

# SUSTAINABILITY REPORT 2022



JUNTOS CREANDO **DESARROLLO**

**100 YEARS**

**TOGETHER WE CREATE DEVELOPMENT**

**Celebrating a century of history in Peru**

**1922-2022**



# ASSURANCE STATEMENT

## SGS DEL PERU S.A.C. REPORT ON SUSTAINABILITY ACTIVITIES AT FERREYCORP S.A.A AND “THE SUSTAINABILITY REPORT 2022”

### NATURE OF THE ASSURANCE/VERIFICATION

SGS DEL PERU SAC (hereinafter referred to as SGS) was commissioned by FERREYCORP S.A.A (hereinafter referred to as FERREYCORP) to conduct an independent assurance of the SUSTAINABILITY REPORT 2022.

### INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all FERREYCORP’s Stakeholders.

### RESPONSIBILITIES

The information in the Report and its presentation are the responsibility of the directors or governing body and the management of FERREYCORP. SGS has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform all FERREYCORP’s stakeholders.

### ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognised assurance guidance and standards including the principles of reporting process contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) GRI 1: Foundation 2021 for report quality, GRI 2 General Disclosure 2021 for organisation’s reporting practices and other organizational detail, GRI 3 2021 for organisation’s process of determining material topics, its list of material topics and how to manages each topic, and the guidance on levels of assurance contained within the AA1000 series of standards and/or ISAE3000.

The assurance of this report has been conducted according to the following Assurance Standards:

Assurance Standard Options		Level of Assurance
A	SGS ESG & SRA Assurance Protocols (based on GRI Principles)	n/a
B	ISAE3000	Limited

Assurance has been conducted at a moderate (limited) level of scrutiny.

### SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

## Reporting Criteria Options

### 1 GRI Standards 2021

#### **SPECIFIED PERFORMANCE INFORMATION AND DISCLOSURES INCLUDED IN SCOPE**

Estos son los KPI específicos tomados en cuenta en el "Reporte de Sostenibilidad 2022 de FERREYCORP"

GRI 200 Economics (201-1; 203-1; 204-1; 205-1)

GRI 300 Environments (302-1; 303-3; 303-5; 305-1; 305-2; 305-3; 305-4; 306-3; 306-4; 306-5)

GRI 400 Socials (401-1; 401-3; 403-1; 403-9; 404-1; 404-3; 405-1; 406-1; 417-1; 418-1).

#### **ASSURANCE METHODOLOGY**

The Verification comprised a combination of pre-verification research, interviews with relevant employees, strategic partners, documentation review, records and evaluation of the Sustainability Report and supports to align with GRI protocols, the audit was conducted remotely.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

#### **LIMITATIONS AND MITIGATION**

Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process. Note here any other specific limitations for the assurance engagement and actions taken to mitigate those limitations

#### **STATEMENT OF INDEPENDENCE AND COMPETENCE**

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from FERREYCORP, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this task, and was composed of auditors trained in Sustainability Reporting Assurance, Environmental Management System, Quality, Occupational Health and Safety, Compliance and Anti-Bribery Systems, Social Responsibility Systems, Greenhouse Gas Verifier and Water Footprint Auditor.

#### **FINDINGS AND CONCLUSIONS**

##### **ASSURANCE/VERIFICATION OPINION**

On the basis of the methodology described and the verification work performed, nothing has come to our attention that causes us to believe that the specified performance information included in the scope of assurance is not fairly stated and has not been prepared, in all material respects, in accordance with the reporting criteria.

We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

### **QUALITY AND RELIABILITY OF SPECIFIED PERFORMANCE INFORMATION**

During the audit, we have found several strengths of CORPORACIÓN FERREYCORP S.A. that we detail below:

- They have independently audited Management Systems such as ISO 37001 and ISO 14064-1.
- They have a fairly robust Environmental Management system implemented.
- FERREYCORP S.A.A has consistently published GRI Sustainability Reports for 9 consecutive years.
- FERREYCORP S.A.A has been included for the sixth consecutive year in the Dow Jones MILA-Pacific Alliance Sustainability Index, which recognizes the leading companies in sustainability in the Pacific Alliance region.

