

**Sustainability
Report
2019**



Ubesol

Natural Transformation



Letter from the CEO



“We are in the midst of natural transformation and Grupo Ubesol’s business strategy confirms this: we are making sustainability a fundamental pillar of our activity.”

(102-14)

This year, we have taken another step towards our firm commitment to sustainability. We **renew our commitment to the United Nations Global Compact**. As evidence of this, our sustainability report shows our willingness to consolidate, develop and implement good practices that are aligned with our activity and that help us advance in our commitment to sustainability and with the 10 principles of the Global Compact.

In addition, as an important symbolic gesture for the group, **we have transformed our entire corporate identity from the original blue of 40 years ago to the colour green**, so that our logo also represents this **paradigm shift**.

For the first time, in this Sustainability Report, we collect each of the projects and actions that we have

worked on in recent years to help **build, playing our part, a better planet and society**. To do this, we have followed the methodology and standards of the Global Reporting Initiative (GRI), the most widely used reporting framework in the world.

We want to be a company recognized for our commitment to quality, innovation and, specially, sustainable development. During the past year, we have consolidated our **corporate responsibility** through the implementation of different initiatives, highlighting the advances in **ecodesign, managing to save in the last year over 110 tons of plastic in our packaging**. At the same time, we have been working with our suppliers to reuse the packaging of the raw materials we use, thus promoting circular economy and waste management initiatives throughout our value chain.



At Ubesol we have a permanent commitment to people. Our challenge is to turn our work centres into **“a good place to work”**. We promote stability in employment, we have an Equality Plan, and different programs that facilitate work-family balance. Likewise, in 2019 we carried out **an organisational health survey**, which allowed us to know the expectations of our employees and the aspects that we must improve.

2019 has been a year of **great transformation and preparation** to keep moving forward. My most sincere appreciation to each and every one of the group’s employees, they are the ones who make this possible, and to those who, with their commitment and dedication, ensure that our company continues to establish itself as a quality, responsible and sustainable business.

*#TogetherWeAddUp
#JuntosSumamos*

Jorge Úbeda
CEO Grupo Ubesol

2019 a year of transformation

(102-7)



+ de 121
million euros

Our business

- Our turnover (4.8 % higher compared to 2018)
- Presence in **Spain** and **Portugal**
- **100 % national** ownership and capital
- **2 production** plants in Valencia



1.15 million
euros invested
in R&D

Our products

- **More than 173 million units** produced
- **More than 60** references
- We are present on the shelves of the leading supermarket in Spain



355 people
in our team

Our team



36%
Women



64%
Men

- **82,5 %** permanent
- **90,7 %** full-time
- **37** scientists specialized in R&D and Quality areas



81% of the purchase volume comes from Spanish suppliers

81% of local purchases (Valencia)
34,4% from the rest of Spain

Our suppliers

- **76.5 millions** in purchases
- **More than 80** raw materials suppliers, **73,3%** located in Spain
- We incorporate **sustainability** criteria in the assessment of suppliers



110 tons of plastic avoided in our packaging

Commitment to the environment



6.8% water discharge reduction



44% GHG emissions reduction



We consume electricity from **100% renewable sources**



Our contribution to the SDGs

- We have concrete actions in **11 out of the 17 Sustainable Development Goals**





1

Who we are



We are committed to family well-being, offering innovative solutions, with the highest quality, guaranteeing the best price and respecting the environment.



1.1 Ubesol, a story of quality and commitment | 08

1.2 Ubesol, a responsible business | 10

1.3 Involved with the sector and the environment | 16



1.1 UBESOL, A STORY OF QUALITY AND COMMITMENT

WE DEVELOP AND MANUFACTURE INNOVATIVE AND SUSTAINABLE PRODUCTS

(102-1, 102-4, 102-10)

We offer products and cleaning materials, for home care and personal hygiene, with the highest quality and at the best possible price. We have **over 30 years of experience** in the manufacture, marketing and sale of our products.

(102-2, 102-6)

We seek excellence in all our references. We work for distribution companies in the mass consumption sector in **Spain and Portugal**.

We distribute different brands, including Deliplus and Bosque Verde. Our products are split in two categories:

Textiles for home care and cleaning

- Wipes, cloths and textile duster
- Mops and feather dusters
- Wet mops
- Cleaning wipes: crystals, furniture, multipurpose, bathrooms, kitchen, leather, glasses
- Wipes for clothes' treatment, anti-colour transfer

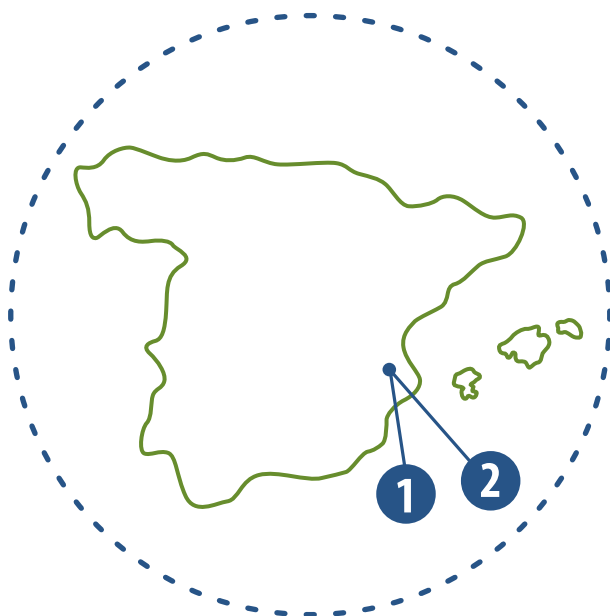


Textiles for personal care and hygiene

- Wipes for babies and children
- Cosmetic and personal hygiene wipes
- Hair accessories



We have two production plants in Atzeneta d'Albaida (Valencia):



Textile plant

Manufacture of textile products for home care and cleaning.



Hygiene plant

Manufacture of wet wipes for household cleaning, and for hygiene and personal care.

1.2 UBESOL, A RESPONSIBLE BUSINESS

1.2.1 OUR BUSINESS MODEL

OUR BUSINESS MODEL ALLOWS US TO GENERATE INNOVATIVE, SUSTAINABLE AND SHARED GROWTH WITH SOCIETY

Focused on the wellbeing of our final customer, **we have consolidated a business management model that guarantees the satisfaction and expectation fulfilment of all those involved in our value chain.** This model of action helps us generate solid and stable relationships of trust.

These are the five components of our business management model:



1.2.2 PILLARS THAT GUIDE OUR PERFORMANCE

OUR PURPOSE AS WELL AS OUR VALUES AND PRINCIPLES ARE THE BASIS OF WHO WE ARE

(102-16)

Mission

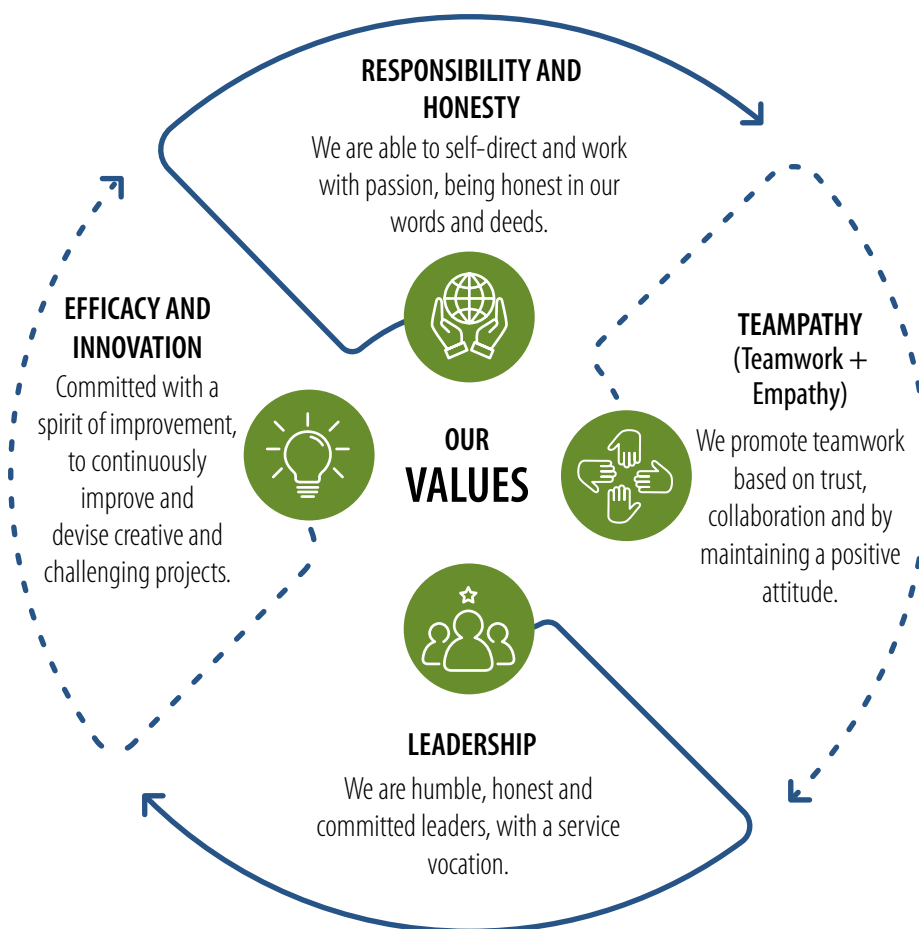
To be specialists developing and manufacturing innovative and sustainable products that solve the needs of our clients, with the highest quality and always at the best possible price.

Vision

To be a **leader company**, respected and admired, that people want to belong to, and **that offers innovative and sustainable products of the highest quality**, obtaining the highest degree of satisfaction from our customers.

