

LIVEABLE PLANET



Water Policy

For you,
for all,
for good

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Context and challenges

Water is a fundamental resource to cover the basic needs of the population, but also for industrial development, energy production and the maintenance of ecosystems.

However, freshwater accounts for only 2.5% of the total water on Earth, and much of it is frozen. Thus, access to drinking water is severely limited. Sustainable and equitable management of this resource is crucial to ensure the survival of all ecosystems on the planet.

Today, water scarcity affects more than 40% of the world's population. However, this is not the only problem we face: pollution is another factor that seriously affects the state of water and can derive from many different sources. Approximately 1.8 billion people in the world use contaminated drinking water sources, and it is estimated that by 2030 half of the population will be living in water-stressed regions.

Ferrer wants to have a positive impact on society, and understands that economic development must be accompanied by the sustainable management of its activity, thus helping to improve the quality of life and the protection of the planet on which we live.

For all these reasons, and due to water's importance as a resource for production processes in Ferrer, the Liveable Planet pillar comprises an area of action dedicated to the protection of natural resources, including water. We work to ensure proper water management, applying prevention, reuse and recovery measures, whenever possible.

The report of the Intergovernmental Panel on Climate Change states that, by 2025, 25% of the world's population will suffer recurrent water shortages, as most of the impacts of this climate emergency are water-related.



What have we achieved?

At Ferrer, we **monitor and evaluate the consumption and management of the water** we use throughout our value chain, which is why we are creating the Integrated and Efficient Water Resources Management Programme.

In 2020, Ferrer developed a **Water Management Plan** for the production plants in Sant Cugat (medicinal products plant and Interquim fine chemicals plant) to maximise the reuse of water in the production processes, and we've identified actions to help improve efficiency in its use and treatment.

In 2020, we set the baseline for water management throughout our value chain by **calculating our Water Footprint** in order to quantify and identify the extent of

the impact generated by our activity.

We also developed and planned **water consumption saving and efficiency measures**, as well as aspects related to raising staff awareness, to encourage a responsible use of this resource.

-25%

Water footprint throughout the value chain.

