

LIVEABLE PLANET



Waste Policy

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For you,
for all,
for good

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Context and challenges

Population growth, rapid urbanisation and economic development are the main reasons why global waste is expected to increase by 70% over the next 30 years. Therefore, the only way to curb the high production of waste is by adopting urgent measures to combat it, thus addressing the serious environmental crisis we're experiencing.

"A good processing of this waste is essential for the environment, and the industry still has room for improvement. Not treating waste not only results in landfill, but can have even greater consequences: diseases in the population, ocean pollution or climate change are some of them. That's why it's important to promote a circular economy that focuses not only on reusing the products that are manufactured, but also on the waste generated in the process".

Much of the waste produced in the industrial sector is recoverable and reusable if treated properly, thus fostering the circular economy and sustainability.

For this reason, at Ferrer we want to position ourselves as a company that is leading the way in promoting the circular economy inside and outside of the pharmaceutical sector and in reducing as much as possible the environmental impacts arising from the linear model that has characterised the industry since the outset.

Focusing on industrial waste, and according to the latest data published in Eurostat, the production industry was the second largest economic activity in the EU-28 in terms of waste generation (11%), second only to construction (28%).



What have we achieved?

At Ferrer we've implemented an ambitious **Waste Programme**, aimed at improving the end of life treatment of the waste we generate in all our operations.

In recent years, we've carried out an exhaustive analysis of the waste management in the Group's various plants through inspections and audits conducted by third parties. From the obtained results, it has been possible to determine the degree of compliance that exists in the different centres, and improvements have been detected in the management of the waste generated in our production processes.

In 2020, a series of audits were

conducted on the Group's main waste management suppliers.

Using the obtained results, we've been able to work hand in hand with them in order to improve the end of life treatment of the waste we generate and thus foster its reuse and recovery. In this way, we've generated a circular flow in the economy, which transforms the waste we generate into recoverable materials that are re-incorporated into the industry's production processes.

What are we going to do?

Coordinate a waste programme in liaison with the operations centres in order to **optimise end of life waste management** and achieve a high recovery rate.

Therefore, we want to reduce the amount of hazardous and non-hazardous waste going to landfill.

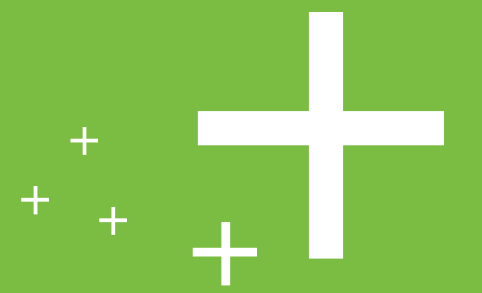
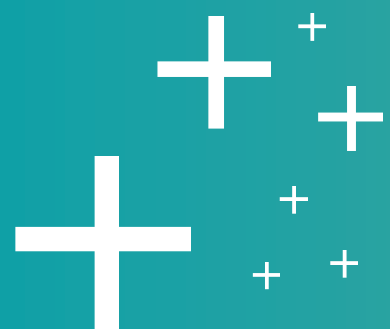
This purpose is achieved by improving the end of life management routes that waste managers use and, in many cases, by promoting circular economy strategies.

Our objective is based on **reducing, recycling and reusing all of the waste generated in our** production plants, with the aim of not sending any waste to landfill by 2025, and achieving Zero Waste to Landfill status,

Achieve a 90% recovery rate by 2025.

Reduce hazardous and non-hazardous waste going to landfill by 75% by 2019.

