

# ESMS Manual

## Environmental and Social Management System

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## I. [Introduction](#)

### 1.1 Purpose

The purpose of this manual is to define the Environmental and Social Management System (ESMS) of Sucafina Group and to guide its effective implementation across all operations. It provides direction to all personnel and references the relevant documents that support the ESMS.

Specifically, the manual includes:

- A description of the Sucafina ESMS framework;
- The definition of roles, responsibilities, and escalation pathways, as well as the interrelationships among key operational functions;
- Identification of resources and training allocated for management, implementation, and internal verification activities;
- Guidance for each functional area; and
- The controls that ensure ESMS requirements are consistently met.

### 1.2 Scope

This manual applies to all Sucafina operations worldwide. The ESMS covers environmental and social impacts—including respect for human rights—that our operations can directly control and manage. It also establishes principles and expectations for areas where Sucafina may not have direct control but can exert influence, such as our supply chains.

All suppliers and business partners are expected to adhere to the principles and requirements outlined in this manual, as part of Sucafina’s commitment to responsible and sustainable supply chain management.

### 1.3 General requirements

In line with our [Supplier Code of Conduct](#) and internal policies, we are committed to respecting human rights as set out in the United Nations Universal Declaration of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. We also adhere to the United Nations Guiding Principles on Business and Human Rights and the International Finance Corporation’s (IFC) Performance Standards.

Our due diligence processes are guided by these frameworks and are embedded into our ESMS. These processes are implemented through established procedures and protocols that include formal reference documents such as manuals, supplier engagement guides, risk assessment tools, and action plans. Implementation is overseen by our inter-departmental ESMS teams at both global and local levels, ensuring coordinated and consistent application across operations.

To verify compliance, we maintain a structured approach that includes on-site and field audits, supplier self-assessments, document reviews, and risk-based monitoring. These efforts are reinforced through internal and external capacity-building initiatives and continuous engagement with suppliers and business partners to drive improvement and accountability throughout the value chain.

**Sucafina documents its ESMS utilizing the following hierarchy:**

- 1) ESMS Manual, Labor and Human Rights Procedure, and Group EHS Policy: These foundational documents outline our commitments and frameworks for managing environmental, social, and governance (ESG) risks.
- 2) Environmental, Health, and Safety (EHS) Procedures: A comprehensive description of the ESMS components, detailing roles and responsibilities, processes, and timelines. These procedures apply to all our operations.
- 3) Operating Procedures: Activity-specific, step-by-step instructions on how Group operations function. These procedures aim to ensure seamless functionality during staff transitions and facilitate training. Developed at the country level, they are available for benchmarking and review at the Group level.
- 4) Forms and Records: A variety of checklists, reports, meeting notes, logs, and other documentation designed to track progress and demonstrate compliance with specified requirements, ensuring the effective implementation of the ESMS.

All ESMS-related documents and records are maintained in accordance with Sucafina’s internal document management procedures to ensure accuracy, traceability, and controlled access to current versions.

## II. Governance

### 2.1 Corporate governance

Our Sustainability Strategy is grounded in the belief that long-term value depends on effectively managing environmental and social risks. Our ESMS provides the structure, accountability, and adaptability needed to guide action across our operations and supply chains.

More than a set of procedures, the ESMS is a dynamic framework that defines how we identify, assess, and address key environmental and social challenges—from climate risk to human rights—through a multi-level governance model that connects local insight with global strategy. This structure ensures that risks are identified, reduced, and managed through coordinated, formalized processes and meaningful collaboration across departments. It integrates sustainability and EHS priorities into corporate decision-making and operational execution through the following bodies:

#### Board of Directors

- Meets three times per year for full-day sessions covering key issues across Finance, IT, Risk, Staff and Trade (FIRST), including sustainability.
- Comprised of experts in sustainability, law, finance, innovation, HR and corporate governance.
- Responsible for approving Sucafina’s risk policy and ensuring alignment with business-wide priorities.

#### FIRST Management Committee

- Meets monthly, chaired by the CEO.
- Includes executive leaders from key business areas, integrating the ESMS into discussions via updates from Trade and Sustainability leaders.
- Plays a key role in translating ESMS priorities into business-wide operational planning and risk oversight.