-5%

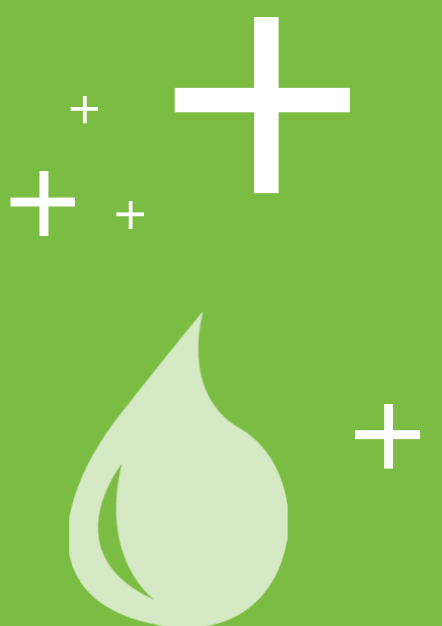
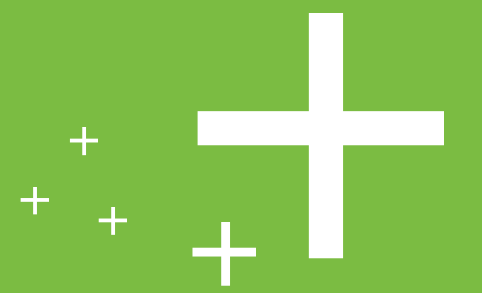
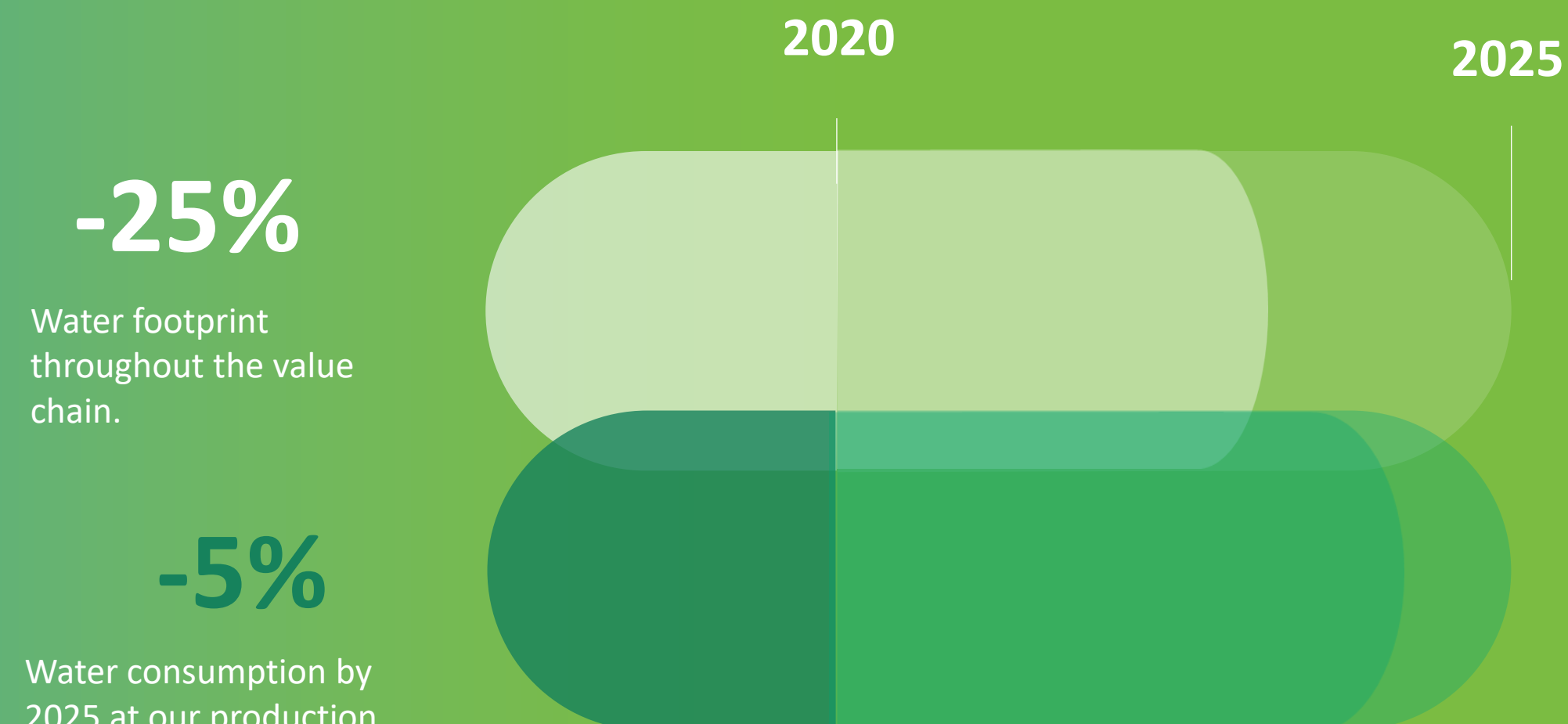
Water consumption by 2025 at our production centres in Sant Cugat del Vallés.

What are we going to do?

We want to put the necessary measures in place to ensure appropriate water resource management at our sites and throughout our value chain.

We will therefore work to:

- Reduce our water footprint by **25%** across the value chain by 2025.
- Reduce water consumption by **5%** at our production centres in Sant Cugat del Vallés by 2025.
- We will carry out checks on toxic and hazardous wastewater and analyse APIs at the wastewater outlet.



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. To continue taking steps to improve water management in Ferrer, we believe it's necessary to quantify the impact generated by the company.

