

Responsible Sourcing

Policy
2025



A **cmpc** company.

Softys
Innovating for your care

Presentation

Introduction

At Softys, our central purpose is “to develop brands that deliver the best care people need in their daily lives and at every stage of their lives.” This purpose is framed within a context of transformation and evolution, aligning with our 2024–2028 Business Plan and the new Sustainability Strategy for the same period — documents that drive us to continue building a more sustainable and responsible future.

Our value chain is an essential element in achieving this. From the definition and acquisition of inputs to the delivery of our brands and products to over 500 million consumers across Latin America, we work with a comprehensive, long-term vision that reinforces the Sustainability of our operations. This approach recognizes that our greatest responsibility and impact lie within our supply chain, where talent, resources, and critical assets converge.

Responsible sourcing, now more than ever, is a strategic pillar in this challenge. Our Procurement Department operates globally, collaborating with suppliers of all sizes — from small and medium-sized enterprises to large multinationals — who are strategic allies in developing innovative solutions that reflect our commitment to “caring for the future today.” Through this collaboration, we ensure the resilience of our supply chain from both a competitive and sustainable perspective, covering the entire value cycle.

In this context, we reaffirm our obligation to generate positive impacts through every action we take, contributing not only to our consumers and clients but also to the surrounding environment and the planet that hosts us. This includes the responsible use of natural resources, the protection of biodiversity, the promotion of human rights, and col-

laboration with local communities for their development and well-being.

The Responsible Sourcing Policy is a significant milestone reflecting this evolution. Through this updated guide, we strengthen our management of ESG issues — Environmental, Social, and Governance — not only within our direct operations but also across our entire supply chain. This cross-cutting standard clearly establishes our expectations of strategic partners and suppliers, promoting transparency, identifying gaps, and fostering joint action plans that generate shared value.

With this policy, we aim to ensure a coherent approach aligned with the commitments we embrace as a company focused on caring for people and the environment. Furthermore, it sets out the minimum and mandatory requirements our suppliers

must meet — from adhering to principles of conduct and legality to implementing sustainable and ethical practices.

We are convinced that the major Sustainability challenges can only be addressed collectively. Therefore, we invite all our suppliers and strategic partners to join this vision, working together to capitalize on positive impacts, mitigate adverse ones, and build a culture of integrity based on strong values and close collaboration. We remain focused on delivering the best care — but also on caring for the future, contributing to the well-being of people and the planet. Together, we make a difference. **Together, we care for the future today.**



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CHAPTER 1

Principles that Guide Us

1.1 Committed to Care

We are Softys, a multilatina company with industrial operations in eight Latin American countries: Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Peru, and Uruguay. With a presence in over 26 markets, from our production plants and with the talent of our more than 14,000 collaborators of diverse nationalities, we reach the homes of millions of people who trust our products for their daily care.

To fulfill this mission, our suppliers are true **strategic partners**. That is how more than 9,700 suppliers worldwide share with us the commitment to deliver the best care — which means making Sustainability a pillar of every process. Collaborating with Softys means being part of a solid and robust value chain, focused on innovating and responding to the demands of our consumers with quality and responsibility.

Thus, every action and every product in our business lines — **Consumer Tissue, Personal Care**, and **Softys Professional** — is inspired by our **Purpose**:

“To develop brands that deliver the best care people need in their daily lives and at every stage of their lives.”

And guided by our **Vision**:

“To be the best at delivering care and hygiene to people in Latin America, earning daily preference for our brands, growing with superior profitability, and caring for the future today.”



To achieve this goal, we work with a focus on **Three Strategic Pillars** that guide our actions and enable us to effectively address the needs and challenges of our environment:



Innovation in quality

We innovate in **processes and strategies**, placing emphasis on continuous improvement at the technological, personal, and consumer-need levels.



Commitment to sustainability

We ensure that all our actions fall within a framework of **respect for the environment**, through robust management in social, environmental, and governance aspects.



Accessibility and closeness to people

We strive to **always be close and available to people and their needs**, wherever they are, and at a value that fits their means.



Our organizational culture is also based on **five differentiating commitments**, which are values we share with our suppliers and that define the way we seek to act jointly and responsibly:

01

 **Care**

- We are guided and inspired by the care of people: our collaborators, consumers, clients, and care for our environment. We are convinced that through care, new opportunities open up that allow us to transform lives.

02

 **Trust**

- We believe in and trust the talent and capacity of each and every member of our team, and we create environments that allow us to unleash that potential. We collaborate with one another and work as a team, because together we are stronger.

03

 **Transcendence**

- We work to bring sustainable value to the business, knowing that in every effort and action we are caring for the future, today.

04

 **Achievement and excellence**

- We are people of action in pursuit of excellence, and we love what we do. We are courageous in taking risks, always with agility and discipline, creating space for innovation and creativity.

05

 **Integrity**

- We honor our history and act with integrity and transparency. Always.