#### Group Sustainability Committee

- A cross-functional team, formalized in 2024; meets two to three times per year.
- Focuses on strategic topics such as climate change, human rights and environmental impacts through a double-materiality lens.
- Drives capability development, steers long-term initiatives and helps resolve roadblocks efficiently.
- Informed by quarterly feedback from local ESMS Committees.
- Minutes are shared with FIRST and escalated to the Board as needed.

#### Group EHS Committee

- Meets thrice per year to steer EHS strategy and support implementation of programs across origins.
- Informed by quarterly feedback from local ESMS Committees.

## **2.2 Local implementation**

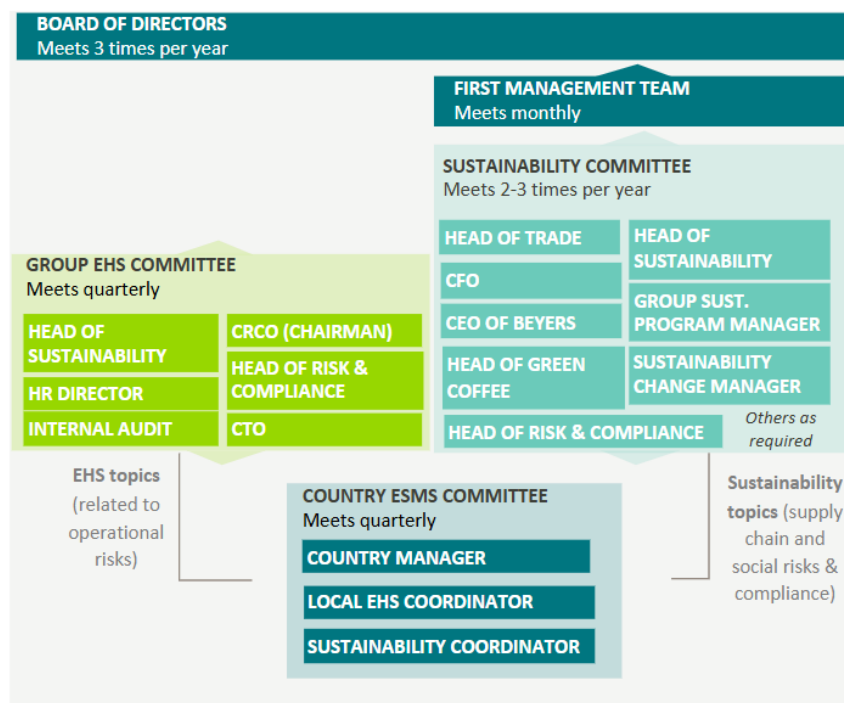
The ESMS is implemented across 11 origin countries through strong local governance and day-to-day engagement by dedicated EHS and Sustainability Coordinators. These teams adapt our group-wide standards to local realities, ensuring that environmental and social practices are both consistent and context-specific.

Quarterly ESMS Committee meetings are held in each origin, chaired by the Country Manager. These sessions align global and local priorities across EHS and sustainability areas. Agendas are coordinated by the local EHS and Sustainability Coordinators, who also track progress and report on key developments.

Insights and data from origin-level implementation inform the Group EHS and Sustainability Committees, creating a dual governance structure that strengthens two-way communication. This approach enables targeted interventions, responsive decision-making and continuous improvement across the supply chain.

Local teams follow the Group ESMS Manual and procedures, ensuring consistent risk management, regulatory compliance and long-term impact.

Additional guidance on the structure, roles, and documentation requirements of ESMS Committees is provided in the [ESMS Committee Meetings Procedure](#).



## 2.3 Stakeholder Engagement

Our ESMS approach begins with understanding what matters most — to our stakeholders, our operations, and the coffee-growing communities where we work. Through continuous engagement, we gather insights that inform our materiality assessments and shape our strategic vision.

Stakeholder engagement is the foundation of this process. We maintain open dialogue with employees, farmers, communities, clients, financiers, and civil society organizations to identify emerging risks, expectations, and opportunities. This feedback directly informs our assessment of material environmental, social, and governance topics and supports the continuous alignment of our business realities.

Our responsible sourcing strategy reflects these principles in action. By collaborating with coffee farmers and partners, we aim to strengthen livelihoods, enhance traceability, and promote regenerative agricultural practices. Through programs such as IMPACT and engagement with certification schemes including 4C, Rainforest Alliance, Fairtrade, and Organic, we embed sustainability and transparency across our supply chains — driving shared value from farm to cup.