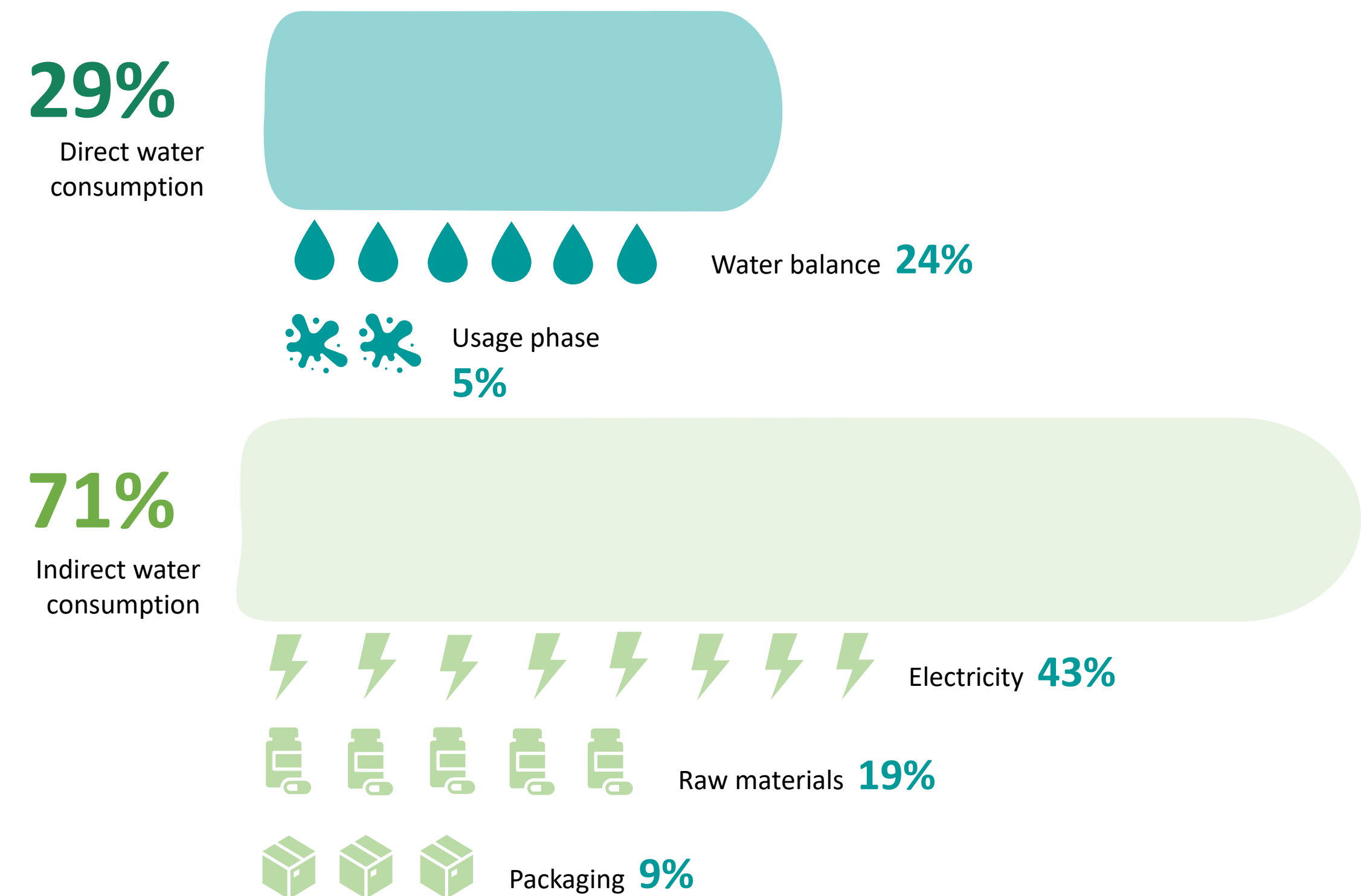
That's why, in 2020, we started to calculate **Ferrer's Water Footprint** (WF), taking the company's entire value chain into consideration. The study was carried out based on 4 different indicators:

- **Water scarcity:** Quantification of water that remains available per area once Ferrer's demands have been met.
- **Water consumption:** Overall indicator of consumption and changes in the quality of the water resources that the organisation directly and indirectly uses to produce goods and services.
- **Acidification:** Potential for a decrease in the pH of the medium (soil or water) as a result of the emission of acidic substances. Increases the acidity of the water and soil systems.
- **Eutrophication:** Potential for nutrient accumulation in aquatic systems

The Water Footprint concept helps us to visualise the hidden water impact of our products and activities, and helps us to understand the effects of consumption and trade on the water crisis. This indicator takes into consideration the consumption and the changes produced both directly and indirectly, either by the consumer, the producer or the marketing company.

With responsibility

- Water balance, electricity consumption, raw material consumption and packaging are the processes that contribute most to water scarcity.
- For Acidification and Eutrophication, processes involving fossil fuel consumption, such as logistics and the company's own fleet, become relevant, together with the raw materials and packaging.
- Finally, the centres with the greatest impact on our Water Footprint are FISA and Interquim, since they have the highest consumption of water, electricity and materials.



With commitments

Ferrer will draw up a strategy to ensure that water resources are appropriately managed at our centres and throughout our value chain. For this reason, our strategy is structured around 3 main commitments:



1.
Water circularity



2.
Value chain partnerships



3.
Certifications



1

Water circularity



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We will encourage methods for the conservation, recovery and reuse of water and for this purpose:

- We will collect and reuse wastewater from our production systems for other uses.
- We will reuse rainwater to irrigate landscaped areas and green roofs.
- We will carry out **water efficiency studies** at all Ferrer centres at pre-industrial levels.

2

Alliances with the value chain



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- We will change the type of **renewable energy** supplied to us so that it is all **wind** energy, which has less impact on water resources.
- We will analyse the main suppliers of raw materials that have an impact on our water footprint, through the "**For Good Suppliers Programme**", and we will define actions for improvement.
- **We will study the origin of our raw materials** to detect the regions where water is most scarce or least available. We will focus our actions on reducing this impact by seeking alternatives in the origin and procurement of these raw materials.

3

Certifications



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To ensure compliance with the highest standards in sustainability, all of our facilities are or will be **LEED certified**.

LEED is a **certification system for sustainable buildings** that establishes a set of criteria to be met in relation to energy efficiency, the use of renewable energy, efficiency in water consumption or the selection of materials, among others.

Energy consumption accounts for a **high percentage of Ferrer's Water Footprint**. For this reason, and in addition to all the other efforts to improve the other environmental aspects mentioned above, LEED certification implies achieving a high level of commitment and compliance with environmental requirements, ensuring a good use and management of natural resources in all of the certified centres.

Monitoring and control

We will periodically monitor the measures established to ensure that they are working correctly and their compliance. We will also measure the indicators to adjust or correct those measures or actions that need it and thus avoid possible discharges or spillages in the production centres.

We will also carry out regular maintenance of the installations to prevent water leaks.

- We will find out where the highest consumption occurs, by monitoring the centre's water flows and balances (installation of meters).
- We will create a database to monitor water consumption.
- We will set up a water management working team to align the initiatives of the centres and the attainment of the defined objectives.

Training and awareness-raising

With the calculation of the Water Footprint and the study of the Integrated and Efficient Water Resources Management Plans, Ferrer will create a **Water Management Programme** that will be aligned with the commitment undertaken in the Sustainability Strategy to protect our planet's natural resources.

A series of communication and awareness-raising actions on good practices for water use and management will also be carried out at all Ferrer centres.



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

Sustainability

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