1.2

“Prepared for the Future”

Business Plan 2024-2028

The above is materialized in our **Business Plan 2024-2028**, a strategy that guides and strengthens Softys' commitment to building a sustainable economic environment. This plan establishes five key pillars that drive our vision of leadership and the path to becoming the best in Latin America, where each supplier is fundamental.



These pillars reflect Softys' strategic priorities, where our suppliers play an essential role:

1. Brands: Collaborating closely with Softys to strengthen the brands through constant innovation and adherence to the quality and Sustainability standards that represent our values.

2. Go to Market: Working in sync to ensure products reach the sales points across Latin America efficiently and swiftly.

3. Sustainability: Driving the adoption of responsible practices that integrate ESG criteria, minimizing environmental impact, promot-

ing efficient use of resources, strengthening social well-being, and ensuring compliance with Softys' Sustainability standards.

4. Culture: Promoting inclusive, safe, and ethical work environments.

5. Transformation: Integrating the practices and technologies defined by Softys to modernize and optimize processes, thus strengthening a more competitive, agile supply chain aligned with the demands of the future.

1.3

Driven by Our ESG Material Topics

In 2023, the materiality analysis was updated to identify the critical issues for Softys from an ESG perspective. These **“material issues”** represent the key areas where we have a significant impact and that also directly influence the long-term success of our business.



Economic Dimension

- Agile culture and global and multilatino purpose.
- Free competition, anti-corruption, and business ethics.
- Risk and crisis management.
- Responsible supply chain management.
- Digital transformation.
- Innovation in processes and products.
- Product quality and availability.
- Responsible advertising and labeling.



Environmental Dimension

- Energy consumption and greenhouse gas emissions (GHG).
- Negative environmental externalities in communities.
- Water resource management.
- Management of industrial waste.
- Product life cycle.



Social Dimension

- Occupational safety and health for workers and contractors.
- Diversity and inclusion.
- People development.
- Employee engagement and work climate.
- Community relations and social investment.
- Promotion of health and hygiene.
- Consumer satisfaction and brand value.



1.4

“Caring for the Future Today” Sustainability Strategy 2024-2028

At Softys, our Sustainability Strategy 2024-2028 arises from the commitment to **“care for the future today”** and is developed as a fundamental part of our Business Plan 2024-2028. This Strategy defines Softys’ responsible growth in the long term, and based on the materiality study conducted in 2023, it establishes our commitments and strategic focuses that will guide our work with communities, consumers, employees, and you, our suppliers and partners. We aim to focus our efforts on aspects where we can be an agent of change, with the goal of ensuring a solid value chain in harmony with the environment. The Strategy is structured around four pillars:



The pillar **Being Responsible from Start to Finish** strengthens Softys’ commitment to doing more with less, with a value chain that, from sourcing to final delivery, operates under the principles of ethics and efficiency. Through this pillar, and in close collaboration with our suppliers and strategic partners, we seek for each action and decision to reflect practices that minimize environmental im-

pact, optimize resource use, and strengthen a responsible environment. Part of this commitment is to promote a closer and more sustainable supply chain, driving the development of local suppliers located within the influence area of our industrial operations, thus promoting economic growth in the communities where we are present.

The expectation for our suppliers is clear: share and apply this vision, aligning with the same standards that guide our decisions, objectives, and goals:

Strategic focuses	Objectives	Goals
A1 Responsible management of the supply chain.	1.1 Make Sustainability a strategic element in supplier relationships.	<p>01 100% of our critical suppliers will make their ESG management transparent through Sustainability platforms by 2025.</p> <p>02 Softys will have an ESG program for suppliers, which critical suppliers will adhere to by 2028 and all suppliers by 2030.</p>
	1.2 Promote development and connection with communities by contracting with local suppliers.	<p>01 Softys will have a program to promote the hiring of local suppliers by 2025, which will be implemented in all its areas of influence by 2028.</p>
A2 Sustainable management of environmental resources.	2.1 Reduce the environmental impact of our operations.	<p>01 Reduce water use by 50% by 2025 and 60% by 2028.</p> <p>02 Be a company with zero industrial waste to landfill by 2025.</p> <p>03 100% of our operations will be certified by the Zero Waste Management System or similar certifications by 2028.</p> <p>04 Reduce our GHG emissions by 50%, scopes 1 and 2, by 2030.</p> <p>05 Reduce our scope 3 GHG emissions by 22% by 2035.</p>



1.5 Being Responsible from Start to Finish

Our new Sustainability Strategy 2024-2028 drives us to reinforce our commitment to comprehensive management of our value chain, with a vision that spans from the origin of raw materials to the final impact of our products on communities and the environment. Sustainability at Softys means an “end-to-end” approach, where every step, from responsible sourcing to manufacturing and distribution, is part of a system designed to generate shared and lasting value.