Values

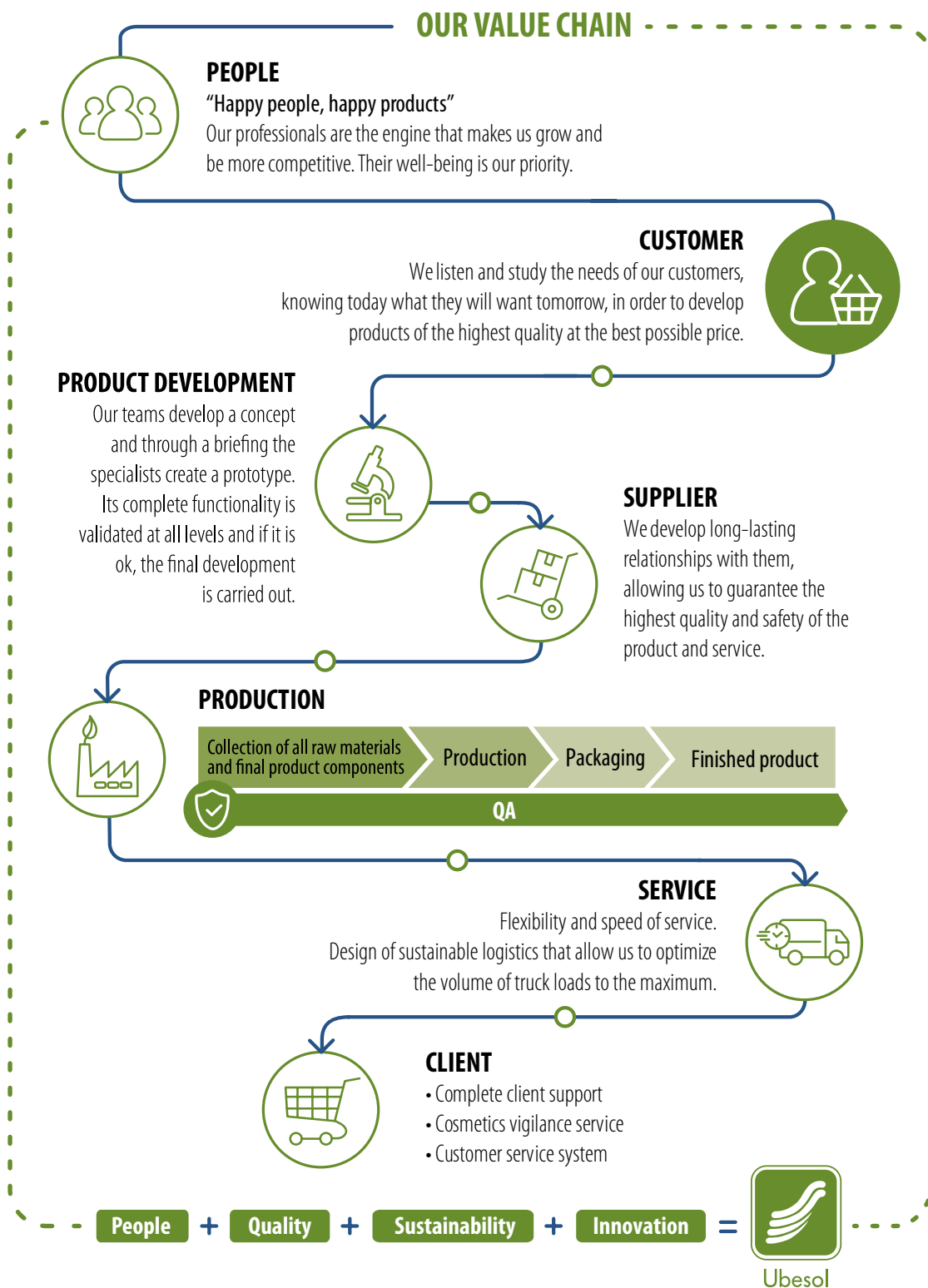
Our values are an essential part of our identity, they reflect our commitment to the pillars on which our business culture is based:



(102-9)

COMMITTED TO GENERATING VALUE THROUGHOUT OUR CHAIN

Our business strategy encompasses all the actors in our value chain. We work to develop a chain that is made up of the best, promoting innovation, collaboration and the generation of value at all levels.





Our system ensures that an effective compliance culture is implemented, which goes beyond regulatory compliance, through an ethical framework.

We want all our professionals to act in accordance with behaviors based on honesty and integrity.

1.2.3 A CORPORATE CULTURE FOCUSED ON ETHICS, INTEGRITY AND GOOD CORPORATE GOVERNANCE

TRANSPARENT AND RESPONSIBLE BUSINESS WITH ALL OUR STAKEHOLDERS

(102-16, 102-17)

We have established clear and rigorous procedures, codes and policies that guide and regulate the behavior of the people involved with our daily activities, to avoid corruption cases or unfair practices, and to know how to act in the event that it occurs.

One of Grupo Ubesol's goal is with society, its employees and suppliers, **is the principle of transparency, and we reject any type of unethical practice.**

Our framework of ethical action is made up of the following elements among others:

Code of Ethics

Approved by the Administrative Body in 2018. Its main objective is to establish the values that should guide the behavior of Ubesol, SL and Laboratorios Maverick, SLU (hereinafter, Grupo Ubesol) and the third parties with which it is related, as well as strengthening business conduct accepted and respected by all Group employees, managers and administrators.

Compliance area

Grupo Ubesol decided in 2018 to implement a compliance management system based on the international standard UNE-19601 on Criminal Compliance Management Systems and UNE ISO 19600 Compliance Management Systems. As a sign of the Management's commitment to compliance, not only was the Code of Ethics approved, but a **Chief Compliance Officer** was appointed in accordance with the provisions of Art. 31 bis, 2, 2 of the Penal Code.

Commission and Compliance Links

The Chief Compliance Officer has the support of the Compliance Liaisons, responsible for the Group's risk areas. It also has the support of the Compliance Commission made up of those responsible for the main risk areas, who provide support and help in their work.

Ethical Channel

Since 2019 Grupo Ubesol has a confidential channel (hereinafter the Ethical Channel) managed by the Chief Compliance Officer. This Ethical Channel is available to all its employees, executives, members of the Administration body, temporary staff and interns. Any queries or complaints, deem necessary, can be sent through the e-mail address provided. As such, they can fulfil the obligation established in the Code of Ethics of communicating any suspicion or violation of any legal or internal rule, of which they are aware.

Harassment Protocol

The main objective of the Harassment Protocol is to protect the health of employees by ensuring psychosocially healthy environments and offer the necessary help to affected employees. Grupo Ubesol assumes that the attitudes and acts of moral or labour, sexual and gender-based harassment are an attack on the dignity of the employees. For this purpose, in 2018, the Group updated its action protocol, opening a channel for each of its companies, with the aim of ensuring that every employee is able to report the situation.

During 2019, we completed the implementation of the pillars of the compliance model in accordance to the provisions of art. 31 bis 5 of the Penal Code. Also, the **assessment of the normative risks and criminal risks of Ubesol were updated** through the identification and analysis of the applicable regulations, as well as the processes and controls established internally by the company. Additionally, we have spread the culture of compliance to all employees, with the aim of guaranteeing at all times a **corporate environment of "zero tolerance" towards the Crime Commission** in our company.

In addition, we have developed internal policies and procedures with the aim of improving the Compliance System, including the **Anti-Corruption Policy, the Conflict of Interest Policy and the Policy on the Use of Technological Media and Social Networks**.

(102-18)

Governing bodies

Ubesol, is managed by Sancana Gestión de Inversiones S.L. and Gestión de Inversiones, Jorisa S.L. These, as Solidarity Administrators, oversee management, organisation and representation of the company through the corresponding individuals designated in each of them. The governing and management bodies give impetus and supervise the general guidelines, the proper functioning of the organisation and compliance with the policies and procedures established by the Administrators. To this end, **we have a Management Committee led by the Honorary President, the Vice President and the CEO.**

Organisational chart

GRUPOUBESOL



José Luis Soler

Honorary President
Grupo Ubesol



Jorge E. Úbeda

Vice President
Grupo Ubesol



Jorge Úbeda

CEO
Grupo Ubesol



Toni Guerola

Managing Director
Ubesol



Pedro Pérez

Managing Director
Laboratorios Maverick



María Luisa Soler

General Director,
Administration, Finance
and Legal Grupo Ubesol

1.3 INVOLVED WITH THE SECTOR AND THE ENVIRONMENT

WE STRENGTHEN TIES TO GENERATE MUTUAL BENEFIT. WE WANT TO PROMOTE SUSTAINABLE DEVELOPMENT OF THE BUSINESS AND THE ENVIRONMENT

(102-13)

1.3.1 ALLIANCES FOR THE SUSTAINABLE DEVELOPMENT OF THE BUSINESS AND THE ENVIRONMENT

We promote different collaborations and **alliances to respond to the needs of stakeholders and society**. We work hand to hand with organisations in the territory where we operate.

Partnerships for sustainability

During the past year, we have subscribed to **different initiatives that reiterate our commitment to sustainability**.

Principle, program or initiative	Adoption date	Countries and operations to which it applies	Stakeholders involved	Tipo de iniciativa
United Nations Global Compact	June 2019	Spain	All	Voluntary
New regulation UNE 149002: 2019 development on disposable WC products	February 2019	España	All	Voluntary
Adherence to the Guide of good practices on disposable WC products (STANPA)	April 2019	España	All	Voluntary
Adhesion and participation in the European project <i>Novel packaging films and textiles with tailored end of life and performance based on bio-based copolymers and coatings</i>	Agosto 2019	Europe	All	Voluntary
Corporate tax solidarity fee	Year 2018	España	Society	Voluntary

Organizations membership and collaboration

We are part of different institutions that have a special relevance with the sectors in which we operate. With them, we develop research projects, provide advisory services or promote testing trials on topics that allow us to be at the forefront.

	Sector / Especialidad	Descripción
	Textiles	Generation of test comparisons that allow us to validate tests in our facilities.
	Plastics	Collaboration in a European project for the development of sustainable packaging.
	Plastics and efficacy test	Carrying out tests, research and laboratory analysis for specific products and development of consultancies.
	Packaging	
	Textiles and efficacy tests	
	Textiles and efficacy tests	
	Cosmetics	Collaboration and adherence to the <i>Guide of good practices on disposable WC products</i> .
	Participation and generation of new standards	Since 2018, collaboration and participation member in the new UNE 149002: 2019 standard development on disposable WC products.
	Generation of new patents, trademarks or utility models	Generation of numerous utility models of products that lead to market novelties.



Association actions

In order to continue **consolidating our culture of innovation and guaranteeing the best quality in our products**, in 2019 we carried out partnership and joint work with the following organisations:





2

Sustainability, the axis of our business culture

We consider sustainability a part of our strategy and recognize its importance. We want to value the commitment and effort we make to return to society part of what we receive from it.



2.1 Committed to social welfare and the environment | 22

2.2 Our suppliers, key element of our success | 28



WE SEEK THE BALANCE BETWEEN SOCIAL WELFARE, ENVIRONMENTAL CARE AND ECONOMIC GROWTH

We are committed to create unique long-term value by manufacturing the highest quality products, addressing social needs and maintaining environmental balance.

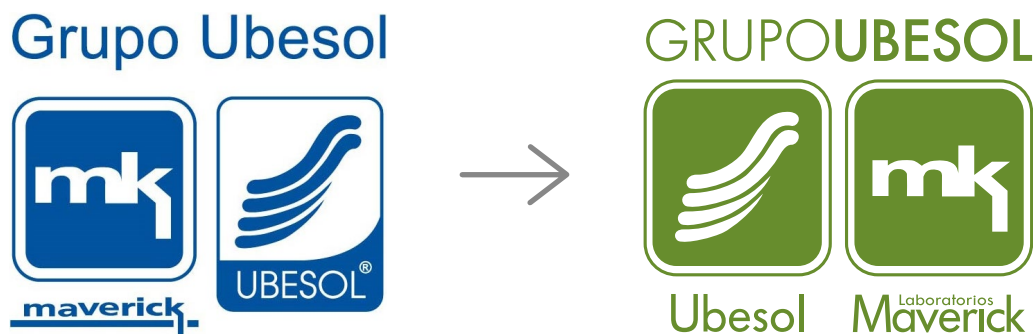
We have a clear commitment and stance **to establish a roadmap to promote sustainability in our products and activities** throughout the value chain.

We have established objectives and actions in each of the pillars of sustainability:



This purpose has been materialized through different actions that involve and impact our entire value chain, summarized below:

We have **transformed our identity and corporate image**. Our logo and brand evidence this commitment and **paradigm shift**.



We consolidated our **corporate commitment** through the definition of codes and policies, such as the Code of Ethics and the Policies of People.



We participate in **alliances** that reinforce our commitment to **sustainability**:

- Adhesion to the **Spanish Network of the United Nations Global Compact**
- Roundtable on **Sustainable Palm Oil (RSPO)** Ordinary Partner



We reaffirm our commitment to continue **developing natural and sustainable products**.