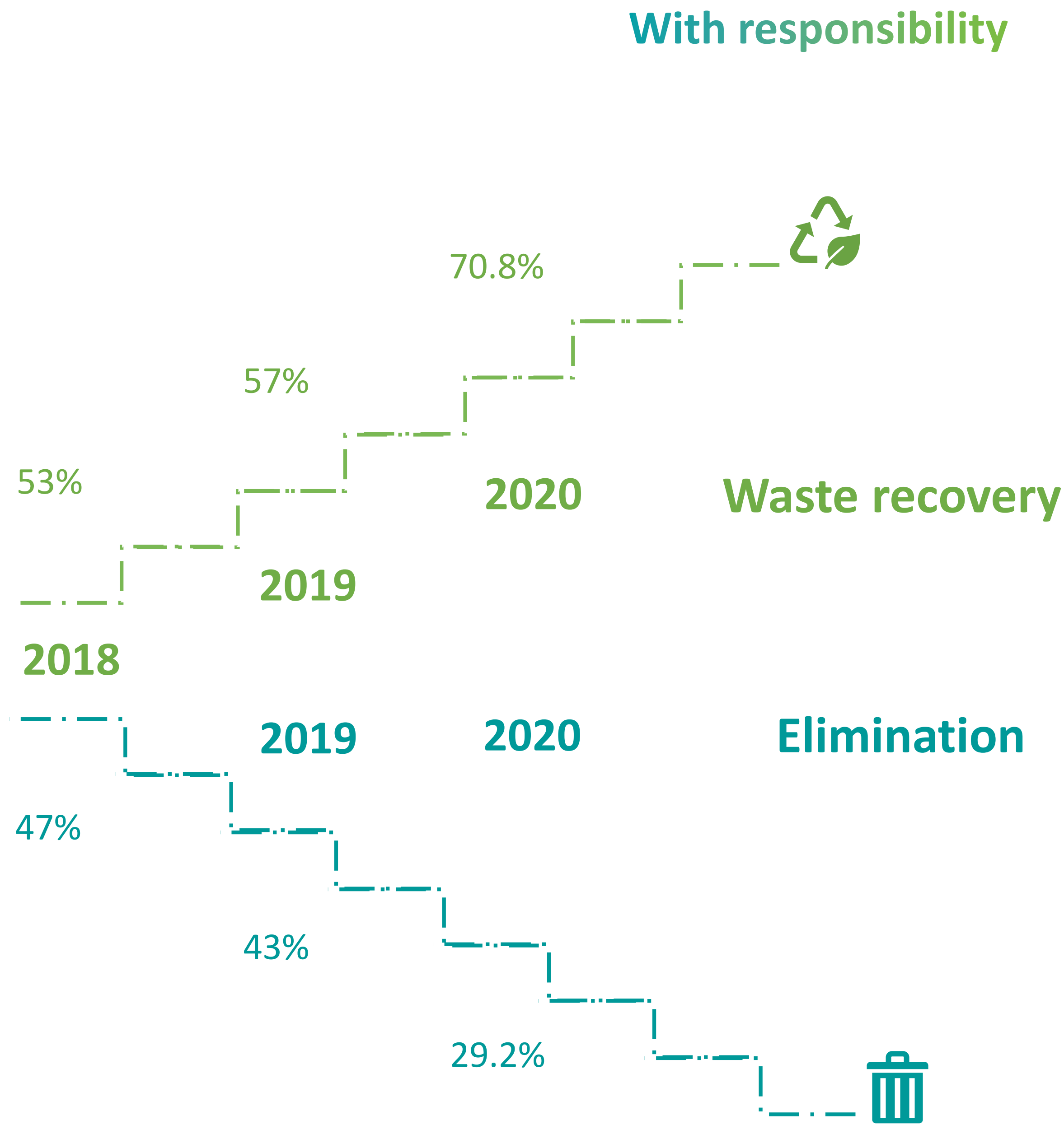
Zero Waste to Landfill Company by 2025



How are we going to do it?

Ferrer is responsible for keeping people healthy by manufacturing medicines, and keeping the planet healthy by responsibly managing the natural resources it uses in its activity.

The first step towards a responsible management of the waste we generate is to establish the starting point we are currently at in order to be able to approach the waste programme from a global perspective. In recent years, we've significantly improved our percentage of recovered waste, which has increased from 53% in 2018 to 70.8% in 2020.



With commitments



1

Ensuring waste control



We want to define a specific **Waste Programme** for each work centre and establish monitoring mechanisms to ensure that the objectives established at the group level are attained. We therefore commit to taking the following actions:



- **Obtain reliable and verified data** regarding the management of the waste we generate in our production plants.
- **Verify the treatment of waste** by our waste managers by carrying out regular audits of their facilities.
- Develop an information system to **trace** the correct management of waste from the moment it is generated and segregated at the plant until its end of life treatment.
- **Waste management will be integrated** into the operational controls, monitoring and corrective actions of our Environmental Management System pursuant to the international standard ISO 14001.

2

Adapting our waste management and storage spaces



We will work to adapt all the spaces used for waste management purposes according to the needs established in the programme of each production plant. We therefore commit to taking the following actions:



- By carrying out regular audits, continuously detect and implement improvements in the segregation at source of the waste we generate.
- Provide waste management areas with the material and human resources necessary so that the procedures can be properly implemented.
- Use the correct and adequate signage for the segregation and disposal of waste in order to guarantee its correct management at the plant.

3

Establishing strategic alliances with waste managers



At Ferrer we're aware that, in order to promote a circular economy in the treatment of our waste and attain the anticipated ZWTL objectives, we must collaborate externally with key players in the waste management sector.