Recognizing that more than 80% of our human capital, resources, and assets are allocated to our supply chain, we understand that this is a critical focus to effectively mobilize our Sustainability goals with high impact.

To achieve these objectives, we work on three strategic pillars specifically related to the supply chain, which guide our internal and external efforts towards an efficient, ethical, and responsible operation.



More with Less

We aim to do more with less, where people, assets, and technology work under a framework of operational excellence and sustainable innovation, synergies that enable us to facilitate a better life for everyone.

Responsible Sourcing

We understand that our responsibility goes beyond what we can see in our direct operation, which is why we work hand in hand with our suppliers, based on a logic of continuous improvement in ESG matters.

Diverse Talent

We are a multicultural Latin American company, a diversity that makes us great, and our Supply Chain must be a reflection of this diversity, which drives innovation and enables us to deliver the best brands and products to more than 500 million consumers around the world.

1.6

Aligned with the SDGs for a Better World

We are committed to the UN's 2030 Agenda and declare this through our Sustainability Strategy 2024-2028. We focus on contributing to six priority SDGs, identified through a double materiality analysis, maximizing our positive impact on society and the environment.



SDGs	General Description	Softys Contribution
	ODS 3: Health and Well-being	Promote well-being and ensure a healthy life for all.
	ODS 5: Gender Equality	Achieve gender equality and empower all women and girls.
	ODS 6: Clean Water and Sanitation	Ensure universal access to water and sanitation.
	ODS 12: Responsible Consumption and Production	Promote sustainable production and consumption patterns.
	ODS 13: Climate Action	Take urgent action to combat climate change.
	ODS 17: Partnerships for the Goals	Strengthen the means of implementation and revitalize the global partnership for sustainable development.
		Health and Well-being: Softys contributes to the well-being of the most vulnerable communities through the Softys Contigo initiative, developed in partnership with TECHO. This strategic collaboration promotes water and sanitation solutions in Latin American camps, in addition to promoting timely assistance and hygiene education, thus safeguarding the health and quality of life in underserved areas.
		Gender Equality: At Softys, caring also means promoting equity and inclusion. We are committed to increasing female participation in operational and leadership positions with specific goals for 2028, creating an environment where every person is valued and respected.
		Clean Water and Sanitation: Recognizing the importance of caring for natural resources, Softys aims to reduce water consumption by 50% by 2025 and reach a cumulative 60% reduction by 2028. We are actively working on projects to provide access to drinking water in communities with urgent needs, aligning with the preservation and responsible management of this resource.
		Responsible Consumption and Production: We are committed to caring for the planet through responsible production practices. We aim to become a zero-waste company by 2025 and certify 100% of our industrial operations in the Zero Waste Management System by 2028. By 2030, Softys aims for 100% of its packaging to be recyclable or compostable, and to reduce the use of virgin plastic by 50%, integrating sustainable solutions across the entire value chain.
		Climate Action: Aware of our role in climate care, Softys commits to reducing its greenhouse gas emissions by 50% by 2030 (Scope 1 and 2) and 22% (Scope 3) by 2035, adopting technologies and practices that minimize our carbon footprint.
		Partnerships for the Goals: Through partnerships with suppliers and strategic partners, we drive product innovation, the development of sustainable solutions, and the strengthening of our value chains, ensuring a positive impact on communities and the environment. A tangible example of this is the strategic partnerships we have formed with TECHO, offering hygiene solutions in vulnerable neighborhoods, promoting health and well-being.



CHAPTER 2

Responsible Supply Policy

At Softys, our commitment to Sustainability goes beyond our operations. Caring for the future means working closely with our suppliers to build a value chain based on ethical and responsible sourcing practices. Our Responsible Sourcing Policy establishes the ESG standards that guide every purchasing decision, with the goal of creating a positive impact and supporting development in the communities where we operate.

In this context, the Procurement area plays a key role as a driver of sustainable and profitable growth for the organization. Its vision is

“to be a benchmark in generating value for Softys, contributing to its profitable and sustainable growth through its brands, ensuring the care and integrity of the business.”

In this way, we align Sustainability with every purchasing decision, prioritizing collaboration with suppliers and strategic partners who share our purpose of “caring for the future today” and are committed to our ESG standards. This policy forms the foundation of our joint commitment, allowing us to build a resilient supply chain that addresses the challenges of the present and the future.

2.1

Objective and Scope for Caring Together

The goal of Softys' Responsible Sourcing Policy is to establish and promote ESG standards throughout our supply chain. Through this policy, we seek to guide and collaborate with our suppliers of goods and services to ensure that each stage of the purchasing process, from a holistic perspective, complies with our Sustainability and Social Responsibility guidelines.

This policy applies to all Softys suppliers of goods and services and covers all stages of the purchasing process from an end-to-end perspective. Key documents, such as the **Supplier Code of Conduct**, a fundamental pillar in our business relationships, and all documents that reinforce our ethical guidelines, promote the compliance of all our suppliers with the regulations and standards defined by the company¹.



