



**CIKAUTXO GROUP**

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CORPORATE  
ENVIRONMENTAL  
POLICY

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## 1. OBJECT

Regulate and establish the guidelines for the development of all activities of CIKAUTXO Group on environmental management, in accordance with the international standard ISO14001, to meet the applicable legal requirements and commitments in alignment with the Paris Agreement and the UN Sustainable Development Goals.

## 2. SCOPE

CIKAUTXO Group's main activity is the production and sale of rubber blends, design and manufacturing of technical rubber pieces by injection, rubber and plastic technical pieces by extrusion and blow moulded pieces for automotive and household sectors.

It applies to all companies in CIKAUTXO Group.

## 3. COMMITMENT TO THE ENVIRONMENT

Due to its commitment to the highest level of environmental performance, CIKAUTXO will work on four strategic environmental axes integrated into the Environmental Management System:

- **Governance and environmental management.** CIKAUTXO is committed to compliance with legal requirements through continuous monitoring, energy reduction through energy auditing and the implementation of awareness campaigns among staff, reduction of water consumption through the implementation of the wastewater treatment system and the promotion of the reduction of energy consumption of the plants.
- **Climate change and energy transition.** CIKAUTXO is committed to the objectives established in the Paris Agreement in terms of GHG emission reduction and climate change mitigation, preventing pollution and reducing environmental impacts both within the Group and along the value chain, through the training and involvement of employees, collaborating companies and stakeholders. CIKAUTXO will prioritize the use of renewable and sustainable energies over other types of conventional energy as part of its effort to mitigate greenhouse gas emissions in its activities.

Annually, CIKAUTXO will publish the carbon footprint in all its scopes, verified by an independent third party, establishing monitoring and emission reduction systems.

- **Circular economy and eco-efficiency for a sustainable resources management and consumption.** CIKAUTXO is committed to the use of recyclable raw materials and less polluting chemical products, as well as the efficient use of resources. CIKAUTXO also will promote the reuse, recycling and recovery of waste before its disposal. In addition, CIKAUTXO will commit to work along the supply chain with suppliers involved in Sustainable Natural Rubber Initiative (SNRi) which aims to respect human rights, protect the environment, improve farming practices and good governance.

CIKAUTXO takes into account the possible environmental impact of its products and the end-of-life phase, as well as the health and safety conditions of the customers who will use these parts, minimizing possible physical and chemical risks, basing its design on the sustainability requirements of the reference sectors for which CIKAUTXO works and in the legislative requirements.

With these actions, CIKAUTXO is committed to reducing the environmental impact of the produced products, both in their design and production phase and in the use-phase by its customers and at the end of their use-life.

- **Natural capital and biodiversity.** CIKAUTXO is committed to respect natural capital, biodiversity and cultural heritage in the environments where the Group's activities take place, identifying, assessing and monitoring the biodiversity impacts and dependencies during the lifecycle of the facilities. Likewise, CIKAUTXO integrates biodiversity into the planning and operation of projects to progressively reduce negative environmental impacts, avoiding as far as possible the development of the activity near areas of high value for biodiversity, specially protected areas, preventing as far as possible the alteration of the vegetation, avoiding deforestation in the operating environments and promoting the mitigation of significant impacts throughout the value chain.
- **Consumer health and safety.** CIKAUTXO is committed to designing and using materials and processes that promote the safe use of products by clients and end consumers, using materials with no or low chemical and physical risk, and duly informing of the possible risks derived from the same.

All these commitments are aligned with the SDGs and the commitments made in the Paris Agreement, so CIKAUTXO will actively work to improve the following quantitative objectives:

- ✓ Scope 1 and 2 emissions according to SBTi criteria (25% reduction by 2030 based on base year 2021).
- ✓ Value chain to reduce Scope 3 emissions according to SBTi criteria (25% reduction by 2030 based on base year 2021).
- ✓ Reduction of Energy intensity of the organization by 1% per year.
- ✓ Reduction of GHG emissions intensity by 1.5% per year.
- ✓ Increase of Recycled inputs at 1% per year.
- ✓ Increase of Suppliers with ISO 14001 certification 1% per year.

#### 4. GOVERNANCE AND DEFINITION OF RESPONSIBILITIES

The General Manager, as the person responsible for the process in which the environmental management system is included, together with the Plant Managers, is responsible for validating, modifying and ensuring compliance with this policy in all CIKAUTXO plants.

The Group Management Committee is responsible for establishing the strategic objectives, which include the environmental objectives.

The Environment Committee of each plant is responsible of reviewing proposals, monitoring performance and validating environmental annual business plan and continuous improvement of CIKAUTXO.

The Management Systems Department, where is included the environmental process, is responsible for implementing, maintaining and improving the environmental management system, in accordance with the ISO 14001 standard. It verifies that the internal management system is robust and meets the external needs and requirements that are identified, reviewing annually the risks and opportunities and keeping the Group Management Committee informed of their evolution.

All CIKAUTXO employees are responsible for complying with and enforcing the guidelines set out in this policy.

#### 5. REPORTING AND MONITORING

Business Units will periodically report the required environmental information through the designated channels.

The Management System Department will consolidate the information to prepare the monitoring reports for the Environment Committee and the Group Management Committee, as well as for the other interest group as required.

Environmental indicators and objectives will be integrated into Process P10 - Organisation and Management Systems, and will be followed monthly in the Environment Committee and the KPIs table. In addition, the overall environmental performance of each plant will be summarised in the annual Management Review document, as well as in the annual sustainability report.

Business units will define, with the support of the Management System Department, the necessary actions to measure and monitor the indicators and meet environmental objectives.

## **6. REVISION, COMMUNICATION AND APPROVAL MECHANISM**

This policy will be reviewed annually or when significant change is required.

This policy will be available for all CIKAUTXO staff, as well as applicable external interested parties.

Environmental policy has been approved by the General Manager of Cikautxo Group.



**Iñigo Laskurain Pagaegi**  
**General Manager**  
Berriatua, 06th March, 2023