

	ENVIRONMENTAL CORPORATE POLICY	CODE	VERSION
		GEN-FIN-PC-002	05
		START DATE OF VALIDITY	END DATE OF VALIDITY
		06/25/2024	12/31/2026
PROCESSING MANAGEMENT	CORPORATE ENVIRONMENTAL POLICY		
ELABORATED BY	REVIEWED BY	APPROVED BY	
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CORPORATE SERVICES AND ENVIRONMENT SUB MANAGEMENT	CORPORATE FINANCE MANAGEMENT	GENERAL MANAGER	



1. Background and context:

Climate change, which is affecting the world's ecosystems, is no longer just an environmental phenomenon, but one with deep economic and social consequences. Therefore, organizations, companies and governments must do their part to prevent, control and mitigate the damage being caused to the environment and this should be reflected in the efforts they make through sustainability practices, that is, linked to environmental, social and governance (ESG) aspects.

The corporation has a strategy that promotes coherence and synergies among all the companies that comprise it, so it establishes guidelines, standards and procedures that apply to all of them. Therefore, the environmental guidelines are corporate and general, and each company complements them by adding aspects of its own business model, which are included in the Safety, Health and Environmental Policies of each of our subsidiary companies. In the same way, the specific standards, indicators, processes, and platforms are the responsibility of the Corporate Services and Environment Sub-Management, which communicates them to all the companies of the corporation, through the Environmental Circle where all the companies of Ferreycorp are present, through their heads or the Environmental Managers. It is also responsible for monitoring the indicators.

2. Objective:

The purpose of this corporate policy is to establish the corporation's commitments regarding environmental management in order to prevent,

control and reduce the direct and indirect environmental impacts generated by our operations and, in general, by our entire value chain. It is also the objective of the policy to implement an environmental management system with environmental objectives and indicators in the corporation's companies that allows us to keep the information documented and public.

3. Scope:

This policy applies to all companies of the Ferreycorp corporation, its collaborators, suppliers of goods and services and other interested parties. In view of the importance in the sustainability of the corporation, this policy must be promoted among its customers and suppliers, and be informed to regulators, shareholders and investors.

4. Commitments to the Environment:

1. To prevent **environmental pollution** in our operations and business facilities, improving the efficiency of our processes through the rational use of resources, materials and energy, which will result in the reduction of emissions, discharges and waste.
2. To comply with **legal rules and other environmental requirements** assumed in our operations.
3. To review the **product portfolio** of our principals in order to promote those that use innovative technologies and have less impact on the environment.
4. To anticipate our customers' demand for **innovative and eco-efficient products and services** that help them to have more eco-friendly and sustainable operations.
5. To participate in **the life** cycle of our products through component repair programs, rebuilding and overhaul of machinery, remanufacturing of spare parts and disposal in the secondary market, and even in their scrap or recovery of parts and elements that can be used in a next life and thus be recycled, contributing to the transition towards a circular economy.
6. Seek **to reduce the direct and indirect negative environmental impact** throughout our value chain, including distribution and logistics processes, encouraging our suppliers and customers to seek greater efficiency and synergies that will lead us to reduce our environmental footprint. In addition, companies that provide us with outsourcing services must be aligned with our environmental standards and procedures within our facilities.
7. To contribute to the mitigation of climate change through the constant and sustained reduction of our **carbon footprint**, in addition to the use of clean energies, and to adopt measures in our operations to reduce the risks associated with this phenomenon.

8. To ensure environmental due diligence and the incorporation of the environmental management system in any merger and acquisition transaction.
9. To have an **environmental management system** (EMS) based on world-class standards in our operations, which allows us to evaluate and control significant environmental aspects, continuously improving our environmental performance; for which it is very important to carry out periodic environmental measurements and establish continuous improvement objectives to reduce impacts and compensate them when possible. The **objectives, goals and strategic indicators** will be aligned with the Sustainable Development Goals of the United Nations.
10. To optimize processes, taking into account digitalization and other technological tools, in order to reduce the use of paper and other resources.
11. To promote greater **environmental awareness** within the organization and throughout our value chain, including our employees and suppliers, through communication and **training** programs, in order to understand the impact of their work activities on the environment.
12. To promote the protection of biodiversity and prevent deforestation and damage to biomass by preventing the sale of machinery for illicit activities such as illegal mining that negatively affect Amazonian ecosystems. Likewise, to contribute to the conservation of natural resources through good practices that extend the lifespan of materials and products within productive systems.
13. To seek mechanisms to take into account the opinions of our external stakeholders regarding the development and implementation of the environmental policy.

5. Responsibilities

- The highest level of decision making is the Appointments, Compensation, Corporate Governance and Sustainability Committee of the Board of Directors.
- The executive area for the implementation of this policy is the Corporate Finance Management through the Corporate Services and Environment Sub-Management.
- The parent company Ferreycorp is in charge of establishing the environmental strategy, areas of action according to the materiality analysis, corporate guidelines, etc; however, each company is responsible for complying with environmental regulations and is independent to execute projects that are within the areas prioritized by the strategy.

6. Environmental and Monitoring Indicators

We will measure compliance with the commitments of this policy through the following environmental indicators. New indicators may be incorporated gradually according to environmental aspects that need to be measured.

6.1. GHG Emissions Management

Carbon Footprint: The Carbon Footprint is an inventory of greenhouse gas emissions associated with a company over a period of time or a product throughout its life cycle.

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 responsible of the headquarters of the corporation's companies.
Evaluation/ verification:	Measurements shall be verified by an independent third party and accredited for this process.
Frequency:	Annual
Absolute and relative indicator:	It will be expressed absolutely in tCO ₂ e. It will be expressed absolutely in tCO ₂ e / sales.

6.2. Efficient Use of Water Resources

It is evaluated by 2 indicators:

Water Footprint: is the indicator of the total water used and impacted along the value chain for the production of goods and services. This indicator is evaluated at some main sites.

Water footprint measurements shall be performed by an authorized entity and may be verified by an independent third party if required.

Water consumption: is the indicator that defines the total amount of water used in the processes at our sites.

Responsible for measurement:	Ferreycorp's Corporate Services and Environment Sub-management
Responsible for information:	Data and evidence of water consumption will be provided by those responsible for the headquarters of the corporation's companies.
Evaluation/ verification:	If necessary, water 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 m ³ It will be expressed absolutely in m ³ / sales

6.4. Efficient Use of Energy Resources

Electricity and fuel consumption: Another practice that has been in place is to record all electricity and fuel consumption of the corporation's premises on a monthly basis, which allows us to take measures to reduce consumption and monitor it.

Responsible for measurement:	Ferreycorp's Corporate Services and Environment Sub-management
Responsible for information:	The data and evidence of electricity and fuel consumption needed to measure 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.

6.5. Waste Generation

Generated Waste: this indicator records the weight of waste generated by type:

- Hazardous and non-hazardous
- Reusable and not reusable

Responsible for measurement:	Ferreycorp's Corporate Services and Environment Sub-Management
Responsible for information:	Data and evidence of waste generation and management will be provided by those responsible for the headquarters of the corporation's companies.
Evaluation/ verification:	If necessary, waste generation data 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 tons. It will be expressed relatively in tons/sales. It will be expressed by type of waste and management received when applicable.