¹ Publicly available documentation on <https://www.portalproveedorsoftys.com/en/downloadable>



2.2

Essential Concepts for Purposeful Supply

When talking about Responsible Sourcing, it becomes relevant to standardize concepts in order to develop a common understanding of the subject that encompasses all those who are part of our value chain. In this regard, here are some basic definitions, and the complete details are available in the Corporate Purchasing Procedure:

2.2.1 Supplier Classification: This is the process through which we segment our suppliers in order to determine the most appropriate program, aligning our Sustainability goals with the specific characteristics of each supplier. It is important to note that a supplier may belong to more than one segment. The segmentation is organized as follows:

-• By **location**: Segmentation based on the location of the supplier's operational headquarters, from where they supply Softys with goods and services (either their fiscal or commercial address). Suppliers are classified as Local, National, or Foreign.
-• By their **impact on the value chain**: Segmentation of suppliers identifying those that are Critical, according to their impact on areas such as Occupational Health and Safety, Climate Action and the Environment, and Operational Continuity. In this case, those who supply direct inputs, materials, spare parts, and strategic and leveraged indirect services are considered critical, according to Kraljic's methodology, "a well-known matrix used to classify procurement risk and impact" (business impact vs. purchasing complexity), with an annual expenditure exceeding \$1 million for direct inputs or \$700,000 for indirect ones.

2.2.2 Sustainable Value Programs for Suppliers: Strategic initiatives through which Softys seeks to consolidate a network of alliances focused on Sustainability, social responsibility, and local development, aiming to raise the ESG standard of suppliers. In this context, two key programs stand out: the ESG Program for Suppliers, aimed at strengthening environmental, social, and governance principles in our supply chain, and the Supplier and Local Community Development Boost Program, designed to promote growth and collaboration with suppliers and communities in Softys' local areas of influence.

2.2.3 Supplier Evaluations: These are structured processes that Softys applies internally or through third parties to verify, monitor, and evaluate its suppliers in areas deemed relevant. These evaluations ensure that suppliers operate under Softys' standards, fostering continuous improvement throughout the value chain.

- Supplier Sustainability Evaluation.
- Supplier Accreditation Evaluation.
- Supplier Performance Evaluation.

2.2.4 FSC Certified Chain of Custody: This is a tracking and verification system that ensures 100% of the Long Fiber and Short Fiber Pulp acquired by Softys comes from responsibly and sustainably managed forests. This means that the wood used in the production of these products has been obtained in compliance with the strict social and environmental standards of the Forest Stewardship Council (FSC).



2.3

Documents Related to Responsible Supply

At Softys, we ensure that our interactions are governed by the principles established for our employees, with the **Ethics Code** and the **Integrity Policy - Corporate Probity**, which strengthen our organizational culture and ensure responsible practices. On the other hand, the **Supplier Code of Conduct** sets out the ethical and responsibility guidelines we expect in our supply chain, reflecting our commitment to ethical, transparent, and mutually respectful business relationships.

2.4

ESG Approach in Our Responsible Supply

Our ESG management – environmental, social, and governance – is reflected in specific areas that demonstrate Softys' commitment to responsible sourcing across the entire value chain. This commitment is reinforced in collaboration with our suppliers and strategic partners, who are essential to ensuring ethical and sustainable operations.

Environmental



Environmental Management:

We identify, control, and mitigate our environmental aspects and impacts, in strict compliance with applicable local regulations and signed commitments, maintaining conformity through action plans and concrete commitments.

We expect our suppliers share this same commitment, fully complying with environmental legislation in the territories where they operate, under a formal management system that identifies, characterizes, and quantifies their environmental aspects, acts to mitigate the impacts generated, and applies continuous improvements.

Energy Consumption and Greenhouse Gas Emissions:

We mitigate our contribution to climate change by reducing greenhouse gas emissions throughout our value chain, driven by energy optimization and the promotion of renewable energy use, as well as controlling

air pollution in our facilities. To this end, we hold ISO 50001 certification and renewable energy certificates, reaffirming our commitment to a sustainable future.

We encourage our suppliers to implement strategies for reducing greenhouse gas emissions, optimizing energy consumption, and controlling emissions from their activities, in compliance with applicable regulations, thereby mitigating their local impact and contributing to Softys' climate goals and global targets.

Water Resource Management:

Water is a vital resource. Therefore, we manage water resources responsibly and comprehensively, reducing specific use to avoid negatively impacting source availability. We also monitor the quality of effluent discharges into continental or marine water bodies. This is achieved through advanced treatment technologies and the reuse of water from our effluents in production processes.

We seek to work with suppliers who manage water responsibly and sustainably, prioritizing conservation and adopting practices that promote efficient and appropriate use, in line with standards and best practices at the local and global levels.