We advance in the **promotion of sustainable suppliers**; we aim to increase the consumption of raw materials and materials from renewable sources. We have a short-term plan to increase the consumption of RSPO materials, FSC cardboard, among others.



We started the **supplier assessment process from the point of view of sustainability**. We have incorporated a pilot program for the assessment of our supply chain using EcoVadis.



We want to improve energy, water and waste consumption, as well as **reduce CO2 emissions** throughout our production and logistics chain.

We implement plans to **promote our employees well-being**, gender equality and guarantee support for at-risk groups.

We promote sustainability through our value chain.



- We promote social improvements in the geographical area.
- **We communicate our commitment to our stakeholders** through the preparation of independent and globally recognized reports and certifications, such as the carbon footprint registration of scopes 1 and 2, EcoVadis, United Nations Global Compact, among others.

2.1 COMMITTED TO SOCIAL WELFARE AND THE ENVIRONMENT






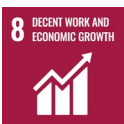


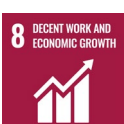







WE WANT TO BE A COMPANY RECOGNIZED FOR OUR QUALITY, INNOVATION AND OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT














2.1.1 SUSTAINABLE DEVELOPMENT GOALS, A COMMITMENT FOR UBESOL

The 2030 Agenda is a universal, inclusive and indivisible agenda that requires everyone's action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. **At Ubesol, we are adding value and making a difference by helping build and support a planet and a sustainable society.**

We want to make a difference, and therefore we are considering the Sustainable Development Goals in each of our actions. In recent years we have been carrying out actions and defining policies and objectives that contribute directly to the achievement of the Sustainable Development Goals. Specifically, we are contributing through our activity to **11 of the 17 SDGs**.

The following table summarizes the main actions and contributions made within the framework of the 2030 Agenda.

	
<ul style="list-style-type: none"> • Blood donation campaign 	
<ul style="list-style-type: none"> • Automation of manual processes-container unloading 	 
<ul style="list-style-type: none"> • “Cuídate” project (Take care) 	 
<ul style="list-style-type: none"> • Work safety training • Leadership training 	
<ul style="list-style-type: none"> • Equality Plan • Payment above the collective bargaining agreement • “Progresa” Project (Progress): potential employees assessment • Harassment Protocol • “Concilia” Project (Balance) 	 
<ul style="list-style-type: none"> • Design of the UNE 149002: 2019 standard to reduce the environmental impact of wipes 	   
<ul style="list-style-type: none"> • Carrying out a study for the installation of an osmosis water recovery plant 	  

<ul style="list-style-type: none"> • Wastewater treatment plant • ISO 14001 Environmental Management System 	  
<ul style="list-style-type: none"> • Carbon footprint registration certification, offset and carbon dioxide absorption projects, ISO 14064-1 • Study for the installation of solar panels 	  
<ul style="list-style-type: none"> • Occupational health survey 	
<ul style="list-style-type: none"> • ISO 9001 Quality Management System • ISO 22716 Good manufacturing 	
<ul style="list-style-type: none"> • Conflict of interest policy • Creation of the Compliance Area • Anti-corruption Policy 	 
<ul style="list-style-type: none"> • EcoVadis assessment 	
<ul style="list-style-type: none"> • Sustainability kit distribution eradicating water bottles consumption • Shrink film saving • Project to replace a bag with triple baby sashes • Wipes awareness campaign "Por un planeta limpio, las toallitas a la papelera" ("For a clean planet, the wipes to the wastebasket") • Use of recycled paper in our offices • Water fountains installation and glass bottles distribution to eradicate the use of plastic bottles 	 

2.1.2 OUR INVOLVEMENT WITH THE TERRITORY A CONTINUOUS COMMITMENT

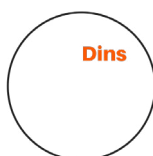
WE ARE CONVINCED THAT “WHAT DIFFERENTIATES COMPANIES IS NOT WHAT THEY SAY BUT WHAT THEY DO”

As part of our commitment to the territory, in 2019 we carried out different actions and supported local initiatives that reinforce not only our commitment to the surroundings where we operate, but also our commitment to sustainability:

Sustainable product kit

With the aim of **raising awareness on all the people that work with us on the importance of sustainability**, and reminding them of the impact of our daily actions, we have distributed a **kit of sustainable products**, which includes a thermo to avoid the use of plastic bottles.

This action was developed in collaboration with the DINS Association, which provides decent employment to disable people. Support was also provided to the Novaterra Foundation, which accompanies persons with difficulties in getting a job and living with dignity.



Discapacitados
por la
Integración
Social



Commitment to the future

During a workshop held with the Atzeneta d'Albaida Summer School, **we shared our company values through workshops and activities with the boys and girls of our region.** In 2019 we welcomed kids in our facilities, where we reiterated the importance of equipment, innovation and responsibility. During this day, our guests learned that with small actions we can achieve great changes, and we reinforced the campaign “Por un planeta limpio, las toallitas a la papelera” (“For a clean planet, the wipes to the wastebasket”).



We open our doors to students

In 2019 we received in our facilities university and secondary education students from the region, to introduce them to our company. Through these conferences we want to be an example and stimulate workforce interest within the region's youth, as well as meet future talents.



Saving lives

“Blood is the most valuable gift we can offer to another person: the gift of life.” Ubesol **joined the blood donation campaign** of the Blood Transfusion Centre in Valencia. Thanks to the participation of several people from our team, it was possible to save 81 lives.



Box for social purposes

With the aim of helping the most vulnerable persons, Ubesol promotes the **possibility of marking the solidarity box when disclosing the income statement**.

This box is called “Actividades de Interés Social” (“Activities of Social Interest”) and through it, 0.7 % of the full amount of corporation tax is used to finance social projects.



2.2 OUR SUPPLIERS, KEY ELEMENT OF OUR SUCCESS

WE COLLABORATE AND COOPERATE WITH OUR SUPPLIERS TO MAINTAIN THE CREATION OF SHARED VALUE.

(102-9)

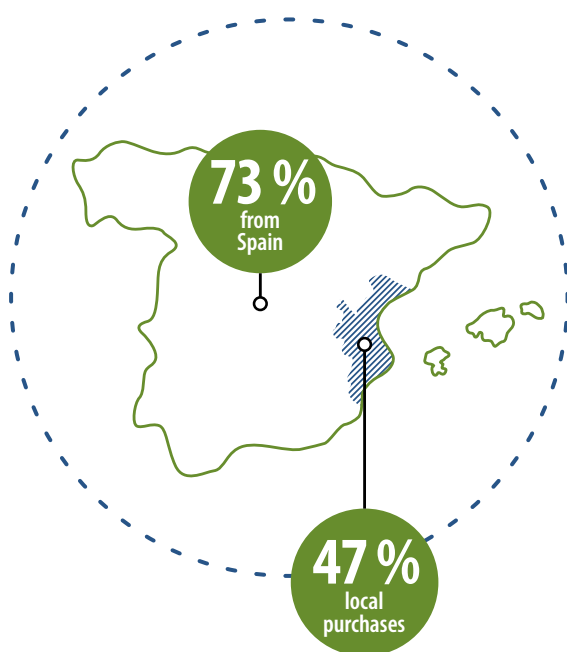
We want to **develop long-lasting relationships with suppliers** that share our values, promoting beneficial results for all. Furthermore, **we want to ensure maximum efficiency from the beginning of the chain**, guaranteeing the safety and quality of our products.

Commitment to local suppliers

WE ARE AWARE OF THE IMPACT OF OUR ACTIVITIES AND RESPONSIBILITIES TOWARDS THE TERRITORY WHERE WE OPERATE

Our suppliers are important to the success of our business, and we know that Ubesol is important to them, that is why we always **try to generate value in our relationships**.

Our commitment to the territory is evident in the number of local suppliers that are part of our supply chain.



In 2019 we had a total of
82 suppliers
of goods and raw materials

The purchase volume amounted to
76,5 million euros



13 suppliers
in Valencia



The volume awarded to suppliers from countries outside the European Union is
13,7 % of the total value
of our purchases

We are committed to developing innovation projects with our suppliers.



2.2.1 EXCELLENCE, INNOVATION AND SUSTAINABILITY IN OUR SUPPLY CHAIN

INNOVATION, JOINT WORK AND SPECIALIZATION ARE KEY TO ACHIEVE EXCELLENCE IN OUR SUPPLY CHAIN

We are **committed to quality and excellence at all levels**, a requirement that we transmit to our suppliers. Working with them we can guarantee the safety and quality of the product, the service and the lowest possible price to our customers.

We want to progress with our suppliers, to do so we facilitate two-ways permanent communication channels.



As part of our commitment to quality, annually and to the extent of possible, we monitor and assess the performance of our suppliers, which considers the certifications in place, audits results, the number of non-conformities or incidents, compliance with delivery terms and purchase volumes.

Sustainable supply chain

WE ARE MAKING PROGRESS IN PROMOTING AND CONSOLIDATING SUSTAINABLE SUPPLIERS

We want to guarantee an **increase in the consumption of raw materials and materials from renewable sources**:

- We design an RSPO Consumption Implementation Plan
- We increase the consumption of cardboard certified by the FSC (Forest Stewardship Council cardboard FSC or PEFC).

ecovadis

In 2019 we have incorporated the assessment process of our suppliers through EcoVadis, a platform that values the performance of sustainability in supply chains. This assessment considers environmental criteria, sustainable practices, employment and human rights policies among others. Thus, **10 of our main suppliers** carried out this assessment process and we hope to increase the total number of suppliers participating in this process in the coming years.



On the other hand, we have been working for some years with our most important raw material supplier to reuse and return packaging we receive, so that a proper use of these materials is made, and they can be incorporated once again in the supply chain. Such is the case for **pallets, cones of yarn bobbins and cardboard box fabrics.**



3

Our people: The best talent

*We consider our employees as one of our strategic pillars,
with their well-being being one of our priorities.*



3.1 Committed to our people | 32

3.2 Equal opportunities | 37

3.3 A safe and healthy work environment | 39

3.1 COMMITTED TO OUR PEOPLE

WE HAVE A PERMANENT COMMITMENT TO THE PEOPLE THAT ARE PART OF OUR TEAM

(102-7, 102-8, 102-41)



Thanks to our employees we can continue to grow and offer our customers **innovative and sustainable** products. At Ubesol we are convinced that you can only be the best when you have the commitment of a team of people that carry out their work with commitment, quality and dedication.

We recognize that we have the **best talent**. Our strategic plan aims to retain and recruit talent.