## III. Risk Management

Our approach to risk management is aligned with the principles of the IFC Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts. This standard provides the foundation for developing and maintaining an effective ESMS.

In line with IFC PS1, we identify, evaluate, and manage environmental and social risks and impacts through a structured and continuous process that includes:

- Identifying potential risks at both the supply chain and operational levels;

- Assessing their likelihood and potential impact;
- Implementing measures to prevent, mitigate, or remediate adverse outcomes; and
- Monitoring performance to ensure continuous improvement.

This chapter outlines how these principles are applied across operations and supply chains to manage environmental, social, and occupational risks effectively.

### 3.1 Supply Chain Risk Management

We apply a standardized risk management framework across all sourcing countries to identify and address environmental and social risks throughout our supply chains. This open-source methodology, co-developed by FMO and CIAT, prioritizes the likelihood of risks occurring rather than solely identifying them, allowing for a proactive and preventive approach to systemic challenges.

The framework evaluates three primary risk categories—Labor, Human Rights, and Environment—each divided into sub-areas to help identify underlying causes and guide effective mitigation measures.

#### Risk Management Process Overview

1. Macro Risk Assessment: Evaluation of risks by country and commodity using secondary public data.
2. Micro Risk Assessment: Validation of risks at the farm level using primary, qualitative information.
3. Risk Management Plan: Prioritization of identified risks and definition of mitigation actions based on country-specific risk exposure.

The macro risk assessment provides a foundation for identifying material issues, strengthening supplier due diligence, and supporting compliance with sustainability regulations. These assessments serve as a first-level screening and do not reflect Sucafina’s specific supply chains or relative purchasing volumes.

Micro-level risk assessments at the farm level are used to validate country-level findings and guide targeted interventions. The resulting initiatives are prioritized and coordinated by ESMS Committees, aligned with IMPACT improvement plans, and informed by both internal and external stakeholder input.

Environmental and social risk assessments are conducted as part of due diligence processes for new operations, site development, or land acquisition. These assessments cover risks related to deforestation, land conversion, and associated human rights impacts on workers and local communities.

This approach complements the company’s existing risk assessment framework, including macro- and micro-level risk assessments, EUDR-aligned due diligence, and IMPACT program requirements. Identified risks are addressed through mitigation measures and management plans coordinated by ESMS Committees and aligned with IMPACT improvement plans.

This process is further guided by the company’s internal land acquisition procedures, as referenced in the [Land Purchase Checklist \(CHECKLIST-001\)](#).

### 3.2 EHS Hazard Analysis and Risk Assessment

Country EHS risk assessments are reviewed periodically, with comprehensive reviews conducted at least once per year and additional evaluations triggered by relevant events or program implementation. Task-

based risk assessments are performed quarterly for ongoing activities and prior to the start of any contractor's work.

While focused on environmental, health, and safety aspects, this process encompasses all elements related to the sustainability of our business. The assessment identifies hazards, evaluates the associated risks, and determines appropriate control measures to minimize the potential for harm or loss.

We apply a 5x5 risk matrix to rank risks as Extreme, High, Medium, or Low, categorized by their nature—health, safety, environment, quality, social, security, or reputational. Each country maintains a risk register that is reviewed during quarterly ESMS Committee meetings.

Likelihood	Consequence				
	Insignificant	Minor	Moderate	Major	Severe
Almost Certain	Medium	High	High	High	Extreme
Likely	Medium	Medium	High	High	Extreme
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Extremely Low	Low	Low	Medium	Medium

Every Sucafina employee contributes to risk management by:

- Understanding the risks related to their tasks;
- Performing only tasks for which they are competent;
- Following documented procedures and standards;
- Wearing and maintaining appropriate Personal Protective Equipment (PPE);
- Observing safety signs and warnings; and
- Reporting hazards and unsafe conditions promptly.

This ESMS is guided by the commitments of the Rotterdam and Stockholm Conventions, ensuring the responsible management and trade of hazardous chemicals and persistent organic pollutants in accordance with international standards. It also incorporates the World Health Organization (WHO) classification of agrochemicals—specifically active ingredients classified as technical grade Class Ia and Ib—to uphold stringent safety measures in chemical handling across all operations.

Additional operational requirements for risk identification, evaluation, and control are outlined in the [Hazard Identification and Risk Assessment Procedure](#).