Waste Management and Product Life Cycle:

In managing our operations, we apply circular economy principles to minimize our environmental footprint. We promote reducing waste generation from our activities, as well as recovering value from waste through reuse, recycling/composting, and energy recovery. We have set the goal of becoming a zero-waste-to-landfill company by 2025.



We also extend our commitment to the product life cycle. We assume responsibility for the impact of our packaging, actively working to reduce the use of fossil-based plastics and increasing the use of recycled, recyclable, or renewable materials. In doing so, we not only improve our processes but also enable consumers to participate in a circular economy.

We value suppliers who also demonstrate a commitment to the circular economy, both in responsibly managing their own waste and in offering innovative materials and solutions. Consequently, we prioritize collaboration with partners who work with us to achieve our Sustainability goals.

Social

Labor Conditions and Human Rights:

At Softys, we act with care and responsibility, safeguarding what matters most to us. Therefore, we are firmly committed to respecting and safeguarding human rights across our entire value chain.

We fully comply with all relevant labor laws and regulations in every country where we operate. We promote freely chosen employment in all our operations and throughout our supply chain. We firmly oppose forced labor, human trafficking, child labor, and any form of cruel or inhumane treatment. Likewise, we do not tolerate any form of labor or sexual exploitation. We conduct rigorous due diligence across our supply chain to identify and mitigate labor, environmental, social security, and tax-related risks, ensuring that our suppliers, as strategic partners, meet the highest ethical and legal standards.

We seek to maintain non-discriminatory, fair, equitable, and respectful relationships with our suppliers, and we expect these principles to extend to their own employees. Based on this, it is key for Softys to ensure and maintain safe and hygienic working conditions for all people working at its facilities; to respect freedom of association and collective bargaining processes; and to continuously improve labor standards.

Occupational Health and Safety:

Preventing accidents and managing occupational health and safety are essential to ensuring the long-term Sustainability of our supply chain. For this reason, we minimize risks and maintain safe working environments through proactive and preventive actions that improve processes, identify hazards, assess risks, and establish control measures.

Diversity and Inclusion:

As a multinational company, diversity and inclusion are integral to our culture, reflected in the goals we have set in this area.

We expect our suppliers to ensure non-discriminatory hiring practices regardless of

origin, religion, nationality, gender, socio-economic status, or any other arbitrary characteristic or condition, and to promote people development with a focus on equity.

Community Engagement

We recognize that the care we provide to clients and consumers must extend to the communities that host us. This principle is reflected in our Community Engagement Policy, which defines standards for all our industrial sites across the eight countries where we operate.

We encourage our suppliers to make their best efforts to fully understand the origin of the products and services they deliver, and to identify and properly manage potential adverse impacts on their surrounding environment.





Governance



Ethics, Anti-Corruption, and Whistleblowing Hotline:

At Softys, we categorically reject and strictly prohibit all forms of corruption and bribery (both in the public and private sectors). In this regard, our Whistleblowing Hotline, available at www.softys.com, plays a key role as a tool that allows any person to report acts or behaviors that constitute or may constitute a violation of Softys' principles and values, corporate rules, or applicable laws.

We expect our suppliers to adopt an ethical commitment reflected in conduct that is integral, responsible, and respectful of our corporate values and applicable anti-corruption laws. Because together, we safeguard Integrity.

Free Competition:

At Softys, we understand that Free Competition is one of the fundamental pillars of a market economy. Our commitment to respecting free and fair competition, framed within our Sustainability Strategy, drives us to autonomously and independently make our commercial and strategic decisions, as well as to objectively and independently select our suppliers, distributors, and customers.

We promote respect for fair competition in all our operations and business relationships,

expecting our suppliers to also commit to strict compliance with the laws and regulations that protect and regulate Free Competition in all jurisdictions where we operate.

Conflict of Interest Management:

At Softys, we promote transparent and fair relationships with our suppliers. To this end, we have a system for declaring and managing conflicts of interest that may arise, to ensure independence, integrity, and impartiality in our decision-making.

We strive to maintain strong, honest, and transparent relationships with our suppliers. We therefore urge them to declare any conflicts of interest in which they may be involved and to avoid behaviors that seek to unduly influence their relationship with Softys.

Transparency and Responsible Information Management:

We act transparently in relation to our suppliers and other companies with which we maintain business relationships. At Softys, we are committed to integrity in receiving information provided to us by third parties as confidential. We also protect the personal data of employees, customers, and individuals in general, strictly complying with applicable laws.

We expect our suppliers to be transparent in providing information related to their products or services. Such information must be timely, truthful, accurate, and sufficient. Likewise, we expect compliance with all applicable laws on personal data protection and information privacy.

Quality:

At Softys, we develop brands that deliver the best care people need in their daily lives and at every stage of life. Excellence in our products is a non-negotiable standard. We have a quality management system certified under ISO 9001 across all our production facilities. With this strong commitment, our suppliers are fundamental allies in delivering products of the highest quality.