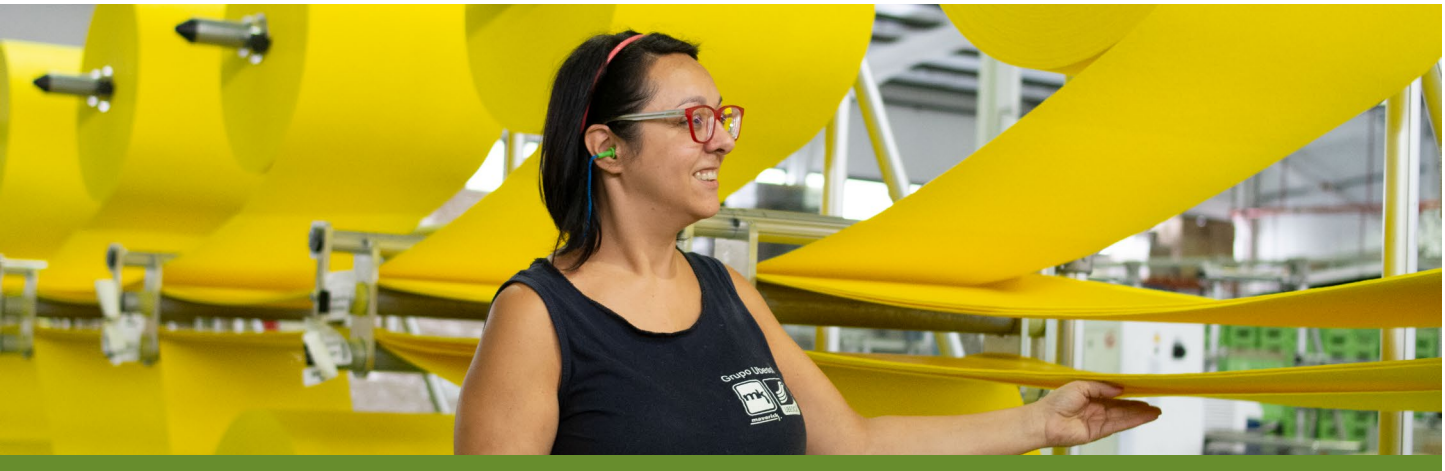
We aim to **consolidate ourselves and be recognized as “a good place to work”**, we want people to be happy working with us. **The well-being of each of the 355 persons** that are part of our team **is a priority for us**.

Total number of employees by gender

Workforce staff	2018	2019
Own personnel	347	355
 Men	220	226
	63 %	64 %
 Women	127	129
	37 %	36 %

Well-being and benefits for all

WE GUARANTEE EXCELLENT CONDITIONS IN THE WORK ENVIRONMENT. WE WANT EACH OF OUR EMPLOYEES TO FEEL AT HOME



We are leading initiatives that allow us to ensure our team well-being and, at the same time, quality throughout our value chain. Our employees are not just a number on our staff: they are all important to us.

In the **organisational health survey** that we carried out in 2019, it was shown that our employees are satisfied working at Ubesol. **Almost 80 % of the workforce recommends our company to work.** Based on the results of this survey, we are **building an improvement plan that will be developed over the next 3 years.**

We are carrying out actions that promote our employees well-being, we highlighted the following:

- Approval of the **Equality Plan.**
- We have a **Company Committee**, established by our employees, whose purpose is to meet monthly with the People Department to convey concerns, needs and recommendations of our employees.
- We invest and promote the increase of **middle management leadership.**
- We have an **internal promotion plan to fill company vacancies.**
- We launched the **Progresa Project** to facilitate our employees' skills development path.
- We launched a **new digital internal communication tool** for the entire company, a space in which our employees can interact and be informed.


Some of our benefits

WE ARE CONVINCED OF THE IMPORTANCE OF HAVING HAPPY PEOPLE WORKING WITH US

One of our strategic objectives is to **attract and retain talent**. To achieve this, we have launched various initiatives and we want to promote benefits that go beyond legal compliance. For this reason, we have made available to our employees some **additional social benefits**, highlighting the following:

- English and Portuguese courses.
- Childcare check.
- Baby set and flower bouquet to celebrate the birth of a new child.
- One free meal a day.
- Vending machines.
- Variable remuneration: a third extra payment is considered as an additional bonus for achieving objectives.
- Christmas gift basket.
- Discounts in establishments.
- Product delivery on a regular basis.
- Monthly, quarterly and annual recognition system for production employees. Specifically, through a gift voucher, the results are recognized to those people who had an excellent performance.
- Given the great 2019 results, exceptionally, the Ubesol's Management will pay in 2020 an extra bonus to its employees.





We want people to feel inspired to give their best every day. We want to be a place where personal and professional development is fostered.

Stable and quality employment

WE BET ON JOB STABILITY. WE ENCOURAGE PERMANENT EMPLOYMENT

We recognize the tranquillity that having a stable job offers. **82.5 % of our employees have permanent contracts and 90.7 % have a full-time job.**

Of the 129 women that are part of our staff, 115 have a permanent contract. **89 % of the women in our team have job stability.**

Professional growth and development

WE VALUE THE GROWTH AND DEVELOPMENT OF OUR PEOPLE

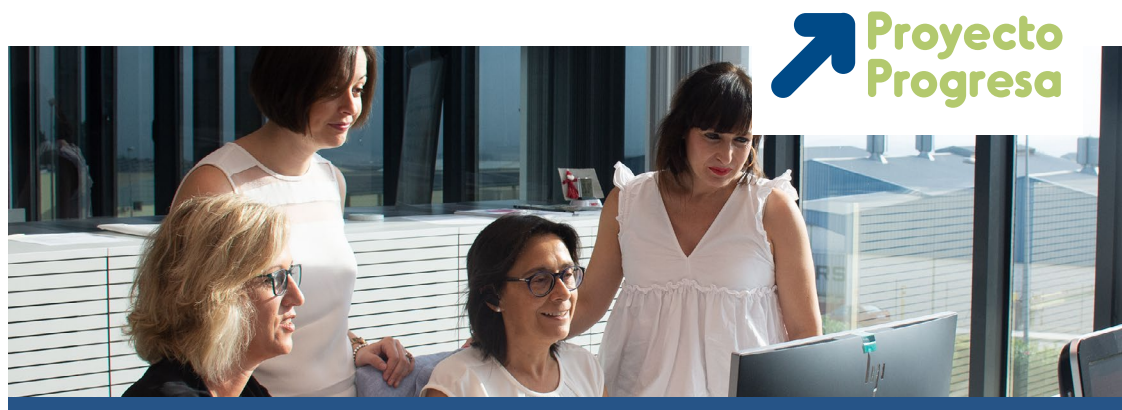
We promote a professional career plan that identifies the potential and capabilities of our employees.

We carry out three competency assessment processes per year; two of them are carried out in descending order and one in an ascending manner (among the collaborators, their managers, or those responsible).

We invest in our employees because we want to develop and improve their skills, we want them to be leaders and improve their careers. **We believe in continuous learning** and the need to have a team with the best of talents. In the past year we **invested approximately 116,000 euros in training**, exceeding the 90,000 euros invested in 2018.

Progresa Project

In 2019 we developed the Progresa Project with the aim of designing the talent map of the staff. 99 % of our employees participated on it. The project methodology considers an individual interview and uses group dynamics in which the corporate and jobs own competences are evaluated. With this, it is possible to **identify in which values and competencies talent is concentrated in our company**, as well as groups of people with high potential and those with specific talents. "Progresa" facilitates the development of tailor-made career plans and opens the possibility of covering internal promotions.



Personal, family and work balance

WE HAVE IMPLEMENTED DIFFERENT PRACTICES THAT ALLOW A BETTER WORK-LIFE BALANCE.

As a result of continuous communication with employees, we have chosen to **implement flexible hours measures**. These measures have been carried out successfully thanks to everyone's commitment to guarantee minimum services within our normal hours.

To date we have flexible working hours, **which allow us to enter and comply with the schedule according to the convenience** of our employees: we have adopted continuous working days on Fridays, and a reduction in working hours which has been embraced by 30 people.



3.2 EQUAL OPPORTUNITIES

WE CONSIDER EQUAL OPPORTUNITIES AS A BASIC AND STRATEGIC PRINCIPLE IN THE MANAGEMENT OF OUR ORGANISATION

Non-discrimination and equal treatment

(103-1,103-2, 406-1)

The existence and effective application of policies that avoid discrimination are a basic factor in companies committed to their staff. For this reason, we declare our commitment to establishing and developing policies that integrate equal treatment and opportunities between women and men, without discriminating directly or indirectly for any reason.

We are committed to drive and promote measures to achieve equality in our organisation.

The Code of Ethics of Grupo Ubesol, in its article 10 establishes the following:

1. Grupo Ubesol is committed to **promoting equal opportunities and non-discrimination** of employees based on their race, nationality, social origin, age, sex, marital status, sexual orientation, ideology, religion, illness or disability, as well as by the use of any of the official languages within Spain.
2. To this end, Grupo Ubesol **Equality Plan** is in place since 2011, whose main objective is to guarantee due respect of the principle of equal treatment and opportunities between men and women, by eliminating any type of discrimination in the work field, as well as promoting equality between the genders.
3. The professional career values those who, overcoming obstacles, contributing to the best of their knowledge and experience, being leaders and sharing their value with the rest of the team, **achieve consistent objectives and help achieve the general goals.**

The policies carried out promote equality and are managed by the Equality Committee. The Ethical Channel manages the risks and impacts related to non-discrimination at work.



We stand by the principle of non-discrimination not only in relation to gender, but with any other characteristic that may originate it.

Actions that promote equal opportunities

In general, we have different initiatives that promote equal opportunities in our company. A clear example of this is the percentage and number of women who hold scientific positions: **out of the 37 people who hold scientific positions, belonging to the R&D and Quality departments, 28 are women.**

• Remuneration Policy

It is set according to the job position, levels of autonomy and responsibility assumed, the training and experience shown, and the level of contribution (objectives + compliance with competences obtained) regardless of gender.

• Conciliation measures

They favour work-family balance for both genders according to the type of schedule that the person has, continuous or split working hours (regardless of gender).

• Recruitment and promotion processes

Candidates are valued for their professional profile. Gender is not a factor of discrimination.

• Investment in training with equal rights

The team participates in the training actions proposed by the company and its managers.

During 2019 we highlight the presentation of the Code of Ethics to the entire staff by the Chief Compliance Officer and the unification of the Protocol Against Moral and Sexual Harassment.

(406-1)

We have a complaints channel enabled to receive complaints, which at the end of the year had not received any type of complaint on discrimination issues.

At Ubesol, we respect and support the rights of collaborators, guaranteeing the rights of association, affiliation and representation in all its manifestations, as an essential part of business organisation, without its exercise leading to retaliation.

We support the eradication of all forms of forced or coerced labour, and we strongly support the abolition of child labour.

3.3 A SAFE AND HEALTHY WORK ENVIRONMENT

WE STRIVE TO CREATE A HEALTHY WORK ENVIRONMENT FOR OUR EMPLOYEES

(103-1, 103-2, 403-1, 403-2, 403-9)

We proactively develop safety and health actions. We put all the means at our disposal to achieve this goal. We act in the areas of prevention, training and health promotion, continuously improving our systems for the prevention of occupational risks and integrating them into the overall management of the company.

We have a preventive policy that incorporates the following principles:

- **Eliminate or reduce work-related risks.**
- **Continuously protect employees health and safety.**
- Establish the necessary **information, consultation and participation mechanisms** to carry out the preventive activity.

Health and prevention

PREVENTION IS INTEGRATED AT ALL LEVELS OF THE COMPANY; WE MAKE THE WORKPLACE A SAFE AND HEALTHY ENVIRONMENT

(403-4)

We promote the health and well-being of employees, investing in programs and activities within the company. **Occupational health and safety are essential for our organisation**, and the application of legislation on the prevention of occupational risks is mandatory for all employees and collaborators.



We are committed to a safe environment that takes into account both physical and psychosocial work risks.

We care about our employees beyond our physical space, that is why we **promote actions related to their health**. For example, we make available, free of charge, a physiotherapy and Pilates service with the aim of improving muscle and joint ailments. This is a preventive measure, intervening in risk employees, which helps to raise awareness among employees of the importance of having good habits in their workplaces and to collect useful information for the prevention of occupational hazards department to identify efforts and / or works that may end up causing injuries.

