

	CORPORATE STANDARD ENERGY EFFICIENCY, GHG AND OTHER EMISSIONS STANDARD	CODE	VERSION
		FIN-ADMIN-NC-019	01
		EFFECTIVE START DATE	END EFFECTIVE DATE
		07/04/2024	12/31/2026
PROCESSING MANAGEMENT	CORPORATE FINANCE MANAGEMENT		
ELABORATED BY	REVIEWED BY	APPROVED BY	
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CORPORATE ENVIRONMENTAL AND SUSTAINABILITY SPECIALIST	ASSISTANT MANAGER FOR CORPORATE SERVICES AND ENVIRONMENT	CORPORATE FINANCE MANAGER	

1. Objective:

The purpose of this corporate standard is to establish an energy management program in all facilities where Ferreycorp group companies operate, which consists of taking measures to reduce energy consumption through the implementation of innovative technologies, as well as the acquisition of renewable energies, and the gradual change of the energy matrix.

2. References:

- Corporate environmental policy.
- Sustainable development policy.
- Environmental management regulations for the manufacturing industry and internal trade (D.S.-17-2015-PRODUCE) and its amendment (Supreme Decree 006-2019 PRODUCE).
- Ministerial Resolution 096-2021-MINAM Peru's National Climate Change Adaptation Plan.
- Supreme Decree No. 020-2021-MINAM Environmental Quality Standards Plan (ECA, for its acronym in Spanish) and Maximum Permissible Limits (MPL, for its acronym in Spanish) for the period 2021-2023.

3. Scope:

This corporate standard is applicable to

4. Definitions

- **Automation:** It is a technology that enables the autonomy or semi-autonomy of systems and processes. In the energy sector, it is used to improve energy efficiency and reduce consumption, thus achieving significant energy savings.
- **Eco-efficiency:** It is the achievement of the production of goods and services optimizing the use of natural resources, thus achieving competitive prices, generating less pollution, which leads to an improvement in the quality of life of the people.
- **GHG emissions:** GHGs are gases present in the atmosphere that capture energy and heat the planet's surface. However, different human actions release these gases, increasing their concentration in the atmosphere and thus causing the Earth's average temperature to rise.
- **Renewable energies:** These are a type of energy from natural sources that are replenished faster than they can be consumed. An example of these sources is, for example, sunlight and wind; these sources are constantly renewed.
- **Carbon footprint:** It is the inventory of Greenhouse Gas (GHG) emissions caused directly or indirectly by a company's activities (individual, collective, eventual and products used). The carbon footprint is measured in tons of CO₂ equivalent (tCO₂e).

5. Roles and Responsibilities

The following are responsible for the application of this environmental management guide to implement the corresponding environmental controls in the facilities:

5.1. Managers, assistant area managers, project managers

- To ensure the necessary resources (economic, human, etc.) for the implementation of the measures detailed in the following guide, in both new and currently operating facilities in order to prevent adverse environmental impacts during the life cycle of the facilities (from design to dismantling).

5.2. Responsible for infrastructure and design

- To process in a timely manner the environmental permits required for the construction of new facilities in coordination with the Environmental areas of each company.
- To ensure that new projects or modifications comply with the measures described in this standard, which are applicable to their competence.

5.3. Facilities managers and general services responsible

- To execute the operational measures described in this standard.
- To carry out the appropriate follow-up of the proposed controls.

5.4. Assistant managers, head or responsible for the environment of the companies

- To advise the different areas involved in the compliance of this standard.

6. Standard Contents:

This standard includes the following considerations to be taken into account in all of the corporation's facilities and operations:

6.1. Environmental controls and eco-efficiency measures

From the Ferreycorp corporation we are focused on improving our processes and contribute to sustainability, so we are constantly evaluating the most sustainable alternatives offered in the market that are innovative and new technologies to improve our performance in energy management.

The following tables show the main measures that can be implemented in new and operating facilities.

A. Energy efficiency and GHG emissions management

For an adequate management of these GHG emissions, it is preferable to have a carbon footprint measurement that will give us information on the main sources of each specific location and thus propose measures of greater impact.

Some universal measures to reduce and prevent GHG emissions are as follows:

- **Energy source:** switch from fossil energy sources to low-emission renewable sources.
- **Energy efficiency:** reduce energy consumption by installing more eco-efficient technologies.
- **Maintenance:** prevent equipment malfunctions, as these increase energy consumption and/or GHG emissions.

THEME	ACTIONS
Infrastructure and equipment	<ol style="list-style-type: none">1. In case the consumption level required by the standard is reached, the contract must be changed to free electricity users, and try to contract clean energy that grants renewable energy certificates. Discuss this issue with the corporation.2. Implement projects/systems to change to renewable energy and/or greater efficiency such as: solar panels, solar showers, solar heaters, change/preference for more eco-efficient fuels, etc.3. Ensure adequate preventive maintenance of electrical equipment in workshops and facilities to reduce unnecessary consumption.4. All new or replaced electrical/electronic equipment shall have energy efficiency label A or B. (preferably).