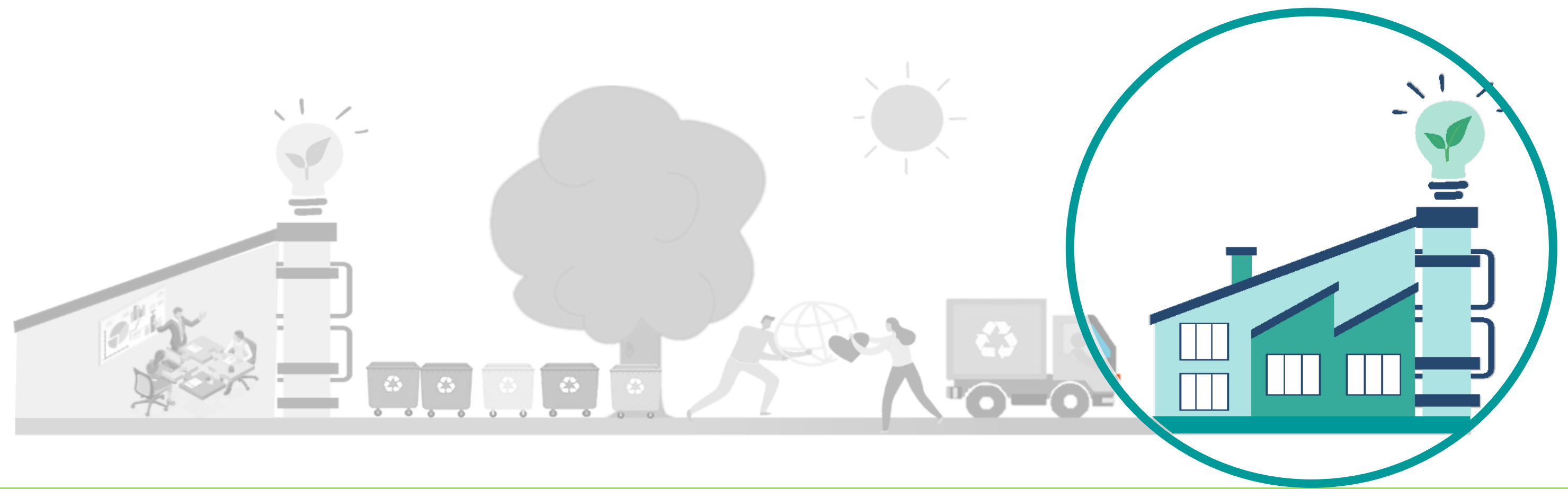
In this way, we'll be able to work together to identify opportunities and establish strategies that will help us attain our objective. For this purpose:

- We'll launch the "**For Good Suppliers Programme**", through which we'll work with our key strategic waste suppliers to improve the transparency of and our collaboration in their activities.
- We will generate **strategic alliances with waste managers** and other entities related to the promotion of the circular economy so that we can apply the best alternatives and technologies on the market in terms of waste recovery.
- We'll look for ways to implement **best practice in waste management** above and beyond our operations and work to analyse our entire value chain and help third parties achieve specific circular economy and waste recovery targets.



4

Maximising waste recovery and promoting the circular economy



Our **zero waste** mentality means that we consider waste materials to be a resource. Where we can't find ways to reject or reduce waste, we'll look for ways to reuse or recycle it. And if these solutions aren't available, we'll recover energy from the waste we generate.

For this reason, at Ferrer we've made a firm commitment to achieve our **ZWTL objective**, as reflected in our Sustainability strategy.

We're aware that there are many waste treatment alternatives on the market. Therefore, we must assess the technical feasibility of the most efficient treatments, to scale, to ensure their correct implementation.

Our main focus is to always think about reducing the amount of waste generated, as well as ensuring the correct segregation according to the needs of each type of waste, and always with the aim of recovering as much of each collected fraction as possible.

Training and communication

At Ferrer, all parties are deemed fundamental to the success of this project and to achieving the defined objectives. For this reason, it's necessary to establish specific responsibilities in the different centres, as well as carry out specific training on the actions to be implemented and establish a detailed road map for their implementation. Everyone's commitment is essential for the project to be successful in all its stages.

Furthermore, we believe that communication is essential to ensure that the Waste Programme and the actions derived from it reach all of the stakeholders. Work will therefore be undertaken to define a specific communications programme and to align the Programme's objectives with all of the stakeholders involved.



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05. Continuous improvement: Policy approval, review and communication

This Policy will be subject to continuous review and improvement, especially when business circumstances so require it. In any case, this Policy will be reviewed annually as a matter of course and will be duly updated if required.

This Policy will come into force from **20 May 2021** and will be available to all Ferrer Group employees through the usual internal channels.

Signed by:

Mario Rovirosa
CEO

Version Control

Version	Modifications made	Effective date
0.1	First version	12 / 05 / 2021

Departments / Governing bodies involved

	Department / GB	Entity	Date
Prepared by	People and Sustainability Department	Grupo Ferrer Internacional, S.A.	12 / 05 / 2021
Approved by	CEO	Grupo Ferrer Internacional, S.A.	/ 05 / 2021

Relevant Information

Scope of application (global / local)	Global
Related standards	Climate Change Policy Water Policy Biodiversity Policy Sustainable Packaging Model Policy
Who is primarily responsible for its monitoring	People and Sustainability Department

*Great People, **Liveable Planet** Social Justice*

Sustainability

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