## IV. ESMS Implementation

The ESMS translates governance and risk management frameworks into day-to-day operations, ensuring that identified environmental, social, and human rights risks are managed, mitigated, and monitored effectively. This chapter outlines the operational practices, procedures, and systems that underpin our commitment to sustainable and responsible business conduct.

### 4.1 Emergency Preparedness and Response

Each Sucafina facility maintains an emergency preparedness framework designed to prevent or mitigate health, safety, and environmental impacts. Country-specific emergency plans are in place and periodically

tested under the direction of the Country Manager and EHS Coordinators, in accordance with local legislation and at least annually. All personnel, including employees, contractors, and visitors, are made aware of emergency procedures and contacts before commencing work.

Facilities are equipped with first aid supplies, fire safety equipment, and clear instructions for their use. Personnel are trained in first aid, fire response, spill containment, and other emergency procedures. Fire safety equipment and hazardous substance controls are regularly inspected and maintained to ensure operational readiness. Policies on smoking, housekeeping, and safe storage of chemicals further support emergency preparedness and reduce potential risks.

Further guidance on emergency readiness and response measures is provided in the [Chemical Management Procedure](#) and the [Water Quality Policy](#), where relevant controls are described in more detail.

## 4.2 Health, Safety, and Workplace Management

Sucafina is committed to maintaining a safe, healthy, and well-managed workplace for all employees, contractors, and visitors. This includes implementing robust systems and processes to identify and control hazards, minimize risks, and ensure compliance with legal and internal standards. Our approach combines training, inspections, clear procedures, and protective measures to promote safety, prevent incidents, and protect people, the environment, and company assets. The following sections summarize the key components of our safe systems of work.

Detailed safe-work requirements related to PPE, manual handling, equipment safety, spill control, locking out energy sources, and other workplace controls are described in the Hazard Identification and Risk Assessment Procedure, the Chemical Management Procedure, the Waste Management Procedure, and the Energy Control – Lockout Tagout Procedure.

Additional guidance on site security and access controls is provided in the [Managing Guarding Services within Sucafina procedure](#).

### 4.2.1 Safe Systems of Work

A Safe System of Work ensures that all tasks are carried out at an acceptable level of risk through hazard control and effective management processes. When implemented correctly, it protects people, the environment, and property while minimizing incident costs.

### 4.2.2 Permit to Work System

The Permit to Work system formally ensures that hazards are identified before work begins, that adequate controls are in place, and that the work is authorized. It requires active involvement from both the Permit Issuer and the Permit Acceptor, ensuring work is carried out safely.

Additional operational steps and authorization requirements are described in the [Permit to Work Procedure](#).

**4.2.3 Personal Protective Equipment (PPE)**  
 PPE protects employees from workplace hazards, including safety shoes, gloves, helmets, masks, and harnesses. Selection is based on risk assessment, and the employer provides appropriate equipment while employees are responsible for using it correctly and reporting any damage. Training ensures

proper use, maintenance, and understanding of associated risks.

#### **4.2.4 Energy Control & Lockout/Tagout**

Lockout/tagout procedures prevent inadvertent energization or release of stored energy that could cause injury. These procedures are required for maintenance or work under permits, with locks or tags attached to energy isolation points. Lockout is preferred over tagout whenever feasible.

#### **4.2.5 Manual Handling Program**

Manual handling includes lifting, carrying, or supporting loads. Risk assessments consider the load, task, environment, and individual worker characteristics. Employees receive training during induction, with refresher courses every three years or after incidents, to ensure safe handling practices.

#### **4.2.6 Machinery & Equipment Safety**

All machinery and equipment undergo routine maintenance and must be disengaged or secured before work. Only approved equipment is used, and new machinery is designed to meet OSH standards. Employees are trained in safe use and maintenance procedures.

Requirements for isolating hazardous energy and preventing unintended equipment activation are described in the [Energy Control – Lockout Tagout Procedure](#).

#### **4.2.7 Lifting Operations & Equipment**

Lifting equipment must be suitable, strong, stable, correctly installed, and marked with safe working loads. Lifting operations are planned, organized, and conducted by competent personnel. Risks include mechanical hazards and potential failures of equipment or lifting accessories, which must be carefully managed.

