



SUPPLY CHAIN POLICY

CONTENTS

1. Purpose	3
2. Scope of application	3
3. General principles of conduct in our supply chain.	3
3.1. General principles	4
3.2. Principles related to workers in our supply chain.	4
3.3. Principles related to society and to local communities.	5
3.4. Environment-related principles.	5
3.5. Principles related to regulatory compliance	5
4. Expected actions for the supply chain.	6
4.1. Expected actions for the supply chain in respect of labour relations and human rights.	6
4.2. Expected actions for the supply chain in respect of Occupational Health and Safety.	7
4.3. Expected actions for the supply chain in respect of the environment.	7
4.4. Expected actions for the supply chain in respect of regulatory compliance.	8
5. Assessment of the alignment of suppliers with this Policy during the selection phase of new suppliers and during the execution of the project	9
6. Collaboration with suppliers, promotion of good practices, support measures and improvement of their capacities	9
7. Supervision of compliance with this Policy and audits.	9
8. Entry into force	10

SUPPLY CHAIN POLICY

The Board of Directors of Valoriza Servicios Medioambientales, S.A. ("VALORIZA"), within the framework of its general and non-delegable powers to determine the general policies and strategies of the Company, has approved this Supply Chain Management Policy (hereinafter, the "Policy").

1. Purpose

The objective of this Policy is to extend our commitments, policies and values to our entire value chain, and to encourage our providers, suppliers, collaborators, contractors and subcontractors (hereinafter and jointly, "suppliers") to honour the same commitments.

VALORIZA assumes the management of its supply chain as an integral part of its responsibility in relation to the sustainable development of its activities, respect for the environment, good corporate governance, regulatory compliance, health care, the promotion of diversity and inclusion and respect for human rights, and encourages its suppliers to act in the same way.

This Policy sets out the means to assess VALORIZA's risks and opportunities associated with the contracting, procurement and supply of supplies and services at the corporate and project level, as well as the development of sustainable business relationships.

As part of this commitment, VALORIZA considers it a priority to prevent any risk originating in its supply chain and in the goods and services produced or supplied by the companies that are part of this chain.

This Policy encompasses the entire approach to responsible management of our supply chain, including our commitment and that of our suppliers, and must be read and interpreted together with its implementing instruments, with our Code of Ethics related to sustainability and the commitments made by VALORIZA and accessible on the website: www.valorizasm.com

2. Scope of application

This Policy applies to all the entities belonging to Valoriza, taking into account their own characteristics. For the purposes of this document, VALORIZA is deemed to comprise (i) all subsidiaries or majority-owned companies over which, directly or indirectly, effective control is exercised by VALORIZA, S.A., regardless of their geographical location and (ii) temporary joint ventures. Therefore, in all references that this Policy makes to VALORIZA, all the companies detailed above will be understood to be included.

Its scope of application does not include subsidiaries or minority investee companies in respect of which VALORIZA, S.A. does not exercise effective control, directly or indirectly, which will have, where appropriate, their own internal policies or regulations that regulate the matter, and may not, under any circumstances, be contrary to the provisions of this Policy.

3. General principles of conduct in our supply chain.

In order to achieve the implementation of the objectives included in this Policy, VALORIZA and the other companies belonging to its Group will guide their actions by the following general principles, which will also be required of all their suppliers:

3.1. General principles

- Demand socially responsible products, services and/or projects.
- Provide the supply chain with accurate and transparent information about our requirements in the procurement process.
- Ensure that the supplier selection process complies, in addition to quality, timeliness and cost criteria, with the criteria of impartiality, integrity, objectivity, transparency, value creation, confidentiality, free competition and sustainability, prioritising the selection of those suppliers that effectively implement social, regulatory, ethical, environmental and health and safety standards aligned with those of VALORIZA.
- Ensure that all relationships with our suppliers are fair, balanced and honest, respecting their basic rights.
- Evaluate our suppliers that are identified as high risk to ensure that they comply, prior to and during the relationship with the Group, with the requirements of this Policy.
- Promote the integration of ESG (environmental, social and governance) criteria into contractual clauses.
- Provide training and awareness-raising to suppliers about ESG issues.
- Value our suppliers' membership of an internationally recognised supply chain initiative (e.g., Ethical Trading Initiative and Supplier Ethical Data Exchange), or collaboration.
- Work with suppliers who respect our Code of Ethics and Conduct and our policies related to sustainability, good governance and regulatory compliance.
- Collaborate with suppliers to agree on a remediation plan, in the event that issues arise about their professional practices.
- Integrate all these requirements into our processes and procedures, and provide ongoing training and guidance to our employees.
- Transfer VALORIZA's Sustainability and Corporate Social Responsibility to its supply chain.
- Encourage the supply chain to have in turn a sustainable purchasing policy for its own suppliers.
- Ensure legal and ethical compliance in business practices that involve the use of materials such as coltan, gold, cassiterite, tungsten or their derivatives (conflict minerals), extending this commitment to our suppliers to ensure the traceability of these materials.

3.2. Principles related to workers in our supply chain.

- Neither VALORIZA nor any entity that supplies labour to the organisation will participate in or support human trafficking.
- Prevent violations of the basic rights of subcontracted employees.

- Establish contractual terms of fair payment and delivery times that allow our suppliers meet basic labour standards.
- Promote the reduction of excessive working hours.
- Prohibit child labour exploitation throughout the global supply chain.
- Support the right to a minimum or living wage and monitor compliance with local minimum wage laws.
- Withholding, by VALORIZA or any entity that supplies labour to the organisation, part of workers' pay, benefits, belongings or documents in order to force them to continue working for the organisation.

3.3. Principles related to society and to local communities.

- Respect the rights of all workers, especially migrants and those in particularly vulnerable situations.
- Take measures to support local social and economic development, establishing channels of dialogue and communication with local communities.
- Support the recruitment of local labour, working with local suppliers, where possible.
- Reduce social impacts related to project closures, openings and restructurings.
- Prevent complicity in land rights violations.

3.4. Environment-related principles.

- Protect the environment.
- Encourage the purchase of more environmentally-friendly products.
- Promote the procurement of materials and products that can be reused or recycled at the end of their use.
- Promote the use of recycled resources.
- Promote the use of wood and wood-based products with recognised forest certifications.

3.5. Principles related to regulatory compliance

- Ensure that our suppliers act with integrity, ethically and in accordance with applicable law, whether international, national or local, as well as in accordance with the internal regulations of VALORIZA that apply to them.
- Be particularly vigilant about the adherence to anti-corruption regulations by our supply chain, with zero tolerance of any form of corruption or practices arising from conflicts of interest.
- Prohibit anti-competitive conduct by our suppliers that may pose a risk to free competition.

4. Expected actions for the supply chain.

The following guidelines are minimum and basic standards and they apply to our suppliers:

4.1. Expected actions for the supply chain in respect of labour relations and human rights.

Suppliers are expected not only to comply with current regulations, the central conventions and recommendations of the International Labour Organisation, but also to take proactive measures based on:

- Adoption of the UN Global Compact Principles by suppliers

All supplier companies must accept the General Contracting Conditions in force at the time a contract is awarded. These indicate that the supplier undertakes to assume and respect to the full extent the following Ten Principles of the United Nations Global Compact, both with regard to tasks carried out by its own personnel and by subcontractors:

Human Rights

1. Support and respect the protection of human rights.
2. Not be complicit in human rights abuses.

Labour Conditions

1. Support the principles of freedom of association and the right to collective bargaining.
2. Eliminate forced or coerced labour.
3. Abolish all forms of child labour.
4. Eliminate discrimination in employment and occupation.

Environment

1. Support the preventive approach to environmental challenges.
2. Promote greater environmental responsibility.
3. Encourage the development and dissemination of environmentally friendly technologies.

Fighting corruption

1. Act against all forms of corruption, including extortion and bribery.
2. Align supplier codes of conduct with ours

Our Code of Ethics is based on VALORIZA's ethical values and basic principles such as respect for human rights and scrupulous compliance with the United Nations Global Compact. For this reason, the codes of conduct of our suppliers must be consistent with these same values and principles, as a natural extension of the statements of corporate commitments and values.

