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1.- What is the purpose of the Human Resources Policy?

To define our **value proposition and deliver a management framework centred on people**, providing them with an environment they choose to stay in and develop personally and professionally, in the vein of Equality, throughout their journey at Garnica.

Garnica believes in and builds on **the true worth of the people** who make up the company, those individuals who are its key asset and the source for developing new ideas, products and services, etc. over time.

By caring for our employees, we care for our clients and provide a better response to current and future business needs.

2.- Who does it apply to?

This policy applies to all companies in the Garnica Group and, therefore, to all its company employees around the world.

3.- About our company

Garnica has come a long way since **starting out** in a **family** sawmill in Baños de Río Tobía (La Rioja) in 1941, to become the global leader in plywood panel production it is today, enjoying strong growth and professionalised management since 2016 and renewing its image with the new slogan **“Challenge the ordinary”**.

Its production model is based on sustainability and ecology. It offers a wide variety of products and customised solutions for each of its clients across 50 countries.

In its search for excellence, the company continues to stride ahead with the goal of pursuing exponential growth through mergers and acquisitions at international level, which requires an ever greater focus on the people who make up Garnica.

4.- Mission, vision and values

4.1.- Mission

We are a **global** game changer, serving the most demanding clients with **innovative** and superior **quality** plywood products for living and mobility. Rooted in a firm respect for **nature, people** and the **community**, we work with **sustainable and renewable wood** sources to preserve ecological balance.

4.2.- Vision

Our vision is to grow **dreams that are taller than trees**, exploring new paths towards a cleaner, healthier and more sustainable society **for future generations**.

4.3.- Values

Garnica is a **people-centred** organisation. We treat each other with respect, trust and integrity. We are committed to setting an example, contributing to the Garnica dream with an open mind, enthusiasm and a sense of ownership.

These values serve as the compass that guides our actions. In order to live them out, we have defined the behaviour that reflects each value through which we will regularly evaluate ourselves as individuals and as an organisation to establish our company culture in a spirit of continuous improvement.

5.- Our journey begins with attracting and hiring talent

We endeavour to **attract and select** candidates who not only bring the **necessary experience, training and skills** to the job they will perform or may perform in the future, but we also fundamentally seek to **align them with our company values and culture** based on trust, transparency and collaboration.

The origin, nationality, religion, race, sex and age of candidates play no role in our selection criteria. Garnica is a workplace that upholds the standards of **equal treatment and opportunities**, paying particular attention to gender equality.

We enhance **our visibility** to potential external candidates through our online publications, our participation at industry events and our collaboration with universities, educational centres and local government.

We also work with **top-tier consulting firms** to recruit the talent that Garnica needs to address its current and future growth challenges.

Lastly, whatever the outcome of the recruitment process, we pay close attention to our **communications with candidates, both internal and external**, adopting a respectful and transparent approach in our final feedback.

6.- Welcome onboard

The integration process for new employees is crucial for facilitating their immersion in Garnica's culture. We have designed **two welcome programmes that respond to two different needs**:

A welcome programme for support (non-core) employees, combining information/training sessions in a variety of cross-cutting areas (Quality and Environment, Health and Safety, HR, Finance, Sales, Purchasing, Compliance) with visits to the production plants.

A welcome programme for production (core) employees, comprising information and training sessions on work procedures, safety and quality standards and a visit to the production plant.

In all cases, we provide new employees with personal protection and work equipment appropriate for the job they are to perform, along with the corporate welcome manual and legal documents regarding their incorporation.

7.- Your working environment

7.1.- Ethical standards of behaviour

Our Code of Ethics establishes a set of **principles and behavioural guidelines** that consolidate the group's culture, among which we highlight:

- **Respect** for the law, particularly on human rights and civil liberties.
- Scrupulous respect for **people's dignity and privacy**.
- **Professional** respect and **mutual collaboration**.
- **Zero tolerance** for all forms of **discrimination** in all circumstances.
- **Respect for international agreements** related to work and human rights law.

The company offers its employees a **channel to report complaints** via the intranet, using mailboxes located in the work centres or by sending an e-mail to the Compliance Officer. They may report any infraction that comes to their attention with the guarantee of strict confidentiality and absence of any form of reprisal.

7.2.- Health and Safety

Occupational risk prevention is a top priority for the Garnica industrial group, enabling it to achieve a high level of risk-free business competitiveness with the **necessary safety conditions** in place.

It is therefore introducing an Integrated Risk-Prevention Management System based on the following principles:

- Health and Safety is a crucial factor in our work.
- Health and Safety is the responsibility of everyone.
- Risk prevention is incorporated into all processes.
- Risk prevention is part of work planning and execution.
- All accidents can be avoided.

We have our own risk prevention department and use an external health monitoring service.

7.3.- Equal treatment and opportunities

Garnica has developed an **Equality Plan** at its headquarters in Logroño, serving as a strategic tool aimed at initiating work processes designed to achieve **true gender equality**, through the introduction of measures that encourage people to join, stay and develop with the company and to attain **balanced gender participation** at all levels of the organisation.

It is a tool for internal improvement, both for the work environment and for optimising the capabilities and potential of the entire workforce, and **avoids sex discrimination** in access to the

company, recruitment and working conditions, promotion, training, pay and reconciling personal and family life with work.