(103-2, 103-3, 403)

To manage aspects related to occupational health and safety, and in compliance with Royal Decree 39/1997, we have preventive organisation contracted services with an External Prevention Service for the 4 specialties:

- Safety at work
- Industrial hygiene
- Ergonomics and psychosociology
- Health surveillance

We have set up an employee's **Health and Safety Committee with representatives (delegates) and company representatives** that meets quarterly. Likewise, we have open communication channels for all employees.

During 2018 and 2019 we carried out hygiene studies and measurements, specifically on lighting, temperature, chemical agents' exposure and noise, as well as ergonomic studies and workstations measurements.

Each year, medical surveillance is carried out on our workforce, and exams are also managed according to new incorporations, incorporations after long-term sick leaves and medical checks for job adaptation.

Cuídate (Take care of yourself)

During 2019, Ubesol launched the “Cuídate” Project, to raise staff awareness and **instill the importance of incorporating healthy lifestyle habits into their daily lives.**

Among others, actions have been taken to help our employees quit smoking, eat more fruit and have a healthy nutrition.



Risks

The risk assessment is reviewed and updated throughout the year. We carry out an annual risk assessment of all workstations, and in accordance to it, the corresponding individual protection equipment is delivered, so that we can guarantee the development of the work activity in safe conditions. This assessment considers the technical instructions generated by other departments, the introduction of new work equipment or new technologies, the modification or conditioning of workplaces, or the modification of production processes, to include or update if necessary, the information necessary for occupational risks prevention.

Risks and safety at work training

With the aim of promoting a preventive culture in all work lines, **we carry out permanent training processes** that involve all staff roles, including management.

Among others, we carry out reception processes for new incomers and positions with the highest risk level are prioritized for accompaniment and training.

We invest in preventive training programs and activities within the company in preventive matters, so that staff know all the techniques, processes and work procedures and thus guarantee maximum health and safety conditions, and their physical integrity in the workplace.

Zero accidents and low absenteeism rate

MAINTAINING A LOW ACCIDENT RATE IS ONE OF OUR PRIORITY OBJECTIVES

One of our objectives is to continue reducing the absenteeism rate attempting to remain below 1.5 % by 2020. We have already met this objective, since in 2019 absenteeism rate was 1.31 %, compared to 1.38 % in 2018.

(403-9)

Work accident injuries	2018	2019
Number of deaths resulting from work accident injury	0	0
Number of occupational accident injuries with major consequences (not including deaths)	0	0
Number of recordable work-related injuries **	3	5*
Injury rate with serious consequences at work (not including deaths)	0	0
Recordable workplace injury rate***	4.72	7.70
Number of worked hours	635,224	649,379

*1 of the 5 is during commute.

** Main types of injuries were skeletal muscle disorders.

*** The injury rate includes small-scale accidents.

At Ubesol we assess accidents that may occur according to the stipulated procedure, focusing on preventive planning the actions derived from the investigation carried out. In addition, every day we carry out plant visits and security rounds to identify possible risks associated with the workplaces and take appropriate measures on time.

In 2019 the following actions were carried out to improve health and safety at work:

- **Preparation of annual work risk prevention** schedules, as well as annual reports.
- **Generic training for new incomers** and specific ones after job changes.
- **Specific training** for forklift truck users.
- **Health surveillance** through medical examinations.
- We carry out specific evaluations on areas in which the formation of explosive atmospheres is defined. There is an Explosion Protection Document (DPCE).
- Investment in new, safer equipment (covered pallet trucks) and in the automation of manual processes (unloading clamps, embedded robots).

Likewise, in 2019, the expansion and delimitation of new storage areas for raw materials and finished product in our plants was carried out, as well as the resizing, delimitation, removal and signalling of crossing areas for pedestrians and lifts.

In 2020 the start of an internal audit plan is contemplated, in turn, every 5 years an audit is carried out by the external prevention service.

3.3.1 People and facility safety

ENSURING THE PHYSICAL SAFETY OF FACILITIES, THE SAFETY OF PEOPLE, AND OF THE DIGITAL ASPECT IS ONE OF OUR PURPOSES

With the aim of ensuring the physical integrity of our people and facilities, since 2018 we have a security coordinator. In 2019 we have incorporated a cybersecurity policy, so that we are prepared to face all the threats derived from the digital world, protecting people, information and our infrastructure. We have also carried out an online training process aimed at our employees in cybersecurity issues, so that they are protected at the individual and corporate level. We also have an updated access control policy.

We care about the integrity of the people who work with us. Thus, we have protocols to ensure the safety of employees from the time they leave their homes until they return to them. For example, we can provide information to minimize alerts of environmental phenomena's that may affect them on the go.



4

We improve our customer experience

We offer top quality, innovative and sustainable products that meet the needs and expectations of our customers.



- 4.1 Responsible innovation and maximum quality in the development of our products | 45
- 4.2 Consolidated quality management | 48



OUR CUSTOMER IS THE CENTRE OF OUR ACTIONS, AND THE FOCUS OF ALL THE EFFORTS WE MAKE

(102-43)

We seek excellence in all our references, we manufacture quality products that improve the consumption experience of our customers.

We want to guarantee the best product and always achieve clients total satisfaction.

4.1 RESPONSIBLE INNOVATION AND MAXIMUM QUALITY IN THE DEVELOPMENT OF OUR PRODUCTS

RESEARCH, SCIENTIFIC KNOWLEDGE AND CONTINUOUS IMPROVEMENT IS PART OF OUR DNA

(103-1, 103-2, 103-3)

Innovation and continuous improvement are present transversally in all processes and departments, being one of the company's strategic lines of action. At Ubesol **we are committed to research on scientific knowledge as a differential market value.**

The commitment to innovation is established throughout our corporate strategy: through research, development and innovation we can guarantee the functionality, sustainability and security of our references.

INNOVATION IS PRESENT IN ALL STAGES OF OUR PRODUCTS DEVELOPMENT

At Ubesol we work day after day to develop and improve the products and materials used, stepping ahead of regulations, **all efforts are focused on the development of increasingly sustainable products both from the point of view of formulation and packaging development.** The objectives in matters related to the management of innovation and technological development are in line with what is established in our strategy that defines the main milestones to address **natural and digital transformation.**

The evolution in these aspects is evident. Since 2012, we are committed to creating and promoting the R&D&I Departments and the Product Development Department, thus moving from 2 experts to over 13 specialists in these fields. We have a team made up of experts in each of our products categories, with exclusive dedication to their specific development.

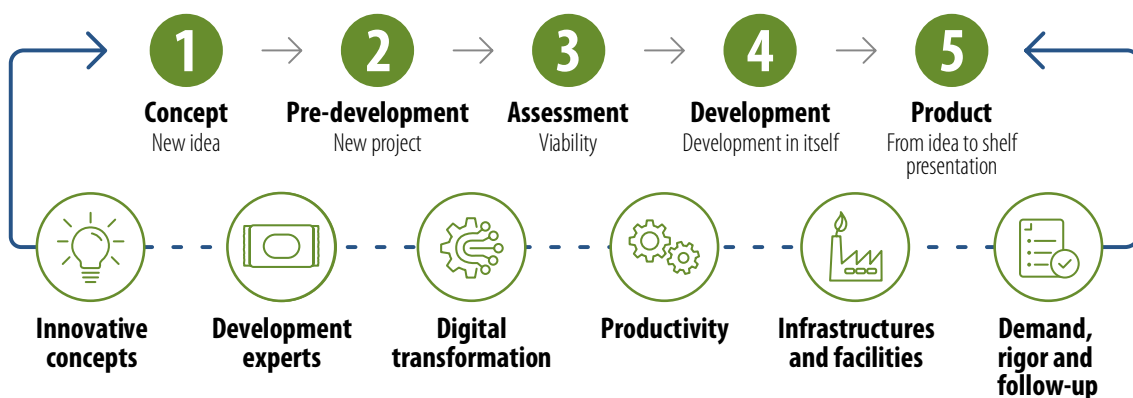
Our team of scientists comprises 37 experts, almost 10 % of our workforce. **In our facilities we have the most advanced technology, equipment and machinery that allow us to be at the forefront.**

In the last two years **we have invested over 2.3 million euros** in innovation and development, and we continue to make progresses in the following aspects:

- **Development of a product line with a high percentage of natural ingredients.**
- Development of **packaging designed to be recycled** through the incorporation of recycled material or the development of single-dose packaging mostly paper composed.
- Projects development to **incorporate recycled material in the product,** and not only in the packaging.
- Participation in different **circular economy projects** with the aim of introducing part of the waste we generate into the production cycle and, in turn, focusing on product ecodesign.

We are **committed to implement the requirements proposed by the new legislation or requirements regarding single-use plastics and best practice guidelines related to more sustainable packaging.**

Grupo Ubesol's innovation model

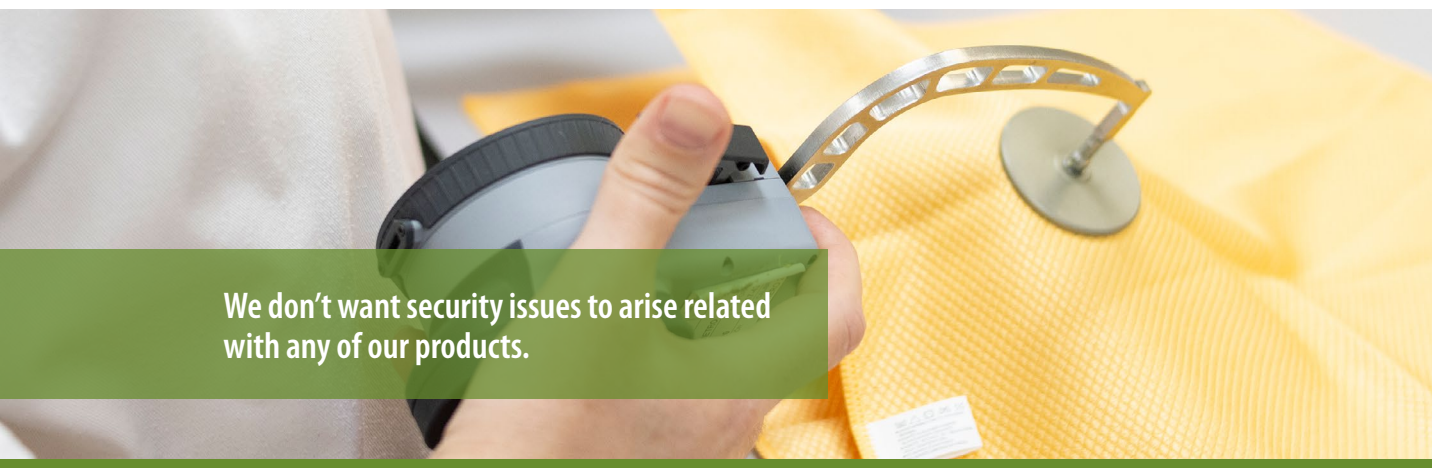


Collaboration for innovation

WE RECOGNIZE THE IMPORTANCE OF WORKING AND DEVELOPING COLLABORATIVE PROJECTS

We have launched initiatives that allow us to be at the forefront and make use of cutting-edge technology for the development of new products, in engineering processes and manufacturing equipment. Some of these initiatives carried out in collaboration with third parties are highlighted below:

- Project with a technological institute for the **development of more sustainable packaging**.
- Collaboration in the **development of the new ISO 149002: 2019** standard, which defines the criteria that products that can be rejected in the WC must meet.
- Exhibition session of **ecodesign** results.
- **"3R" compliance on current product packaging**.
- Permanent collaborations with our supply chain and its suppliers to be at the forefront in the use of materials.
- Collaboration with experts in formulation for the **development of natural products**.