We expect our suppliers to operate under an appropriate quality management system to ensure compliance with the standards in the products we offer with care, dedication, and commitment to our consumers.

Traceability:

We seek to enhance supplier traceability, from the point of origin to the formalization of our commercial relationship. Therefore, whenever possible, Softys seeks to acquire products and services from certified suppliers.

Our expectation is that our suppliers fully understand the origin of the products and services they provide, for example by implementing a management system to identify and trace such sources, and to respond promptly to Softys' requests regarding the origin of the products and services supplied.

Resilience:

We are aware that we live in an environment prone to unforeseen events that could impact our operations. Therefore, we aim to strengthen the resilience and agility of our supply chain so that, when faced with such challenges, we respond responsibly, quickly, and appropriately in line with the care that drives us.

We expect our suppliers to support, encourage, and ensure that their supply chain operates according to the standards and best practices of their industry, enabling them to respond agilely and effectively to emerging needs.

2.5

Supplier Management Linked to Sustainability

Taking care of people is at the heart of everything we do. We are driven to ensure that those who choose our products have access to hygiene solutions of the highest quality, contributing to the well-being of their families and communities. But we know that the real impact goes beyond each product: it lies in the way we work together.

That is why at Softys, we promote supplier management that not only aims to supply our operations but also to build a responsible and sustainable value chain. We know there is still much to be done, which is why we are developing and implementing plans to progress in caring for the environment, reducing our environmental footprint, and generating positive impacts in the communities where we operate.

Supplier Management starts with segmenting our strategic partners, considering their impacts and spending levels. We know that each supplier is different, so based on this segmentation, we seek to create different engagement opportunities that allow us to manage risks, ensure compliance with requirements, and promote sustainable practices throughout our supply chain:

- **Supplier Evaluation²:**

Initial and periodic accreditation evaluations.
ESG evaluation for suppliers.

- **ESG Program for suppliers.**
- **Local Suppliers Program.**

Below is the detail of each of these engagement instances:

2.5.1 Evaluation of Suppliers with Sustainability Impact

Initial and Periodic Accreditation

This is the first step to establishing a responsible and transparent commercial relationship with Softys. Through this process, we validate that each supplier meets the essential requirements in areas such as Compliance, Financial Risk, Occupational Health and Safety, Quality, and Environment.

This evaluation applies across all our operations and allows for both the onboarding of new suppliers and the periodic review of those we already work with, ensuring they remain aligned with our standards.

In addition to requesting the necessary information to establish the commercial relationship, during this process, the supplier also gains access to all the documents that govern our relationship in an ethical and transparent manner. Among these are the **Supplier Code of Conduct**, the General Contracting Terms, and other guidelines publicly available on the [Softys Supplier Portal](#).

ESG Evaluation critical suppliers whose operations are essential to business continuity:

The Supplier Sustainability Evaluation is a key action within Softys' Responsible Sourcing Program. Its objective is to identify risks, measure the performance of our supplier companies on ESG topics, and promote the continuous improvement of their practices. This approach ensures that our supply chain is aligned with the Sustainability and responsibility principles that guide us.



To achieve this, we use a comprehensive methodology that evaluates suppliers by considering key variables such as the sector they operate in, their geographic location, and the impact they have on our production process. This allows us to identify both strengths and areas for improvement across four fundamental pillars:



Labor practices and human rights



Environmental management



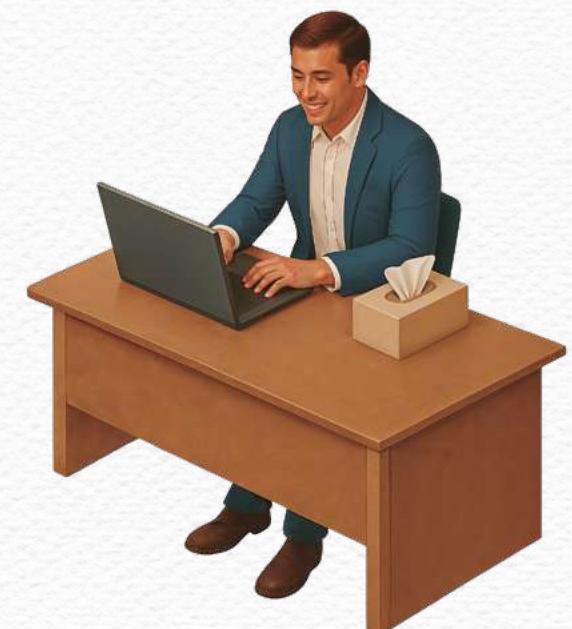
Ethics



Sustainable procurement

Each year, suppliers previously identified as critical to the operational continuity of Softys are evaluated in depth. To ensure the objectivity of the process, this evaluation is carried out through external strategic partners specialized in Sustainability. We analyze their policies, actions, and results in ESG matters, which allows us to understand their performance and actively collaborate in implementing improvements to ensure their alignment with our principles.

