



Global Compact Initiative: Letter of Reaffirmation

May 10, 2021

To our stakeholders:

I am pleased to confirm that for the 2021-2022 year ASFALTOS DE CAMARGO SL (AXFAL) reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

D. Carlos Salomón Gutiérrez

Director of Asfaltos de Camargo S.L.

A handwritten signature in blue ink, appearing to read 'Carlos Salomón Gutiérrez', written over the printed name 'AXFAL'.

DESCRIPTION OF ACTIONS



Facilities entrance.

HUMAN RIGHTS. Implementation and outcomes.

Asfaltos de Camargo SL is committed to furthering the UN Global Compact in the area of Human Rights. Our company policy is in line with the Universal Declaration of Human Rights; we wholeheartedly support all thirty articles of the declaration and avow to fulfill these promises to the best of our ability.

The right to a decent work defends a job that dignifies and allows development of their own capabilities thus achieve an adequate quality of life. It is not decent work that is done without respect for labor principles and rights fundamental, the one that does not allow a salary fair and proportional to the effort made, or in which gender discrimination is suffered or of any other kind.

In its activities and area of influence Asfaltos de Camargo SL performs the following practices:

- Occupational Safety Training

In terms of Occupational Risk Prevention, it should be said that every year all the

courses of the Complementary technical instructions of the Mining Statute to all workers. These courses are sponsored by the Ministry of Industry, Tourism and Commerce and are taught in the form of renewal with a duration of 5 hours or initial, imparted to new personnel or personnel who have become multi-skilled.

Reinforcement actions are also carried out on safety risks, hygiene and ergonomic risks and specific activities. During the year 2021, courses have continued to be carried out in person but maintaining the mandatory security measures with the necessary safety distance, all assistants provided with masks and when circumstances allowed.

Other courses on occupational risk prevention that have been carried out in 2021 are the courses on prevention of falls to different levels, work at heights, handling of loads by bridge crane, and telescopic and first aid. Also It is mandatory for all staff to take the 60-hour basic occupational risk prevention course, which is financed and provided by the company.

Also, there are many signs around the site that show the different risks associated with the works in a certain area.





- Occupational Safety Training

Asfaltos de Camargo SL seeks the objective of protecting and promoting the health of its staff, it has a high commitment to Preventive Management, corporate well-being, training and personal and professional development, guaranteeing safe workplaces, promoting "zero" accident rates and preventive activities in the face of disorders

Musculoskeletal, healthy habits, effective management of psychosocial risk and work stress and road safety awareness, to achieve these objectives it acts on three channels:

- Promoting individual development to make all workers aware of the importance of taking care of their own well-being.
- Creating safe and healthy environments, improving organization and working conditions.
- Promote active participation. Asfaltos de Camargo facilitates continuous training for all its workers, we consider that recycling and constant learning of workers is essential: The individual development of workers involves growing through learning.

LABOR RIGHTS. Implementation and outcomes.

ASFALTOS DE CAMARGO SL is committed to furthering the UN global Compact in the area of Labor Rights. We support the ILO's 1998 "Declaration" as well as its "Four fundamental principles and rights at work." In addition to the ILO's proclamations we also are in strong support of Articles 23 of the Universal Declaration of Human Rights in which there is unequivocal support of labor rights with the following statement,



“everyone has the right to work, to free choice of employment, to just and favorable conditions of work and to protection against unemployment. Everyone, without any discrimination, has the right to equal pay for equal work. Everyone has the right to form and to join trade unions for the protection of his interests.”

Some of the principles that the company complies with in this regard are the following:

- The right to employment; the right not to be arbitrarily dismissed and the right to protection against unemployment.
- Ensure that the company does not participate in any form of forced or bonded labour
- Comply with minimum wage standards.
- Freedom of association and the effective recognition of the right to collective bargaining.
- Ensure that employment-related decisions are based on relevant and objective criteria.

Compliance with these principles are periodically controlled through personal interviews and surveys aimed to monitoring it compliance and obtain personal impressions of the workers regarding the company in which they work. Through these practices, the opinion of each one of the employees is observed in such a way that it is possible to correct or act on specific situations.