We don't want security issues to arise related with any of our products.

4.2 CONSOLIDATED QUALITY MANAGEMENT

WE ENSURE THE TOTAL QUALITY OF ALL OUR PRODUCTS, ENSURING THE QUALITY AND SAFETY OF EACH OF THEM

Customer health and safety

(102-15, 103-2, 103-3, 416-1, 416-2)

We guarantee that all the products we manufacture and commercialise comply with the standards and requirements established in the applicable local and international legislation.

We position **the most sustainable products on the shelves, with the highest quality, and with all the security guarantees.**

CONTINUOUS IMPROVEMENT THROUGHOUT ALL OUR PROCESSES IS ONE OF OUR PILLARS

Our systems have evolved with the introduction of new methods, projects, indicators and operational strategies, prioritizing our client's safety. To guarantee the quality of our products we have:

- Advanced measurement equipment.
- Standardized laboratory equipment.
- A team of 24 people, that guarantee the quality of our products.
- We have a team of 13 professional R&D&I specialists.
- Access to innovative raw materials for new developments.

Management system

We have an integrated management system based on **the requirements of ISO 9001, ISO 14001 and ISO 22716 standards for quality and good manufacturing practices.**



WE ASSURE THE QUALITY AND SAFETY OF OUR PRODUCTS

To guarantee customer health and safety, we have product quality assurance and safety protocols at all stages of the product manufacturing process.

The Regulatory & Safety Department with the support of the Customer Service Department and the Medical Officer collect the information from our customers regarding product safety. The Cosmetics vigilance team assesses the need to carry out improvements in our products.

In 2019, there were no cases of non-compliance with regulations that have led to fines or sanctions, or warnings, and no cases of non-compliance with voluntary codes were reported, nor were there cases of non-compliance related to impacts on health and security of product and service categories. There have been no notable events that affect our products end-users health and safety.

At Ubesol, audits are conducted by our main client, as well as by ISO certification certified entities. In addition, we have implemented and validated an action protocol in the event of a product safety alert, which we define as a Product Safety Accident Management Method.

WE LISTEN TO OUR CUSTOMERS

At Ubesol **we recognize the importance of listening and communicating with our customers,** for this reason we have procedures in place for the correct management of complaints, suggestions, information and / or compliments from end customers, which define the methodology to be followed in case of receiving a claim from a client or an end customer.



Similarly, to be aware of our customers' expectations, we carry out **market studies**, and **internal studies** of our products benchmarking them with other similar products. We also hold **regular meetings with our purchasers** and seek an active **presence at events and conferences in the sector**.

We have enabled a communication channel through the free customer service line, enabled by our main client. This channel allows us to receive complaints, compliments or inquiries about our products. In 2019 we received 122 information inquiries, which were managed and answered on time. **We gave a timely response to 100 % of the complaints received during the year.** At Ubesol we listen to our customers and ensure an individual follow-up to identify motives and proceed to provide a timely solution.



5

Committed to the Environment

As a socially responsible company we are committed to finding the balance between social welfare, environmental care and economic growth.



5.1 Environmental management | 53

5.2 Energy efficiency | 55

5.3 Control of resources consumption | 56

We work to minimize environmental impact

THE PRESERVATION OF NATURAL RESOURCES, THE ENVIRONMENT AND THE HEALTH OF NEIGHBOURING POPULATIONS IS ONE OF OUR BASIC PRINCIPLES OF ACTION

We have an adequate environmental policy and among its objectives **is a zero tolerance for negligent behavior in the environment**, as well as the implementation of an environmental management system in order to consolidate the observance of practices and standards guided by criteria for excellence. Thus, the people who are part of our company must, within the scope of their functions, know and assume our Policy and act at all times in accordance with the criteria of respect, ecosystems balance and sustainability.

(102-11, 102-15)

As a company at the forefront of textile cleaning products and hygiene products, Ubesol's mission is to offer high-quality products, **using, as much as possible, the best materials that guarantee the useful life of the product, while maintaining product quality and generating the least possible impact on the environment.** To do so, we implemented the ISO 14001 environmental management system and developed key circular economy actions.

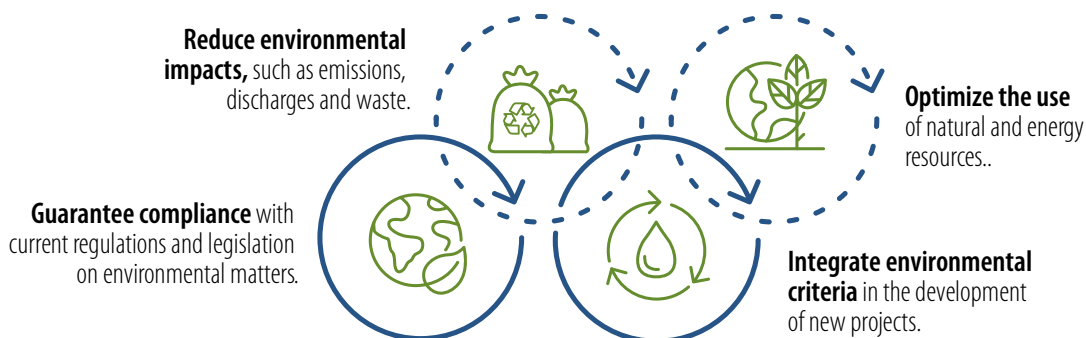




Our **environmental commitment extends to our entire value chain**, developing actions such as the evaluation of suppliers and products, establishing associations and responsible sourcing policies and environmental education and awareness campaigns, and supporting the customer in the optimal final management of their products.

5.1 ENVIRONMENTAL MANAGEMENT

We have an environmental policy in place that sets out the company's objectives to preserve the natural resources, the environment and the health of neighbouring populations. Therefore, we are committed to:



(102-11)

One of our environmental objectives is **zero tolerance to negligent environmental behavior**. Thanks to the implementation of the ISO 14001: 2015 **Environmental Management System**, a key instrument of environmental policy, it is possible for us to anticipate future impacts. This is done through a set of procedures with which the most relevant environmental aspects are detected and assessed, allowing to develop the necessary actions to prevent and / or mitigate them.

WE WANT TO REDUCE THE ENVIRONMENTAL IMPACT OF OUR PRODUCTS



Our commitment to the prevention of future environmental impacts of our products is evidenced in the collaboration carried out with the National Association of Perfumery and Cosmetics (STANPA) and AENOR. We work together to define the criteria of wipes' degradability and ensure that only those that are effectively disposable end up in the toilet.



We also **participated in the Technical Committee of the new standard UNE 149002: 2019**, where we were involved in the design of the standard and prematurely adopted the established indications.



In addition, since the end of 2019 we have a **chain of custody system following the FSC (Forest Stewardship Council) standard**, which has the double effect of demonstrating a commitment to managing sustainable resources and adding value to our products.



Additionally, to improve the impact of the products developed and considering that some of the materials consumed are derived from palm oil, we have opted to join the international organisation **RSPO**.



We are aware of the impact that a misuse of hygienic wipes can have on the environment, and for this reason during 2019 we have carried out **awareness-raising campaigns** promoting the correct deposition of the used wipe and incorporating clearer messages on the packaging "Por un planeta limpio, las toallitas a la papelera" ("For a clean planet, the wipes to the wastebasket").

COMPLIANCE WITH CURRENT ENVIRONMENTAL REGULATIONS IS A KEY PILLAR IN OUR ENVIRONMENTAL POLICY

(307-1)

During 2019 **we have conducted periodic reviews of the textile and hygiene plant in terms of industrial wastewater discharge and atmospheric emissions**. We currently have environmental licenses in place in all our facilities.

On the other hand, we have an external management service for the identification of environmental requirements that facilitates decision-making to prevent incidents, guaranteeing compliance with the official requirements applicable to the company.



100 % of our electricity comes from renewable energy sources.

5.2 ENERGY EFFICIENCY

WE WANT TO REDUCE OUR CARBON FOOTPRINT

(302-1)

Optimizing energy consumption is of utmost importance. We are making progress in the automation of consumption and we are developing our energy policy pending the certification of the **Energy Management System** in accordance with ISO 50001: 2018.

We launch our 2018-2021 Climate Change Action Plan

With the implementation of the Climate Change Action Plan, we want to **achieve a 50 % reduction in our carbon footprint by 2021.**

During the past year, the following measures have been developed to reduce energy consumption:

- We renewed of vehicles fleet by purchasing hybrid or electric models.
- We replaced the lithium lead batteries of our trucks.
- We maintained the **consumption of green energy in 100 % of our facilities**, obtaining renewable origin guarantees (GdO) that certify it.



Emissions



Since 2015 (our baseline year), we have calculated our carbon footprint and have achieved a **44 % GHG emissions reduction** in recent years.

The footprint calculation is verified externally on an annual basis and complies with the requirements established by the ISO 14064-1: 2012 methodology.

Energy consumption within the organisation (kWh)	2018	2019
Electrical consumption	4,072,696	4,270,701

The 4.8 % increase in energy consumption is due to the start-up of two new production lines. However, if we analyse the ratio per unit manufactured, greater energy efficiency is observed: the ratio of kWh per unit of product has dropped from 0.024 kWh/u in 2018 to 0.023 kWh/u in 2019, meaning, 4 % energy consumption reduction.

5.3 CONTROL OF RESOURCES CONSUMPTION

5.3.1 Water

WE TAKE CARE OF SUSTAINABLE WATER MANAGEMENT

(303-1)

Water is a fundamental resource for our activity since our products are made with aqueous based formulas. **It is necessary that strict water quality parameters are met**, which leads to higher consumption due to the need to perform reverse osmosis, always leading to water discharge.

Water consumption (ML)	2018	2019
Total water consumption in all areas	69.176	73.534

The 6.3% increase in water consumption is due to the start-up of two new production lines.



(303-4)

At Ubesol we have our own industrial wastewater treatment plants prior to its discharge into the public sewerage system.

Due to the water consumption improvements achieved, and mostly on the osmosis plant (conducted in 2018), **the percentage of water discharged has been reduced, meaning by 6.8 % compared to 2018.**

Total water discharge (ML)	2018	2019
Discharged water in public sewage network	10.22	9.528



Additionally, it is noted that discharged water main parameter quality control is the biochemical oxygen demand (BOD), with an average value of less than 63 % of the established legal limit. In our case, this parameter is regulated by the municipal ordinance of Atzeneta d'Albaida.

5.3.2 Proper management of materials

WE ARE WORKING TO REDUCE OUR WASTE AND RAW MATERIALS CONSUMPTION

(301-1)

We work to reduce raw materials consumption, which results in less waste generation. **Thus, in 2019 we have managed to reduce plastic consumption in the packages of wipes by 5.7 % and cardboard consumption by 1.8 %.**

Although its usage is much smaller, the reduction in the use of bags, tubes, covers and secondary packaging is also important in relative terms, with a 43.8 % consumption reduction when compared to the previous year.