#### **4.2.8 Spill Prevention and Control Guidelines**

Measures are in place for all chemical and hazardous handling operations, including loading, unloading, storage, transfer, and process use. Employees handling spills are trained, and control materials (e.g., absorbents, booms) are provided. Spills are contained promptly, and contaminated materials are safely disposed of in compliance with regulations. Personal protective equipment, including gloves, protective clothing, goggles, and respiratory protection, is provided as needed.

Additional controls for safe chemical storage, handling, and spill management are detailed in the [Chemical Management Procedure](#) and [Waste Management Procedure](#).

#### **4.2.9 Storage Areas and Stacking**

Storage areas are clearly designated, planned for safe access, and kept free of obstructions. Proper stacking of materials is ensured to prevent collapse or fire hazards. Maximum stack heights vary by bag type and handling method, with adequate space maintained for workers and equipment. Stacks are carefully de-stacked to prevent accidents.

#### **4.2.10 Road Safety**

Guidelines protect employees, passengers, and the public during company vehicle or cycle operations. Emphasis is placed on safety awareness, responsible driving behavior, and compliance with road safety procedures. All drivers undergo defensive driver training to reduce the frequency and severity of incidents.

Detailed procedures, including PPE, Energy Control & Lockout/Tagout, Manual Handling, Road Safety, Machinery Safety, and Spill Prevention, are maintained as controlled documents.

### **4.3 Environmental Management and Monitoring**

Environmental performance is continuously monitored, documented, and evaluated to reduce impacts. This includes air emissions, water discharges, chemical storage, waste management, and noise control. Environmental monitoring results inform site-level action plans and improvement programs, with performance reviewed regularly at ESMS Committee meetings. Compliance with IFC standards, local regulations, and international conventions—including Rotterdam and Stockholm Conventions—is ensured across all operations. Prior to commencing any new project or construction, environmental and social assessments are conducted to identify risks and implement appropriate mitigation measures.

Supporting guidance on water protection, chemical management, energy use, and waste management is provided in the [Water Quality Policy](#), [Chemical Management Procedure](#), [Energy Use and Conservation Procedure](#), and [Waste Management Procedure](#).

#### **4.3.1 Biodiversity and Deforestation Risk Management**

Biodiversity protection and ecosystem resilience are key priorities within Sucafina’s Environmental and Social Management System. In line with IFC Performance Standard 6, we monitor and manage potential impacts on ecosystems and natural habitats across our supply chains.

Our internal due diligence and traceability systems incorporate geolocation verification, land-use monitoring, and legal compliance reviews to ensure that our coffee sourcing remains deforestation-free. Dedicated coordinators at origin level oversee implementation and continuous improvement of these processes, including alignment with emerging regulations such as the EU Regulation on Deforestation (EUDR).

Beyond forest conservation, our approach considers land-tenure rights, human rights, and anti-corruption checks, reflecting the interconnected nature of environmental and social risks. By embedding biodiversity considerations into procurement and monitoring frameworks, Sucafina safeguards natural resources while strengthening the long-term sustainability of our supply chains.

Additional procedural guidance related to land-use monitoring, chemical use, and ecosystem protection is included in the [Chemical Management Procedure](#) and the [Pest Management Plan](#).

### **4.4 Contractor and Supplier Management**

All contractors and suppliers are subject to Sucafina’s ESMS expectations. Contractors are selected based on competency, EHS-Human Rights performance, and their own management systems. Before starting work, contractors undergo site-specific inductions, and task-level risk assessments are conducted. Permits to work are issued for all contractor tasks.

Suppliers are engaged according to a risk-based approach. Strategic suppliers receive self-assessments, and medium- or high-risk suppliers undergo audits to evaluate ESMS implementation. The Supplier Code of Conduct outlines expectations on environmental, social, and human rights practices, with repeated non-compliance escalated to the Group ESMS Committee.

Additional expectations and controls for contractor onboarding, competence checks, and safe-work authorization are provided in the [Contractor Management Procedure](#) and the [Permit to Work Procedure](#).

#### **4.5 Human Rights Management**

Respect for human rights is embedded in operational practices. Sucafina's approach follows IFC PS2 and relevant international frameworks, focusing on issues such as child labor, forced labor, discrimination, freedom of association, living wage, health and safety, and land rights. Human rights considerations are integrated into training, incident investigations, supplier audits, and grievance mechanisms.

A safe workplace free from harassment and sexual harassment is enforced. Harassment includes verbal, physical, or any unwelcome behavior causing humiliation, intimidation, or embarrassment. Sexual harassment is strictly prohibited at all levels, including written or verbal language of a sexual nature, requests for sexual favors, and conduct that interferes with work or creates a hostile environment. Violations are subject to disciplinary action, and policies are reviewed periodically.

