

Environmental and Energy Policy

Ternium, an integrated steel company, whose processes range from mining operations to the manufacture of finished steel products, defines in this Policy its commitment to environmental protection and its goal of achieving excellence in environmental and energy performance throughout its operations.

This Policy applies to Ternium and its subsidiaries. It will be actively communicated to ensure compliance. The company believes that the sustainable development of its operations requires engagement through open dialogue with its employees, suppliers, contractors, customers and communities.

Caring for the environment is a core value, and establishes the following principles:

- Environmental protection and energy efficiency is a responsibility of Ternium's personnel, as well as its suppliers and contractors.
- Pollution must be prevented at the source, controlling the significant environmental aspects of our operations and minimizing their impacts and risks.
- Compliance with the applicable legislation and voluntary agreements in relation to environmental protection and efficient energy consumption.
- Promote continuous improvement in environmental and energy performance and management systems to achieve the established objectives and targets.
- Integration of environmental and energy components into all company management processes.
- Plan and execute decarbonization roadmaps with the ambition to achieve carbon neutrality of our products and operations, according to technological feasibility and local market conditions.
- Use natural resources efficiently and contribute to circular economy.
- Minimize air emissions at the sites where we operate, optimizing the use of water, and maximizing its reuse.
- Protect biodiversity in areas where we operate and compensate impacts where and when feasible.
- Application of life cycle perspective and risk management in our continuous improvement processes, when feasible.
- Promote renewable energy generation and use, as well as the application of energyefficient products, technologies and services, and the implementation of projects designed to improve energy and environmental performance, where significant.
- Encourage the purchase of sustainable and energy-efficient products, technologies, and services.
- Promote employee training and awareness in relation to environmental protection and responsible energy use.

The company must provide the information, means and resources to enable compliance with this Policy, as well as with the objectives and goals established, thus supporting sustainability throughout operations, considering the context in which it operates.

All management levels are primarily responsible and accountable for environmental protection and energy consumption in their areas.

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CEO Ternium