Materials of renewable origin (t)	2018	2019
Cardboard: box/cases	2,596.81	2,549.55
Crepe cleaning paper	104.82	112.03
Paper	3,324	3,439
Materials of non-renewable origin (t)	2018	2019
Flexible-complex laminated film	1,157.54	1,188.00
Threads	1,370.00	1,446.00
Fabrics	553.9	595.2
Mix: Materials of non-renewable and renewable origin (t)	2018	2019
Flexible-complex laminated film	10,038.5	10,368.2
Threads	380.01	300.70
Fabrics	1,581.10	1,581.20

(301-2)

We have increased recycled materials consumption in recent years. For example, in 2019 recycled paper was introduced, which already occupies 66 % of all the paper we consume at Ubesol.

WE ARE COMMITTED TO REDUCE MATERIALS CONSUMPTION IN OUR PACKAGING

(301-3)

We have implemented a packaging optimization plan for various products and incorporated ecodesign actions. Thanks to this we have achieved a reduction in the consumption of materials such as cardboard and plastics.

Cardboard reductions

We achieved the **reduction of 4,500 kg of cardboard**, through the adjustment of the quality of the cardboard used in the box cloth product.

Plastic reductions

Plastic reductions: We highlight the **elimination of the bag from the package of fresh and perfumed baby wipes** 240 units and its replacement by an adhesive sash handle, which **allowed a plastic savings estimated of 110 tons per year**.



On the other hand, the project carried out at the Ubesol Textile plant to reduce the **consumption of shrink wrap due to “pre-stretch” and “micron”** improvements in shrink-wrapping lines, has achieved **savings of 11 tons per year**.

Likewise, with the **replacement of the packaging “film”** in the box pairs by a union seal, **1.7 tons of plastic have been saved**.

We also develop internal awareness actions with our employees and carry out the installation of water fountains in our facilities in order to reduce the use of plastic bottles. **With this action we stopped consuming approximately 11,900 2-liter bottles per year**.

5.3.3 Tratamiento de los residuos

WE AIM TO HAVE ZERO WASTE TO DISPOSE

(306-2)

Most of the waste we generate at Ubesol is **non-hazardous (99.5 %)**.

Although a large part of the waste generated in our operation is recycled or composted, part of it continues to go to landfill. With the aim of improving this situation, we have started the **Minimization Plan for the Verification of Zero Disposal Waste**.

In this area, due to the large volume of wastepaper (cellulose) generated in the hygiene plant, we have started since 2018 with the waste from the manufacture of wet toilet paper with the **Efficient Paper Waste Management project, Life Ecopapel**. Since its implementation, **over 39 % of paper has been recovered** thanks to the work carried out with our supplier, with who we have favoured the recovery of clean discharge paper, which would otherwise been sent to landfill.

Tons of main non-hazardous waste

Waste for recycling / fertilizer (t)	2018	2019
Wet fabrics	924.52	1,251.50
Paper and cardboard	308.37	335.23
Sewage sludge	391.34	335.2
Textile	24.78	30.15

Regarding hazardous waste, the amount generated in 2019 increased by 65 % due to the increase in packaging that contains residues of dangerous substances or are contaminated by them. For this reason, since 2019 we are developing our own lotion formulas. Overall, hazardous waste accounts for 0.5 % of total waste generated.

6

About the report



To determine which issues are relevant to Ubesol (internal level) and its stakeholders (external level), during 2019 a process with several phases was carried out, as established by the GRI Standards.

The materiality analysis process has been carried out from the internal perspective (including the people who have decision-making power within the company) and from the external perspective, taking into account the opinion of Ubesol's stakeholders.

6.1 RELACIÓN CON LOS GRUPOS DE INTERÉS











(102-43)

For Ubesol, stakeholders are all those groups with which the company connects, and on which it has an impact through its daily activity. **Their integration in the daily management of the organisation is a key element to carry out socially responsible management.** For this reason, Ubesol carries out all possible measures to build solid and trusting relationships with them, as to create added value that adapts to their needs and concerns. This is achieved through a fluid and participatory dialogue, in a way that the creation of value for stakeholders is always a premise.

(102-40,102-42)

The selection of the stakeholders has been based on the bidirectional influence between them and the company in economic, social and environmental aspects. The dependence of the main client, customers, owners, responsibility towards employees, administration and society, the influence of the scientific community, industry associations and suppliers of raw materials, materials and services have determined this selection.

Ubesol maintains, a constant dialogue with all the groups listed below through different communication channels:

Stakeholders	Main channels of communication and dialogue	Frequency of participation
 Main client	<ul style="list-style-type: none"> • E-mail, telephone, meetings 	Recurring
 Final customer	<ul style="list-style-type: none"> • Social media (LinkedIn, Instagram, Facebook and Twitter) • Customer service telephone number of our main client 	Recurring
 Employees	<ul style="list-style-type: none"> • Employee registration • Periodic meetings (annual, monthly, etc.) • Yammer (online platform) • Employee portal • Boards • Screens • Methacrylates 	Recurring (according to need)
 Owners	<ul style="list-style-type: none"> • E-mail / phone. director's assistant 	Recurring
 Suppliers of services	<ul style="list-style-type: none"> • Registry of approved suppliers 	Recurring
 Proveedores de servicios	<ul style="list-style-type: none"> • Registry of contracts (Ctarma CAE) 	Recurring
 Society	<ul style="list-style-type: none"> • External relations with institutions, associations, through events, social media, e-mail • Social media, e-mail, client communications 	Recurring (according to need)
 Government / Administration	<ul style="list-style-type: none"> • Registries and official communications of the City Council and / or regions, country 	Recurring
 Scientific community	<ul style="list-style-type: none"> • Publications, statements 	Recurring
 Asociaciones del sector	<ul style="list-style-type: none"> • E-mail, meetings, statements 	Recurring

6.2 IDENTIFICATION AND ANALYSIS OF MATERIAL ISSUES

(102-43, 102-44, 102-46, 102-49)

In the framework of the preparation of the 2019 sustainability report, Ubesol has carried out a new materiality analysis that allowed us to identify the relevant issues for our stakeholders. This process followed 3 phases:

- **Identification:** The first step has been the exploration of potentially relevant topics for the organisation and its stakeholders. The compilation of relevant topics was based on an internal analysis of the organisation and an external analysis based on a sector benchmarking study considering the main reference standards in sustainability. The list has been validated by departments responsible.
- **Priorization:** In order to prioritize the most relevant issues according to the degree of importance from the perspective of the company and the stakeholders, a participatory process was carried out taking into account the materiality principle and the participation of stakeholders. Internal prioritization was carried out through a participatory session with managers and technicians from different areas, while external prioritization was carried out through direct consultation with stakeholders through an online questionnaire. For the statistical analysis of the external sphere, responses were weighted according to the importance that each of the stakeholders has in the company. This approach allows us to give a more coherent overview in accordance to Ubesol's reality.
- **Validation:** Through Management's review and validation, it is guaranteed that the report offers a complete representation of the organisation's sustainability context, considering both positive and negative impacts.

During the validation process, we decided to incorporate "Energy", "Effluents and waste" and "Non-discrimination" in the material topics due to its relevance for both the organisation and stakeholders. Thus, the material issues resulting from the materiality analysis are the following:

(102-47)

Economy	Environment	Social
18. Innovation and technological development	3. Materials 4. Energy 5. Water 7. Effluents and waste 8. Environmental compliance	10. Health and safety at work 13. Non-discrimination 16. Customer health and safety

As a result of the materiality analysis review, a materiality matrix has been obtained reflecting the degree of importance of each aspect considered during the assessment based on:

- The importance regarding the economic, social and environmental effects for the organisation.
- The importance in the valuations and decisions of the stakeholders.

(103-1)

Parallel to the materiality analysis, the coverage of each of the identified material issues has been determined, identifying the involvement (direct or indirect) of the organisation in these impacts. The results have been worked on the internal session with managers and technicians from different areas.

Topic	Implication
No GRI Innovation and technological development	Direct-Indirect
GRI 301 Materials	Direct
GRI 302 Energy	Direct
GRI 303 Water and Effluents	Direct
GRI 306 Effluents and Waste	Direct
GRI 307 Environmental Compliance	Direct
GRI 403 Occupational Health and Safety	Direct
GRI 406 Non-discrimination	Direct
GRI 416 Customer Health and Safety	Direct-Indirect

6.3 MATERIALITY MATRIX

The result of this process is a matrix that details the most important social, environmental and economic issues for Ubesol and its stakeholders. These topics, which compile the organisation's improvement efforts, will be the basis of the future sustainability strategy.

The following matrix reflects all the topics that were considered when carrying out the materiality analysis. Relevant topics are highlighted in bold:

(102-47)

Relevance for stakeholders	Alta ($\geq 4,14$)	4 Energy 13 Non-discrimination	10 Work health and safety 5 Water	16 Customer health and safety 18 Innovation and technological development *
	Medium (3.90-4.13)	7 Effluents and waste 6 Emissions	8 Environmental compliance 3 Materials	
	Low (≤ 3.89)	14 Local communities 17 Product Life Cycle Assessment (LCA) * 19 Packaging* 15 Social assessment of suppliers 9 Environmental assessment of suppliers 11 Training and education 12 Diversity and equal opportunities 2 Fight against corruption	1 Economic performance 20 Traceability of raw materials *	
		Low (≤ 3.64)	Medium (3.65-4.09)	High (≥ 4.10)

Relevance for Ubesol

 Environment
  Social
  Economy

In bold the material topics.

* Topics not covered in GRI Standards.

7

GRI content index



(102-54,102-55)

This report has been prepared in accordance with the Global Reporting Initiative (GRI) standards according to the Core compliance option. The United Nations Sustainable Development Goals have also been considered.

The following table presents the index of general and specific basic contents of the Global Reporting Initiative (GRI) organisation according to GRI Standards for the option of Core compliance.

7.1 GENERAL CONTENTS

GRI Standard	Content	Paragraph in memory / Direct response
GRI 101 FOUNDATION		
GRI 102 GENERAL DISCLOSURES		
Organisational Profile		
102-1	Name of the organisation	UBESOL, S.L.
102-2	Activities, brands, products, and services	1.1 UBESOL, A STORY OF QUALITY AND COMMITMENT

102-3	Location of headquarters	Grupo Ubesol, S.L. Calle la Costera, 9 46869 Atzeneta d'Albaida (Valencia)
102-4	Location of operations	Grupo Ubesol (sociedad matriz) Ubesol Plantas Textil e Higiene Calle la Costera, 9 46869 Atzeneta d'Albaida Valencia, España
102-5	Ownership and legal form	UBESOL, S.L. is a family business, limited partnership
102-6	Markets served	1.1 UBESOL, A STORY OF QUALITY AND COMMITMENT
102-7	Scale of the organisation	2019 A YEAR OF TRANSFORMATION
102-8	Information on employees and other employees	3 OUR PEOPLE: THE BEST TALENT
102-9	Supply chain	1.2.2 PILLARS THAT GUIDE OUR PERFORMANCE 2.2. OUR SUPPLIERS, KEY ELEMENT OF OUR SUCCESS
102-10	Significant changes to the organisation and its supply chain	There has been no significant change.
102-11	Precautionary Principle or approach	The assessment of environmental aspects is carried out within the framework of the environmental management system. The objective of this identification and assessment is to know which are the main impacts and to be able to act to reduce their effects. A review of these environmental aspects is carried out periodically, including potential or emergency situations. For example, the quality of discharged water into the network is controlled daily.