Health management includes medical fitness examinations for high-risk employees, monitoring personnel exposed to hazards, and maintaining records of health programs. Vaccination and disease prevention programs are implemented where applicable. The use, distribution, or sale of alcohol and drugs on company premises or during company activities is strictly regulated, and workers under the influence are denied workplace access.

Guidance on worker onboarding, awareness, and conduct expectations is further supported by the [Induction Procedure](#) and the [EHS Training Procedure](#).

#### **4.6 Incident Reporting and Investigations**

All incidents, from minor events to serious injuries or environmental impacts, are reported and investigated promptly. Investigations aim to determine root causes and implement corrective actions, not assign blame. Findings inform training, workplace improvements, and risk management processes. Serious incidents are escalated to Group Sustainability leadership and the ESMS Committee.

Detailed steps for reporting, classification, investigation, and corrective actions are provided in the [EHS Incident Investigations and Reporting Procedure](#).

#### **4.7 Training and Awareness**

Sucafina ensures that all employees, contractors, and relevant visitors receive comprehensive EHS and human rights training, including general induction and role-specific instruction. Training needs are informed by risk assessments, audits, incident trends, and stakeholder requirements. Weekly toolbox talks, refresher courses, and practical training sessions reinforce awareness and safe practices.

Further detail on induction, refresher training, competency requirements, and training documentation is available in the [Induction Procedure](#) and the [EHS Training Procedure](#).

#### **4.8 Respect for Land, Communities and Cultural Heritage**

Sucafina operates with respect for the people, cultures, and environments where it works. Some sourcing areas may overlap with indigenous lands or regions of cultural or ecological significance.

Consistent with IFC Performance Standards 7 and 8, we are committed to identifying, avoiding, and mitigating potential impacts through open engagement and compliance with all applicable laws and international standards. Where relevant, we apply the principles of Free, Prior and Informed Consent (FPIC) to ensure that indigenous peoples and local communities are consulted and participate meaningfully in decisions that may affect their rights, land, or resources.

Although Sucafina does not manage large infrastructure projects, our supplier due diligence and verification processes include checks on land tenure, legal compliance, and respect for cultural heritage. These measures uphold human rights, safeguard community trust, and promote equitable and sustainable sourcing practices throughout our value chain.

## V. Auditing, monitoring, and reporting

The ESMS is implemented following the Plan-Do-Check-Act (PDCA) cycle, providing a structured approach to managing environmental, social, and human rights risks while fostering continuous improvement. The PDCA framework ensures that objectives are clearly planned, operational and social controls are executed, performance is monitored and evaluated, and corrective or preventive actions are applied according to internationally recognized sustainability benchmarks.

### 5.1 Internal Audits and Compliance Checks

The CEO and Country Managers hold the ultimate responsibility for ESMS implementation, while the Group and Country ESMS Committees define the system's structure, objectives, and goals. Operational support is provided by the Group Sustainability team, regional managers, and Country EHS and Sustainability Coordinators, who oversee day-to-day execution and provide guidance.

Compliance is assessed through routine inspections, spot checks, and analysis of monitoring results. Formal internal audits are conducted at least annually, with records maintained by the Country EHS-Human Rights Coordinator. In addition, external audits by third parties are performed as required to comply with local legislative requirements and international standards. Nonconformities are addressed through corrective and preventive actions, which are shared across the organization to strengthen system-wide implementation.

Responsibilities, planning steps, and documentation requirements for internal audits are described in the [Internal EHS Audit Procedure](#).

### 5.2 Communication

Effective communication is essential to ensure ESMS awareness and engagement. Internal communications are coordinated by the Country Manager in collaboration with the Group Sustainability and Communications teams, ensuring that all employees are informed of relevant ESMS policies, procedures, and updates. Employees are encouraged to raise concerns anonymously through established channels, like our anonymous grievance mechanism, [Speak Up!](#)

External communications are managed jointly by the Country Manager and Communications Department.

Expectations for suppliers and other stakeholders are communicated via the Supplier Code of Conduct and public statements regarding Sucafina’s environmental and social commitments. External grievances are handled in accordance with the Human Rights Policy.

Additional guidance on internal and external communication roles and expectations is provided in the [EHS Communication Procedure](#).