7.4.- Garnica Health

We are committed to the overall wellbeing of our employees:

- We have introduced the Garnica Health scheme, implementing various initiatives that may evolve over time (talks on sleep, nutrition, pelvic floor, etc.)
- We promote respect for all employees when they digitally switch off, encouraging good practice in this regard.
- We perform initial and periodic medical check-ups.
- We conduct Psychosocial Risk surveys from the perspective of prevention.

8.- What conditions and benefits will you have?

At Garnica, we care about the **extrinsic and intrinsic motivation** of individuals, which is why our value proposition does not just focus on people receiving financial remuneration that satisfies their basic needs. We also create opportunities that respond to their intrinsic motivation, addressing aspects that include balancing work and family life, professional development, challenge, recognition, freedom and autonomy and the ability to influence and to forge social links. Salary is important but is not the only factor in team motivation.

8.1.- Fair and equal pay

Our remuneration system provides **competitive conditions** based on both external and internal equity, offering levels in line with the market average. In order to do this, we conduct **comparative salary studies** with market wage levels in the industrial sector.

The composition of benefits packages is studied and implemented in line with market practices in accordance with each role. For workers whose salaries are covered by a collective agreement, we enhance the overall benefits, including improvements such as some allowances.

For our salary review processes, we have a policy in place for salaries not covered by a collective agreement, while those that are covered are governed by the agreement.

8.2.- Flexibility in time and place of work to enhance work-life balance

At Garnica, we believe that the combination of **responsibility and flexibility** improves the wellbeing of our employees and allows a better **balance between personal and professional life**. We work with a mixed model of remote and on-site work.

Three key principles underpin the flexible working policy:

- Responsibility over your work.
- Bilateral flexibility.
- Trust.

This policy applies to non-core employees, excluding those whose activities require their physical presence. It does not apply to core employees working in production since their physical presence is obviously required to perform the tasks of operating and maintaining machinery.

8.3.- Dynamic training plans

We are committed to **continuous training and internal promotion** as key factors in professional development, equipping people with the knowledge, skills and experience that enhance their value throughout their professional careers.

Continuous learning is essential for keeping professional knowledge and skills up to date. **Training** is therefore **neither a prize nor a reward, but rather a means of improving** performance.

We work in **short cycles to plan and identify** the training needs, prioritising those that have a greater impact on our business strategies so that we can **adapt** to changing needs at any moment.

8.4.- Garnica Academy

Garnica Academy is a tool we have developed to launch different training initiatives that will gradually be expanded (user guides for Garnica applications, diversity and equity, compliance, Garnica Health talks).

8.5.- Career and development plans

The talent review process ensures the organisation's growth and competitiveness, identifying and developing the proficiency, skills and behaviour we need in our teams and future leaders.

In **conversations on development**, supervisors will create a suitable space to review with their team members which skills, values and behaviour they need to develop or improve in their job.

For people who have the potential to become **future leaders** and aspire to develop professionally into positions that offer greater responsibility for business activity and people, **specific medium to long-term development plans** will be established, building up the talent pool of future leaders and key people as part of the succession planning process.

8.6.- Promotion

We prioritise **internal promotion**, drawing on various sources:

- Plans to develop proficiency, skills and behaviour in the current job and those that encourage versatility and facilitate access to internal vacancies throughout the entire organisation.
- Career plans for future leaders and key positions.
- Succession plans that ensure the replacement of Directors, Managers and Middle Management, based on flexible and inspiring leadership that serves as a model for employees to follow.

9.- Labour Relations

As a Company, we believe that **the legal representatives of workers** and their relevant bodies, the Works Council and the Health and Safety Committee, **play an essential role** in the Company's smooth operation and in Employee/Company relations.

We will seek **fluid, cordial and synergistic relations** with our Employee Representatives at all times.

Recognising the imperative importance of compliance with respect to basic labour relations issues, such as the observance of legal standards in all aspects of Labour and Social Security Law, good practice in the management of transparent labour relations means that:

- **Seeking agreement** is always encouraged and taking decisions behind workers' backs is avoided.

- At all levels of the organisation, the company fosters a **culture of respect, trust, information sharing, dialogue and transparency**.
- The company constantly **shares information** with employee representatives and seeks their input.
- The company shares **socially-relevant information** with employee representatives, such as information related to the wage and gender gap, diversity and people-management policies.
- There is a **direct, loyal, fluid, periodic, efficient and multichannel relationship** between the company and employee representatives, unions and sectoral federations.
- Employee representatives do **not promote social conflict** until all opportunities for negotiation or avenues to seek agreement have been exhausted.
- The mechanisms for **collective bargaining** are optimised efficiently, normalising internal agreements and focusing on improving business activity and employment, optimising **non-judicial means** to reach agreements and avoid conflict.
- The **tone** of reciprocal communications (formal and informal) between the company and employee representatives is always **respectful, constructive and cordial**.
- **Employee representatives and unions avoid jeopardising the company's reputation** in the media and on social networks, as a means to exert bargaining power.
- Labour relations form part of the **Good Governance of companies**.

The Human Resources Policy (POL.7000 Revision 01) was approved by the CEO and the Board of Directors of Grupo Garnica Plywood, S.A.U. at a meeting held on 20 January 2022.