- Adoption of certifications in the field of Ethical and Socially Responsible Management

It will be positively valued if suppliers adopt international business management standards and certifications that systematically and effectively integrate social, environmental and good

governance aspects into the strategy and management of their organisations, evaluating their compliance and generating continuous improvement of their management systems.

4.2. Expected actions for the supply chain in respect of Occupational Health and Safety.

VALORIZA considers its priority objective to ensure that its suppliers adopt from the moment of planning their activities, and throughout their execution, the necessary measures to prevent occupational health and safety risks, and in those risks that are considered unavoidable, all the necessary prevention and safety measures are put in place for the prevention of damage to and deterioration of people's health.

Safety must be inherent and intrinsic to the performance of any work, it must be an integral part of its conception and the operation with which it must be carried out.

To achieve this objective, the supplier must be aware of its obligations and responsibilities and how to deal with them, always seeking continuous improvement in the performance of prevention and safety at work, and taking into account that this can only be achieved through the information, training and participation of its personnel and its sub-suppliers at all levels.

The supplier must provide a safe, healthy and organised working environment to prevent accidents and injuries, and encourage the request from subcontractors for information about their accident rate and working practices (e.g. from security services, cleaning services, etc.).

VALORIZA will value positively in its suppliers the implementation of a management system certified by a third party.

4.3. Expected actions for the supply chain in respect of the environment.

Our suppliers must carry out all activities within a legal framework and with full respect for the social and environmental environment, aiming to achieve the highest standards of environmental protection. To this end, its actions will be guided by the following principles:

- Efficient use of consumed energy.
- Reduction of gas emissions into the air, both greenhouse gases and other polluting gases such as NOX, SO2, CO, VOCs and particulate matter.
- Consideration of criteria for responsible consumption of materials, prioritizing the choice of those that include environmental criteria (e.g. recycled materials, locally sourced, with ecolabels, etc.).
- Efficient water management.
- Biodiversity conservation and implementing of the mitigation hierarchy (avoid, minimise, restore and compensate).
- Effective application of the waste hierarchy principle: reducing the generation of hazardous and non-hazardous waste, increasing reuse and recycling, promoting recovery and avoiding elimination.
- Waste management must be in accordance with the current legislation of each country, always with authorised management companies and ensuring its correct treatment.

- Participation in initiatives or adherence to commitments that promote good environmental practices in the supply chain.
- VALORIZA will value positively in its suppliers the implementation of an environmental management system (as per the requirements of ISO 14001 or another similar standard with international recognition) that guarantees effective planning, action and control of the most important environmental aspects of their activity, as well as their certification by a third party. To this end, VALORIZA will incorporate measures such as:
 - Integration of environmental issues into contractual clauses.
 - Awareness-raising/training of suppliers on environmental matters.
 - Conducting questionnaires or evaluations of suppliers.
 - Facilitating visits to suppliers' facilities and audits to control and monitor environmental and social performance.
 - Procedures in the event of supplier non-compliance (re-audit, re-education, termination of contracts).

4.4. Expected actions for the supply chain in respect of regulatory compliance.

Our suppliers must comply with both the laws and regulations in force in the jurisdictions in which they operate, as well as with the VALORIZA regulations that apply to them and that will be suitably passed on to them, in particular this Policy, our Code of Ethics and its main implementing policies.

Specifically, VALORIZA considers it essential that suppliers make a specific commitment to zero tolerance of particularly serious breaches such as criminal breaches, breaches of anti-corruption and anti-competitive regulations, as well as breaches of anti-money laundering and counter-terrorist financing regulations.

In this regard, VALORIZA's suppliers must carry out their activities with integrity, honesty and transparency, refraining from all illicit conduct and in particular all criminal conduct, in line with our Regulatory Compliance Policy on Crime Prevention.