The Sustainability evaluation assigns an overall score that helps us identify priority areas for improvement and determine the frequency of re-evaluation. Suppliers with lower scores are evaluated at shorter intervals, ensuring constant monitoring and promoting swift action in critical cases. This approach encourages suppliers to work on key opportunities to strengthen their ESG standards, consolidating both their performance and the Sustainability of our supply chain.



² The evaluations mentioned related to Sustainability are without prejudice to additional Performance evaluations conducted on suppliers.

Supplier Sustainability Assessment Reassessment Criteria



For awarded suppliers, a commitment to continuous evaluation under ESG criteria is required, ensuring alignment with our Sustainability values and contributing to the development of an efficient, responsible supply chain aligned with our strategic objectives.



2.5.2 ESG Program for Suppliers

This program aims to drive Sustainability in our supply chain by promoting responsible practices across the **Environmental, Social, and Governance (ESG)** dimensions. Our commitment is to advance progressively, prioritizing critical suppliers for operational and environmental continuity by 2028, and then extending this integration to our entire supplier base by 2030.

To achieve this, we are embedding Sustainability into every stage of the Procurement Process, building a clear and consistent **Sustainable Procurement Strategy**. A key pillar is the ESG Evaluation of suppliers, which allows us to measure their management across three fundamental aspects: policies, actions, and results. With this information, we monitor their performance using indicators, request metrics, drive improvements through concrete action plans, promote learning, and set re-evaluation periods to ensure continuous progress.

Additionally, the program seeks to foster knowledge and continuous improvement by promoting spaces for learning and collaboration with our suppliers. In this context, we aim to generate synergies with those who already excel in ESG matters and support others in their evolution process, strengthening a more sustainable supply chain aligned with our values.

In this regard, we highlight those suppliers who demonstrate a high level of performance against the established criteria, recognizing their contribution and creating collaboration opportunities that allow us to continue growing together and creating shared value.

2.5.3 Program to Promote Local Supplier Hiring

Committed to the economic development of our communities, this program seeks to increase the participation of local suppliers in our operations. Our goal is to have a robust strategy in place by 2025 to promote the hiring of local suppliers, and by 2028, to have this initiative fully implemented across all our areas of influence where Softys has production plants.

Through this initiative, we aim to generate a positive impact on the local economy and foster the inclusion of small and medium-sized enterprises in our value chain. We believe that sustainable growth is built together, and this initiative is a key step in continuing to drive development in the regions where we operate.

2.6 Goals and Reporting

At Softys, transparency and constant monitoring are fundamental pillars for advancing our commitments. Based on the 2024–2028 Sustainability Strategy, specific goals have been defined as the direct responsibility of the Procurement area, mainly aligned with the strategic pillars "Being Responsible from Start to Finish" and "Caring for Our Consumers." These goals are integrated into our key performance indicators (KPIs), which reflect our progress in social, environmental, and governance aspects.

Some of these KPIs are led directly by the Procurement area, while others, such as those related to packaging, are developed under a co-responsibility scheme:



- **Promote development** and connection with communities through local supplier hiring: Implement a program to promote the hiring of local suppliers by 2025, which will be fully implemented across all areas of influence by 2028.

- **Make Sustainability** a strategic element in supplier engagement:

- Ensure that 100% of our critical suppliers disclose their ESG management by 2025.
- Establish an ESG program for suppliers, incorporating critical suppliers by 2028 and all suppliers by 2030.

• **Reduce environmental impact:**

- Reduce our Scope 3 GHG emissions by 22% by 2035, compared to the 2020 baseline.
- Reduce virgin **fossil-based** plastic use in packaging by 50% by 2030, compared to 2023.
- Ensure that 100% of our packaging is recyclable, reusable, or compostable by 2030.

Progress on what is described in this Policy is communicated annually through two official reports:

Softys Sustainability Report: A document detailing the progress of our 2024-2028 Sustainability Strategy, our goals, and challenges, the text of which is available in the Sustainability section of Softys.com.

CMPC Integrated Report: A comprehensive view of the group's operations, including Softys' results, published in the Integrated Reports section of the [CMPC website](https://CMPCwebsite.com).

Both reports, prepared under international standards such as the Global Reporting Initiative (GRI) guidelines, ensure the quality and transparency of the information, reflecting our performance and offering stakeholders a clear and verifiable view of our actions.

We are committed to continuous improvement. By measuring and reporting our progress, we reaffirm our commitment to responsible management. The KPIs we monitor not only guide our decisions but also strengthen the Sustainability of our supply chain, ensuring a positive impact on our shared home, our communities, and all stakeholders involved.

2.7

Adherence to the Policy

In cases where a supplier does not show interest in acting in accordance with the principles established in this Policy and/or fails to make progress on the improvement areas requested through re-evaluation, Softys may review the continuity of the commercial relationship and may decide to terminate it.