### **5.3 Legal and Regulatory Requirements**

To comply with applicable laws, regulations, and industry standards, each Country EHS-Human Rights Coordinator maintains a legal register covering national, regional, and local requirements. Annual reviews are conducted to identify updates or conflicts, which are reported to the Country Manager. If conflicts arise between internal policy and legal requirements, the Group Sustainability Manager evaluates appropriate adaptations or waivers.

### **5.4 Goals, Objectives, and Operational Controls**

ESMS objectives are derived from the Sustainability Strategy, previous performance, risk assessments, stakeholder requirements, and industry benchmarks. Group-level objectives are developed annually and translated into country-specific action plans, which are reviewed quarterly by the ESMS Committees. All employees are expected to define at least one ESMS-related objective each year, monitored during the appraisal process to ensure alignment with corporate and operational goals.

Operational controls include the management of tasks, equipment, hazardous substances, emergency preparedness, and workplace safety.

### **5.5 Monitoring and Reporting**

Performance monitoring uses both leading and lagging indicators to generate data-driven insights that support continuous improvement. Each country submits a monthly EHS report summarizing incidents, achievements, challenges, and planned actions. The Regional EHS Manager consolidates these reports and provides an overview to the Group Sustainability Manager to inform corporate decision-making and risk management.

Key indicators tracked include work-related injuries and fatalities, environmental incidents, training hours, audits, inspections, and near-miss reports. Reporting also covers supplier compliance, the effectiveness of corrective actions, and progress toward sustainability objectives.

#### **5.5.1 EHS and Environmental Performance Monitoring**

Sucafina regularly monitors and reports on EHS performance through a defined set of key performance indicators (KPIs). EHS Coordinators collect and input data to track both overall and site-specific performance, which is shared with management and stakeholders, including via the Group’s annual Sustainability Report.

**Key EHS KPIs include:**

- Fatalities
- Lost time injuries

- Medical treatment cases
- First aid cases
- Lost workdays
- Road traffic accidents
- Environmental accidents
- HSE training hours
- HSE meetings
- HSE audits and inspections
- Near misses and undesirable cases reported

Environmental performance is evaluated at least quarterly, with monthly reviews by EHS Coordinators. Monitoring focuses on regulatory compliance, incidents, emissions, and waste management. When performance gaps are identified, objectives, targets, and improvement programs are documented in the site EHS action plan to ensure continuous improvement.

#### **Monitoring covers multiple media and operational areas:**

- **Air:** Stack and fugitive emissions, including ozone-depleting substances and other pollutants, are monitored and compared to permit or license requirements. Engineering estimates may be used where direct measurement is not required.
- **Water:** Surface water discharges and wastewater from all activities are periodically assessed to confirm compliance with permits and site environmental plans. Drinking water usage is also monitored where applicable.
- **Chemical Storage:** Material storage areas are inspected regularly for proper labeling, container condition, containment, and spill prevention.
- **Waste:** All waste is classified as hazardous or non-hazardous, with total volumes recorded and proper disposal ensured via approved contractors. Storage areas are inspected routinely for compliance and spill control.
- **Noise:** Facilities with noisy operations conduct baseline and ongoing noise monitoring to protect employees and the surrounding community. Hearing protection and noise control measures are implemented as needed.

#### **5.6 Continuous Improvement**

Continuous improvement is embedded in the ESMS through the Check and Act phases of the PDCA cycle. Monitoring, internal audits, and performance reviews feed into corrective and preventive actions, ensuring lessons learned are applied across all operations. The system encourages proactive adaptation, knowledge sharing, and iterative enhancement of operational procedures, reinforcing alignment with IFC Performance Standards and international best practices.

## **VI. Evolution of the ESMS**

The ESMS is a living framework — one that evolves alongside our people, our knowledge, and our global sustainability landscape. It is designed to remain dynamic and responsive, integrating new learnings, technologies, and stakeholder insights over time.

As regulations, industry expectations, and environmental and social realities continue to evolve, we will

refine our policies, procedures, and practices to ensure continued relevance and effectiveness. Through collaboration, transparency, and shared accountability, we strive to strengthen our ESMS maturity across all levels of the organization.

This spirit of continuous evolution reflects Sucafina's long-term commitment to responsible growth — ensuring that our business decisions create lasting, positive impact for people, communities, and the planet.