

## **Environmental and Labor Issues:**

**Environmental Classification:** This is a category III project according to the IIC's environmental and labor review procedure because it could produce certain effects that may be avoided or mitigated by following generally recognized performance standards, guidelines, or design criteria. The main environmental and labor considerations related to the project include liquid effluent and air emissions management, noise, solid waste management, labor practices, fire safety, personal safety, and emergency response.

**Liquid Effluents:** Liquid effluents from the company's industrial plants come primarily from the restrooms, as the industrial processes do not generate liquid effluents. The effluent's sole pollutant is its organic load, which is discharged into septic tanks.

The plant generates smaller volumes of solvent, oil, enamel, lacquer, and varnish waste and water contaminated by these products or hydrocarbons, which are disposed of as special waste through authorized companies.

**Air Emissions:** The main air emissions come from the drying oven stacks of the sheet metal coater. This oven uses liquefied petroleum gas as fuel. The principal air pollution risk is from drying varnish in the oven, which releases gases containing volatile organic compounds (VOCs) that are emitted by solvents as they evaporate. The company is studying alternatives for reducing the release of these compounds into the atmosphere and has committed to implementing the most technically and economically viable solution.

**Noise:** The process of manufacturing metal containers is noisy (roll unwinding and sheet smoothening, cutting, shaping, welding, printing, molding, removing and moving). It is not feasible to eliminate the sources of noise in this type of industry, which is why all plant personnel are required to wear hearing protection gear. However, noise pollution does not affect the exterior of the plant.

**Solid Waste Management:** The company generates large volumes of recyclable solid waste including scrap metal, metal chips, metal bands, uncontaminated containers, and other metal waste. The metal is valuable and is sold to collectors that send them in turn to iron and steel plants for recycling. Copper used as an electrode in the welding of the tinsplate containers is collected and sent to a smelting plant that reprocesses and reconstructs the filament, fully recovering the material. Paper and cardboard waste is sold through collectors. Used chemical containers are returned to the suppliers for reuse. Solid waste that cannot be recycled with other hazardous waste (contaminated rags, ink cartridges, etc.) is disposed of as special waste through certified companies.

**Fire Safety, Personal Safety, and Emergency Response:** The plant has a firefighting system, fire hydrants, and a fire alarm. Given that metal is the main raw material used, the fire risk is moderate. The company has a contingency plan that covers such incidents as fires, earthquakes, floods, crimes, and workplace accidents. The contingency plan involves emergency brigades, channels of communication, evacuation plans, adequate signage, first aid, and training. Personnel receive task-specific protective equipment. There is an industrial health and safety manual. In the event of an accident, the workplace health and safety committee carries out an investigation and recommends corrective action.

**Labor Practices:** EPINSA complies with domestic labor laws. Mandatory core labor standards include social security benefits, freedom of association, organization of workers' unions, prohibition of forced labor and exploitative and abusive child labor, and nondiscrimination in the workplace.

EPINSA's employees are not union members. Workers and their dependents receive ESSALUD health coverage and complementary accident insurance for high-risk activities.

**Monitoring and Reporting:** EPINSA will prepare an Environmental Management Plan (EMP) to ensure compliance with domestic regulations and the IIC's environmental and workplace safety and health guidelines. The EMP shall include a yearly report on liquid effluent, air emissions, and solid waste management; occupational health and safety and emergency response training programs; and accident reporting.