ENVIRONMENTAL PROTECTION. Implementation and outcomes.

ASFALTOS DE CAMARGO SL is committed to furthering the UN Global Compact in the area of Environmental Protection. For this reason, we develop our activities with the utmost respect for our environment in order to achieve the proper integration of our industrial activity with the social environment where we operate: THE IMPORTANCE OF THAT WHAT SURROUNDS US.

During the last year the company has made several and important modifications on the facilities of the asphalt production plant in order to achieve environmental improvements, that is, to reduce the effects, mainly due to emissions, which is the main environmental factor of an asphalt plant. This is achieved by improving the energy efficiency of the plant, reinforced by improvements in the emission treatment systems.

This section describes the actions carried out at the plant to obtain the environmental

improvement that is intended to be achieved, especially with its efficiency and therefore with the reduction of emissions as the main adverse environmental factor.

Instead of the oil used before as main fuel, that is fuel-oil tanks, natural gas is now used, an environmentally desirable option as it significantly reduces emissions and therefore becomes a cleaner and more efficient activity.

- BURNER AND TROMMEL

The trommel and its components (30 years old and very worn) are replaced as it is not possible to repair them with a new, and a more efficient trommel from an energetic and environmental point of view. The fuel burner have been replaced by another of the latest generation of natural gas, this operation requires in turn the change of the trommel combustion chamber, bag filter and kneader.



- BAG FILTER

Gas capture and treatment systems lose effectiveness over time. In addition, the evolution of the technique has achieved greater efficiency in the treatment of gases and particles and the legislation requires updating the systems to reduce atmospheric pollution.

It is planned to replace the old filtering systems with modern bag filter equipment that ensures strict compliance with emissions regulations.



All the installed elements are mobile and modular, for which no civil works are needed for their installation, as they are parts of a set.

With the changes made, in addition to increasing energy efficiency and environmental improvement, the risk of possible leaks and spills are eliminated, since the tanks are new and with adequate metal thickness.

Retiring the equipment with more than 30 years of operation have irreparable sheet damages, which make it necessary to change the equipment, replacing it with current technologies that are more environmentally efficient.

The changes also result in greater safety for workers.

The manufacturing plant will maintain a maximum production of 180 t/h of hot bituminous mixes, but will substantially improve both its energy efficiency and its emissions into the atmosphere, since the consumption of diesel and fuel-oil will disappear, going on to use electricity and natural gas.

According to the tables of the Ministry for the Ecological Transition (MITECO) the CO₂ emission factors are the following:

Natural Gas = 0.182 kgCO₂/KWh

Diesel B = 2.708 kgCO₂/l

Fuel oil = 3.309 kgCO₂/l



Asphalt plant in 2020



Asphalt plant today

In addition, ASFALTOS DE CAMARGO is linked to the initiative to seek to reduce the consumption of raw materials through the application of policies waste management, recycling and efficient use of resources.

We have clean points for the management and recyclability of waste. We encourage the involvement of all workers of the company, the result of this involvement is the wide variety of waste managed during the year 2021. Some of the waste generated are

transported to the authorized management center located few meters from our fabrication plant “VALORIA RESIDUOS”.



Finally, it is interesting that the company planted 150 units of “leylandis” trees all around in the perimeter of the facilities, in order to offer a “greener” and protective image.



ANTI-CORRUPTION. Implementation and outcomes.

ASFALTOS DE CAMARGO is committed to furthering the UN global Compact in the area of Anti-Corruption. The country of Spain is a party to the UN Convention against corruption and both ASFALTOS DE CAMARGO SL and its employees are wholeheartedly in support of the document.

Every year the company has an audit where all receipts and billing are controlled and observed, registered in computer applications and accessible to the tax agency.

Assess the risk of corruption when doing business .

Mention “anti-corruption” and/or “ethical behavior” in contracts with business partners.

Ensure that internal procedures support the company’s anti-corruption commitment.