Likewise, suppliers have the responsibility to promptly communicate any event, situation, or emergency related to ESG matters that could affect or disrupt operations with Softys. For any inquiries regarding the responsible sourcing process, Softys is available to address these concerns, ensuring that action plans and proposed solutions always respect the principles of free, prior, and informed consent.

2.8

Approval, Validity, and Dissemination

The Softys Responsible Sourcing Policy, in its second version, has been approved and authorized by the Industrial Development and Supply Chain Management, the Sustainability Management, and the Procurement Management at the corporate level. This version will remain in effect until 2028, aligning with the horizon defined in our Business Plan and our 2024-2028 Sustainability Strategy, reaffirming Softys' commitment to the responsible and sustainable management of its supply chain.

For its dissemination and implementation, this policy will be communicated as follows:

Suppliers and the general public:

- **Strategic communication:** It will be sent directly by email to supplier segments considered critical, according to our evaluation model.

- **Regular interaction:** It will be shared at events and webinars related to Responsible Sourcing, strengthening understanding and integration.

- **Supplier Web Portal:** It will be permanently available on this platform, promoting transparency and ensuring public access at all times.

Internal collaborators:

The policy will be disseminated considering the specific roles and responsibilities of each area:

- **Procurement teams:** They will receive in-depth training to ensure effective implementation and compliance with the principles established in the policy.

- **Corporate and Local Sustainability Areas:** They will receive training to ensure the integration of this policy into Sustainability initiatives both regionally and within each subsidiary.

- **General employees:** They will receive specific communication about the publication of the policy, which will include the most important parts presented clearly and schematically. This will ensure that everyone understands the key aspects and how they relate to their daily work.

With this version, we reaffirm our commitment to continuous improvement and Sustainability throughout our value chain, building a future aligned with Softys' strategic objectives through 2028. In addition, we commit to periodically reviewing and updating this policy, incorporating new practices and adapting to industry developments, as well as to changes in environmental and social conditions, in order to maintain alignment with the highest international standards.

Appendix 1

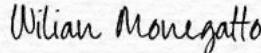
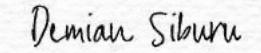
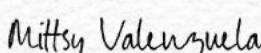
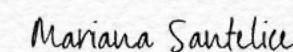
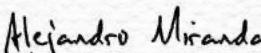
Glossary of Abbreviations and Acronyms:

Abbreviation	Meaning	Explanation
Acronym		
ESG	Environmental, Social, and Governance	A set of criteria used to assess the impact and Sustainability of a company's operations in these three key dimensions.
SDGs	Sustainable Development Goals	A set of 17 global goals established by the United Nations as part of the 2030 Agenda, aimed at eradicating poverty, protecting the planet, and ensuring prosperity for all.
GHGs	Greenhouse Gases	Gaseous compounds that trap heat in the Earth's atmosphere, contributing to global warming. Examples: CO ₂ , CH ₄ , and N ₂ O.
FSC	Forest Stewardship Council	The international organization that promotes the responsible management of the world's forests, certifying forest products such as paper or pulp.
IREC	International Renewable Energy Certificate	Certificates that guarantee that an equivalent amount of electricity was generated from renewable sources.
KPI	Key Performance Indicator	Key Performance Indicator. A metric used to measure progress toward strategic objectives.
MMUSD	Millions of U.S. Dollars.	Monetary unit that indicates amounts in millions of U.S. Dollars. It is used in the context of spending with suppliers.
MUSD	Thousands of U.S. Dollars.	Monetary unit that indicates amounts in thousands of U.S. Dollars.
GRI	Global Reporting Initiative	Organization that promotes standards for the preparation of Sustainability reports with a focus on transparency and corporate responsibility.
CMPC	Compañía Manufacturera de Papeles y Cartones	The parent company of Softys, dedicated to the production and commercialization of forest and industrial products.



General Information:

Version:	2.0
Approval Date:	August 2025
Scope:	Regional (Softys Corporate and subsidiaries)
Responsible Management:	Procurement and Sustainability

Date	Responsible Person	Position / Title	Signature	Change Description	Status
August 2025	Wilian Monegatto	Procurement Center of Excellence Manager		Document update	Updated
August 2025	Mónica González	Chief Procurement Officer		Review and Approval	Reviewed Approved
August 2025	Demian Siburu	Corporate Director of Industrial Development & Supply Chain		Review and Approval	Reviewed Approved
August 2025	Cristóbal Somarriva	Corporate Legal Director, Corporate Affairs and Sustainability		Review and Approval	Reviewed Approved
August 2025	Mitsy Valenzuela	Regional Manager of Integrity and Compliance		Review and Approval	Reviewed Approved
August 2025	Mariana Santelices	Regional Environment Manager		Review and Approval	Reviewed Approved
August 2025	Alejandro Miranda	Procurement Manager Chile		Review and Approval	Reviewed Approved

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