each). This is the summary of sales for each year:

Year	Sheets	Boxes
2017	462.500	185
2018	400.000	160
2019	375.000	150

Reducing emissions

- **We renew our sales and representation vehicle fleet** to ensure their good condition and performance, as well as adequate fuel consumption to reduce gas emissions.
- **We supervise** our suppliers involved in transportation and packing activities **have implemented internal environmental management systems** or action plans related to reducing environmental impact.
- At Emuca we have installed **FV solar panels for self-consumption** of 118.80 kWp in our plant. The system consists of 432 panels that, at full annual self-consumption production, we will stop releasing to the atmosphere an average of 162 tons of CO2 every year. In addition, we foster this kind of investment, so we have another production plant to sell green energy to Iberdrola, consisting of 2,350 panels on the cover with a peak capacity of 645.84 kWp. By using this plant, we release an average of 769 tons of CO2 to the atmosphere less every year.





11. SOCIAL CONTRIBUTION TO THE COMMUNITY

Asociación Española Contra el Cáncer (Spanish Association Against Cancer)

To promote research to improve health and living conditions for society, Emuca has collaborated in 2019 with the Asociación Española Contra el Cáncer participating in the 7th edition of the **Ponte Guapa** (Make yourself pretty) day. This collaboration consisted in disseminating the campaign among its employees promoting awareness

and information to all women and society overall on the role early detection has in the success of treatments. Furthermore, through the Group to which the company belongs, Emuca has collaborated in this edition with an economic contribution of €1,500 to support research and treatment for this illness.



Investing in the generations of the future

Emuca collaborates with several training centres/universities in the Comunidad Valenciana such as EDEM, of which it is a member, CEF-UDIMA and Universidad Politécnica de Valencia (UPV), to promote collaboration and exchange of knowledge with universities, give students opportunities to

combine theory and practical knowledge of training programmes in our company and facilitating access to the professional world, having gained real experience during their internships.





12. APPENDICES

Quality of policies and FRC measures

1. Quality of employment.

Working stability: % of permanent contracts over total / seniority

Year	Average number of employees	Permanent Contracts	%
2016	93,67	88,00	93,9%
2017	97,83	91,25	93,3%
2018	104,17	92,17	88,5%

Seniority in the company: number of people

Year	Seniority tranches				
	<1 year	1-5 years	5-10 years	10-20 years	>20 years
2016	5,83	15,42	26,08	37,67	8,67
2017	6,75	77,25	17,83	46,08	10,42
2018	12,00	19,92	10,58	49,67	12,00

Flexi-Safety No. of permanent contracts with reduced hours for work-life balance (including reduced hours to care for children under 12 years old and other personal reasons).

Year	No. of reduced workdays	C. Indefinidos	%
	Permanent Contracts	%	7,95%
2017	7	91,25	7,67%
2018	8	92,17	8,68%

Support to families

No. of employees benefiting from the 60 euros/month childcare aid.

Year	No. of beneficiaries	Investment childcare aid
2016	10	5.880
2017	12	6.420
2018	11	5.760

Support to equal opportunities

Age difference in staff

Año	Tramos de Edad				
	<30	30-40	40-50	50-60	>60
2016	5,33	49,00	28,92	9,42	1,00
2017	6,83	45,25	34,33	10,42	1,00
2018	11,42	42,75	37,00	12,00	1,00

Since the number of women hired has gone down, we have analysed the positions covered:



We see that it still difficult to find women in industries such as technical areas and logistics. If we notice this deviation is accentuated, we will act in this regard.

2. Gender perspective

Equal opportunities for women in the access to employment

Total number of hires per year - positions covered by women

Year	Number of hires	No. of women	%
hired	%	2	33,33%
2017	10	6	60,00%
2018	10	2	20,00%

« We are aware of our current and future challenges in Attracting, Developing and Managing Talent in organisations, so we continue working on several actions such as the Equality Plan. We consider this plan to be a management model within HR's strategy that facilitates policies. »