Suppliers must especially supervise compliance with the applicable anti-corruption regulations, making a firm commitment to zero tolerance of any form of corruption, in line with that set out in VALORIZA's Anti-Corruption Policy and Relations with Public Officials and Authorities. Specifically, both the offering and acceptance of bribes, as well as the use of donations and sponsorships, or gifts and hospitality, as a covert form of bribery, both in the public sphere and between private individuals, is prohibited.

Furthermore, VALORIZA considers it essential that its suppliers carry out their activities with full respect for the regulations governing free competition, as formally reflected in its Regulatory Compliance Policy on the Defence of Competition, which prohibits any anti-competitive conduct, a commitment that must also be assumed by our supply chain.

Finally, suppliers must maintain mechanisms to prevent conflicts of interest, i.e. any situation in which their interests may conflict, directly or indirectly, with those of VALORIZA, and must notify us of any situation of this kind that may arise prior to their involvement in it through the channels set out in section 7 of this Policy.

5. Assessment of the alignment of suppliers with this Policy during the selection phase of new suppliers and during the execution of the project

VALORIZA incorporates all the ethical and sustainability requirements detailed in the previous sections of this Policy as a critical part in the approval of its suppliers and as an element of risk assessment in the selection phase.

During the execution of the project, VALORIZA will carry out performance assessments of the main selected suppliers, as well as those that have been classified as high risk. These assessments help suppliers to assimilate the expectations of VALORIZA and the other companies belonging to its Group in terms of responsible supply chain management.

6. Collaboration with suppliers, promotion of good practices, support measures and improvement of their capacities

VALORIZA will transparently convey to its suppliers its commitments and expectations regarding the commercial relationship, based on the provisions of this Policy and its possible developments.

Likewise, VALORIZA will encourage the continuous improvement of the performance of its suppliers. This approach includes both the restitution and resolution of cases of non-compliance and the enhancement of supplier capacities.

7. Supervision of compliance with this Policy and audits.

VALORIZA will evaluate the active compliance of its suppliers with this policy and its possible developments.

To do this, it will establish monitoring systems and be able to carry out compliance audits and evaluations of supplier performance.

When a supplier does not comply with this Policy, VALORIZA:

- You will be able to discuss with the supplier the necessary corrections and give guidance for improvement.
- If the breaches are repeated or are particularly relevant breaches, VALORIZA may terminate the contract with the supplier, without prejudice to any other rights that apply in accordance with the contractual clauses or the applicable law. VALORIZA may also remove it from the register of approved suppliers.

Suppliers who become aware of a possible breach of this Policy must notify VALORIZA, and may make use of the Ethics Channel, a communication channel set up by VALORIZA to facilitate the confidential and secure reporting of infringements of our VALORIZA Code of Ethics and Conduct or its Policies, including this one.

VALORIZA's suppliers and the other companies belonging to its Group will have access to the Ethics Channel in order to inform the Regulatory Compliance Unit of any queries or alleged breaches of this Supply Chain Management Policy, the Code of Ethics, as well as any policy, procedure and protocol in terms of VALORIZA's Regulatory Compliance. They may be accessed via the following channels:

- **VALORIZA's external website:** By accessing the Channel included on the website: www.valorizasm.com

- **By post:** addressed to the Regulatory Compliance Unit of Valoriza Servicios Medioambientales, S.A., address: C/ Condesa de Venadito, 5. 28027. Madrid.

8. Entry into force

This Policy was approved by the Board of Directors of Valoriza Servicios Medioambientales, S.A., on 20 March 2024.

With its entry into force, this Protocol derogates any other internal regulation in this matter that may have existed up to now. This document shall be disseminated as appropriate through Valoriza's usual communication channels

Versions record:

DATE	EDITION	REVISION	RESPONSIBLE PARTY	CHANGES DESCRIPTION
29 November 2023	V1	Changes.	Regulatory Compliance Unit	Initial draft.
06 February 2024	V2	Changes.	Regulatory Compliance Unit	Draft V2.
06 March 2024	V3	Board Approval.	Regulatory Compliance Unit	Board Approval version.
20 March 2024	V4	Board Approval.	Board	Board Approval.