Lighting	<ol style="list-style-type: none"> 5. Priority should be given to natural lighting during daylight hours. 6. Gradually implement / replace conventional lighting with LED lighting, and prefer systems with presence and intensity sensors. 7. Preference shall be given to light colors on walls and ceilings to make better use of lighting. 8. Separar de manera gradual los circuitos para que los controles de la iluminación de áreas extensas no dependan de un solo interruptor. 9. Gradually separate circuits so that lighting controls for large areas do not depend on a single switch.
Mobile equipment	<ol style="list-style-type: none"> 10. Change the fleet of mobile equipment (forklifts, stackers, trucks, vans, pickup trucks, etc.) for alternatives that generate lower carbon emissions. 11. Purchase/convert vehicles or equipment that use fuels to more eco-efficient types of fuels and/or energies (e.g., replace diesel with LPG, prefer electric models). 12. Vehicles should have preventive maintenance and check tire pressure levels.
Air conditioning systems	<ol style="list-style-type: none"> 13. Design spaces and air conditioning systems according to standards that ensure optimum performance and reduce energy losses and reduce leakage of refrigerant gases, also choose the most eco-friendly refrigerant gases. 14. For efficient use of air conditioning systems, doors and windows should be kept closed to prevent heat from entering; if necessary, SSGG personnel should inspect and schedule training for staff in coordination with environmental areas. 15. Evaluate implementing automated systems for greater efficiency. 16. There will be a preventive maintenance program for air conditioning to avoid GHG gas leaks and other malfunctions.
Non-working days and temporary closure	<ol style="list-style-type: none"> 17. Coordinate with surveillance staff and/or with the support of an automated system, the disconnection of equipment outside working hour. 18. For periods of prolonged absence, systems such as telephones, lighting, air conditioning, etc. should be turned off / disconnected.

B. Management of other air emissions

There are other emissions into the atmosphere that could have a polluting potential, including gases, fumes and particles. The main sources identified in our activities are the processes of welding, painting, shot blasting, metallizing.

ACTIONS
<p>Control in chimneys:</p> <ol style="list-style-type: none"> 1. There should be filters, or systems that capture these emissions instead of being released directly into the environment. These systems are usually placed in the chimneys. On the other hand, an air quality monitoring program should be in place when required by legal regulations.
<p>Isolation / encapsulation</p> <ol style="list-style-type: none"> 2. All areas intended for metallizing / shot blasting shall be properly encapsulated and insulated to prevent impact to neighbors and workers in surrounding areas. 3. Painting and welding areas shall preferably be encapsulated to prevent the release of these emissions directly to the environment, and to not require IGA according to D.S. 006-2019-PRODUCE.

Monitoring

4. In facilities where the encapsulation of these processes is not possible, it is very likely that the competent authority will request an IGA, the air quality should be monitored periodically to ensure that the values established by the legislation (ECA air) are not exceeded.

6.2. Training and awareness

Training and awareness will be provided to staff on the environmental impact of energy use, as well as the actions to be implemented to reduce this impact and achieve greater energy efficiency.

Each group company will be responsible for including this training in its training and awareness plan, without prejudice to the fact that the corporation could launch corporate courses for all companies.

6.3. Follow-up**A. Verification of compliance**

It is recommended to SSMA managers that scheduled inspections and SSMA audits include in their program, verification of compliance with this standard to identify opportunities for improvement in performance.

B. Progress in reducing energy consumption

The corporation has determined energy reduction objectives. These objectives are set annually. In addition, each company sets annual objectives for energy efficiency and energy consumption reduction projects.

The follow-up of progress in the reduction of the amount of energy consumed is carried out monthly with the Ecodatos platform.

For this purpose, each head office and operation must register all electricity and fuel consumption of the corporation's premises on a monthly basis, which allows us to take reduction measures and follow up on them.

Responsible for measurement:	Ferreycorp's Corporate Services and Environment Sub-management
Responsible for information:	The data and evidence of electricity and fuel consumption required for the measurement of this indicator will be provided by those responsible for the headquarters of the corporation's companies.
Evaluation/verification:	If necessary, energy consumption measurements will be audited annually as part of the verification of the GRI indicators of the sustainability report.
Frequency:	Monthly
Absolute and relative indicator:	It will be expressed absolutely in GJ It will be expressed relatively in GJ/ sales It will be expressed by type of source (renewable and non-renewable) when applicable.

In addition, all corporate results are consolidated on an annual basis, allowing us to evaluate medium-term performance.

C. Follow-up of progress in the reduction of the Carbon Footprint

Follow-up on the progress in reducing the amount of energy consumed is carried out monthly with the Ecodatos platform..

For this purpose, each site and operation records all the electricity and fuel consumption of the corporation's premises on a monthly basis, which allows us to take measures to reduce and monitor the respective consumption.

Responsible for measurement:	Ferreycorp's Corporate Services and Environment Sub-management
Responsible for information:	The data and evidence of energy consumption, fuels, refrigerant gases, compressed gases, processes, etc., that are necessary for the measurement of this indicator will be provided by the heads of the corporation's companies.
Evaluation/verification:	Measurements shall be verified by an independent third party accredited for this process.
Frequency:	Annual
Absolute and relative indicator:	It will be expressed absolutely in tCO ₂ e It will be expressed relatively in tCO ₂ e / sales

In addition, all corporate results are consolidated on an annual basis, allowing for the evaluation of medium-term performance.

7. Annexes:

Without annexes..

THIS DOCUMENT HAS BEEN AUTHORIZED IN THE REGULATORY SYSTEM BY:

ROLE	NAME	POSITION	DATE
Elaborator	Natali Espinoza Ortiz	CORPORATE ENVIRONMENTAL AND SUSTAINABILITY SPECIALIST	Approved – 01/28/2019 13:23
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Approver	Patricia Gastelumendi Lukis	Corporate Finance Manager	Approved – 01/28/2019 11:56

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