102-12	External initiatives	1.2 UBESOL, A RESPONSIBLE BUSINESS
102-13	Membership of associations	1.3 INVOLVED WITH THE SECTOR AND THE ENVIRONMENT

Strategy

102-14	Statement from senior executives responsible for decision-making	LETTER FROM THE CEO
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Ethics and integrity

102-16	Values, principles, standards and norms of conduct	1.2 UBESOL, A RESPONSIBLE BUSINESS
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Governance

102-18	Governance structure	1.2.3 A CORPORATE CULTURE FOCUSED ON ETHICS, INTEGRITY AND GOOD CORPORATE GOVERNANCE
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Stakeholder involvement

102-40	List of stakeholders	6.1 RELATIONSHIP WITH STAKEHOLDERS
102-41	Collective bargaining agreements	100 % of our workers are covered in a collective bargaining agreement.
102-42	Identification and selection of stakeholders	6.1 RELATIONSHIP WITH STAKEHOLDERS
102-43	Approach to stakeholder engagement	6.1 RELATIONSHIP WITH STAKEHOLDERS
102-44	Key issues and voiced concerns	6.1 RELATIONSHIP WITH STAKEHOLDERS

Reporting practices		
102-45	Entities included in the consolidated financial statements	Grupo Ubesol (including dependent company Laboratorios Maverick).
102-46	Definition of the reports' contents and the coverage of the topic	The Report covers information related to Ubesol's economic, social and environmental spheres and contains transparent, reliable and balanced information on the organisation's social, economic and environmental performance. It reflects both positive and negative aspects so that stakeholders can obtain a reasonable assessment of the organisation's performance.
102-47	List of material topics	6.2 IDENTIFICATION AND ANALYSIS OF MATERIAL ISSUES
102-48	Restatement of information	There has been no restatement of the information.
102-49	Changes in reporting	There are no changes in the preparation of the report (this is the first sustainability report carried out).
102-50	Reporting period	Ubesol Sustainability Report 2019 refers to the period from January 1 to December 31, 2019.
102-51	Last report date	2019. This is the first sustainability report carried out by Ubesol.
102-52	Reporting cycle	Annual
102-53	Contact person for questions about the report	For any report related question, contact: Juan Miguel Monllor, Environment and Sustainability coordinator juanmiguelmonllor@ubesol.es.
102-54	Declaration of preparation of the report in accordance with GRI standards	This report has been prepared in accordance with the GRI Standards: Core option.
102-55	GRI Table of Contents	7 GRI CONTENT INDEX

7.2 MATERIAL TOPICS

GRI 200 Economic topics

NO GRI INNOVATION AND TECHNOLOGICAL DEVELOPMENT

GRI Standard	Content	Paragraph in report / Direct response
103-1	Explanation of the material topic and its Boundary	4.1 RESPONSIBLE INNOVATION AND MAXIMUM QUALITY IN THE DEVELOPMENT OF OUR PRODUCTS
103-2	The management approach and its components	4.1 RESPONSIBLE INNOVATION AND MAXIMUM QUALITY IN THE DEVELOPMENT OF OUR PRODUCTS
103-3	Evaluation of the management approach	4.1 RESPONSIBLE INNOVATION AND MAXIMUM QUALITY IN THE DEVELOPMENT OF OUR PRODUCTS

GRI 300: Temas ambientales

GRI Standard	Content	Paragraph in report / Direct response
GRI 302: Energy		
103-1	Explanation of the material topic and its Boundary	5.2 ENERGY EFFICIENCY
103-2	The management approach and its components	5.2 ENERGY EFFICIENCY
103-3	Evaluation of the management approach	5.2 ENERGY EFFICIENCY
302-1	Energy consumption within the organisation	5.2 ENERGY EFFICIENCY
302-4	Reduction of energy consumption	5.2 ENERGY EFFICIENCY

GRI 301: Materials

103-1	Explanation of the material topic and its Boundary	5.3.2 PROPER MANAGEMENT OF MATERIALS
103-2	The management approach and its components	5.3.2 PROPER MANAGEMENT OF MATERIALS
103-3	Evaluation of the management approach	5.3.2 PROPER MANAGEMENT OF MATERIALS
301-1	Materials used by weight or volume	5.3.2 PROPER MANAGEMENT OF MATERIALS

GRI 303: Water and Effluents

103-1	Explanation of the material topic and its Boundary	5.3.1 WATER
103-2	The management approach and its components	5.3.1 WATER
103-3	Evaluation of the management approach	5.3.1 WATER
303-4	Water discharge	5.3.1 WATER
303-5	Water consumption	5.3.1 WATER

GRI 306: Effluents and Waste

103-1	Explanation of the material topic and its Boundary	5.3.3 WASTE TREATMENT
103-2	The management approach and its components	5.3.3 WASTE TREATMENT
103-3	Evaluation of the management approach	5.3.3 WASTE TREATMENT

306-2	Waste by type and disposal method	5.3.3 WASTE TREATMENT
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GRI 307: Environmental Compliance

103-1	Explanation of the material topic and its Boundary	5.1 ENVIRONMENTAL MANAGEMENT
103-2	The management approach and its components	5.1 ENVIRONMENTAL MANAGEMENT
103-3	Evaluation of the management approach	5.1 ENVIRONMENTAL MANAGEMENT
307-1	Waste by type and disposal method	5.1 ENVIRONMENTAL MANAGEMENT

GRI 400: Social topics

GRI Standard	Content	Paragraph in report / Direct response
GRI 403: Salud y seguridad en el Trabajo		
103-1	Explanation of the material topic and its Boundary	3.3 A SAFE AND HEALTHY WORK ENVIRONMENT
103-2	The management approach and its components	3.3 A SAFE AND HEALTHY WORK ENVIRONMENT
103-3	Evaluation of the management approach	3.3 A SAFE AND HEALTHY WORK ENVIRONMENT
403-1	Occupational health and safety management system	3.3 A SAFE AND HEALTHY WORK ENVIRONMENT

403-2	Hazard identification, risk assessment, and incident investigation	Ubesol complies with the obligation derived from Law 31/1995, of November 8, on the prevention of occupational risks and Royal Decree 171/2004, of March 30, on the coordination of business activities through various actions. Among others, it includes the timely delivery of information to external companies, the request for documentation without which access is denied, and the management of work permits for external companies.
403-3	Occupational health services	3.3 A SAFE AND HEALTHY WORK ENVIRONMENT
403-4	Employee participation, consultation, and communication on occupational health and safety	3.3 A SAFE AND HEALTHY WORK ENVIRONMENT
403-5	Employee training on occupational health and safety	3.3 A SAFE AND HEALTHY WORK ENVIRONMENT In addition to the actions carried out by Ubesol, part of the requirements that are demanded of external companies is evidence of the training required in terms of risk prevention for the tasks they perform.
403-6	Promotion of employee health	3.3 A SAFE AND HEALTHY WORK ENVIRONMENT Ubesol has staff trained in first aid and emergencies to be able to act if needed, whatever the cause of the internal or external emergency. For example, we have defibrillator equipment and trained personnel in its use, as well as equipment against choking.
403-8	Employees covered by an occupational health and safety management system	3.3 A SAFE AND HEALTHY WORK ENVIRONMENT

403-9	Work-related injuries	3.3 A SAFE AND HEALTHY WORK ENVIRONMENT
403-10	Work-related ill health	3.3 A SAFE AND HEALTHY WORK ENVIRONMENT
GRI 406: Non-discrimination		
103-1	Explanation of the material topic and its Boundary	3.2 EQUAL OPPORTUNITIES
103-2	The management approach and its components	3.2 EQUAL OPPORTUNITIES
103-3	Evaluation of the management approach	3.2 EQUAL OPPORTUNITIES
406-1	Incidents of discrimination and corrective actions taken	3.2 EQUAL OPPORTUNITIES
GRI 416: Customer Health and Safety		
103-1	Explanation of the material topic and its Boundary	4.2 CONSOLIDATED QUALITY MANAGEMENT
103-2	The management approach and its components	4.2 CONSOLIDATED QUALITY MANAGEMENT
103-3	Evaluation of the management approach	4.2 CONSOLIDATED QUALITY MANAGEMENT
416-1	Assessment of the health and safety impacts of product and service categories	4.2 CONSOLIDATED QUALITY MANAGEMENT
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	4.2 CONSOLIDATED QUALITY MANAGEMENT

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United Nations Global Compact table of contents

Category	Principles of the United Nations Global Compact	Page / Direct response	Most relevant GRI standard
Human Rights	1. Businesses should support and respect the protection of internationally proclaimed human rights	3 OUR PEOPLE: THE BEST TALENT	406 Non-discrimination 407 Freedom of Association and Collective Bargaining 408 Child Labor 409 Forced or Compulsory Labor 410 Security Practices 413 Local Communities 414 Supplier Social Assessment 412-1 Operations that have been subject to human rights reviews or impact assessments
	2. Businesses should make sure that they are not complicit in human rights abuses	3 OUR PEOPLE: THE BEST TALENT	406 Non-discrimination 407 Freedom of Association and Collective Bargaining 408 Child Labor 409 Forced or Compulsory Labor 410 Security Practices 412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening 414-1 New suppliers that were screened using social criteria

Labour	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	3 OUR PEOPLE: THE BEST TALENT 7 GRI CONTENT INDEX	402 Labor/Management Relations 407 Freedom of Association and Collective Bargaining 102-41 Collective bargaining agreements
	4. Businesses should uphold the elimination of all forms of forced and compulsory labor	3 OUR PEOPLE: THE BEST TALENT	409 Forced or Compulsory Labor
	5. Businesses should uphold the effective abolition of child labor	3.2 EQUAL OPPORTUNITIES	408 Child Labor
	6. Businesses should uphold the elimination of discrimination in respect of employment and occupation	3.2 EQUAL OPPORTUNITIES 3.3 A SAFE AND HEALTHY WORK ENVIRONMENT	402 Labor/Management Relations 403: Occupational Health and Safety 404 Training and Education 405 Diversity and Equal Opportunity 414 Supplier Social Assessment 103 Management Approach 406 Non-discrimination
Environment	7. Businesses should support a precautionary approach to environmental challenges	5.1 ENVIRONMENTAL MANAGEMENT	301 Materials 302 Energy 303 Water and Effluents 305 Emissions 306 Effluents and Waste 307 Environmental Compliance 308 Supplier Environmental Assessment

	8. Businesses should undertake initiatives to promote greater environmental responsibility	5.1 ENVIRONMENTAL MANAGEMENT	301 Materials 302 Energy 303 Water and Effluents 305 Emissions 306 Effluents and Waste 307 Environmental Compliance 308 Supplier Environmental Assessment
	9. Businesses should encourage the development and diffusion of environmentally friendly technologies.	5 COMMITTED TO THE ENVIRONMENT	301 Materials 302 Energy 303 Water and Effluents 305 Emissions 306 Effluents and Waste 307 Environmental Compliance 308 Supplier Environmental Assessment
Anti-corruption	10. Businesses should work against corruption in all its forms, including extortion and bribery.	1.2.3 A CORPORATE CULTURE FOCUSED ON ETHICS, INTEGRITY AND GOOD CORPORATE GOVERNANCE	205 Anti-corruption 415 Public Policy 102-16 Values, principles, standards, and norms of behavior



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