Some opportunities for improvement were identified to consider in future integrated reports.

- Update the consultation with its Stakeholders for the Identification of its Impacts, taking into account that the consultation must include issues related to the three dimensions: Economic, Social and Environmental.
- Evaluate the advisability of incorporating additional GRI indicators to the material issues resulting from the consultation with stakeholders in line with the Sustainability Context principle.

**Signed:**



**Julio Ubarnes Pinto**  
**Certification Manager**  
**30 June 2023**  
**SGS del Perú S.A.C.**  
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# Content

1. We are Ferreycorp
2. Sustainable Management
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  - 2.2 Social Dimension
  - 2.3 Environmental Dimension
3. GRI Content Index

# 1. We are Ferreycorp



Specializing in the provision of capital goods and related services, Ferreycorp commemorates its 100 years history as a corporation, which operates in Peru -where it generates close to 90% of its revenues-, in some Central and South American countries, through subsidiary companies focused on their respective businesses and with a high degree of specialization.

In its trajectory, the link with Caterpillar, world leader in machinery, as an exceptional partner has been maintained for eight decades. At the same time, it distributes other prestigious brands. It stands out for the quality of the machinery it offers and especially for the services related to capital goods, including maintenance, repairs, condition monitoring, consulting in the use of equipment, training and financing, among others. In this way, Ferreycorp's companies integrate a complete portfolio of solutions for their customers and enhance their market coverage.

Its human management and talent development practices, evidenced in an excellent organizational climate, and the solidity of its century old culture are fundamental in the commitment and sense of pride of its more than 7,000 employees.

Ferreycorp has been in the stock market for nearly 60 years, having listed its shares on the Lima Stock Exchange (BVL) in 1962. Today, this widely held company has local institutional investors (such as pension funds, mutual funds and insurance companies) and foreign investors, as well as a large number of individuals who allocate their savings to the capital market, seeing the corporation as an attractive investment alternative. Its track record is recognized in the capital market and it is a benchmark for its good corporate governance practices and responsible management, in the interest of sustainability.

It is widely recognized as one of the leading companies in the Peruvian market, for its value-based management, deployment of good business practices and financial management, which is why it is present in a number of business groups and initiatives, promoting the development of the country through such participation.

## 1.1.1 Mission and vision

### MISSION

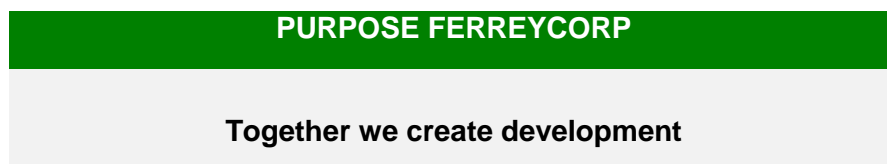
To operate, through its subsidiaries with focus and high degree of specialization, businesses of distribution of capital goods and supplies and services and support, for prestigious global brands with high standards, efficiency and profitability, achieving at the same time the development of its employees and being referents of modern and responsible companies.

### VISION

To be recognized as a leading economic group in Peru, with presence in Latin America, and an excellent supplier of capital goods, inputs and related services, that contributes to increase productivity and profitability in the economic sectors in which it participates, that promotes the development of the countries and their different stakeholders, and that in turn is recognized by global brands as the preferred corporation to adopt new businesses and representations, in the fields in which it operates, due to its operational and financial capacity.

## 1.1.2 Purpose Ferreycorp

A collaborative and inclusive exercise of reflection allowed Ferreycorp to write and publish its purpose, which tacitly already guided its actions. In this exercise it was remarkable the agreement of all participants to reflect in the purpose the vocation evidenced through the years of leaving mark for all their stakeholders and make a difference. So the purpose was defined as:



This expression reflects the company's dedication to generating development in the places where it operates, not only through the services and capital goods and inputs it provides as part of its activities, but also in the breadth of the positive impact links it creates and maintains with all its stakeholders.

It is a vision that has been intimately present in Ferreycorp and its companies since its beginnings, and whose essence has been maintained over time, transcending the transformations of the organization. The Ferreycorp Manifesto, detailed below, puts this purpose into perspective:

*“At Ferreycorp we provide services, capital goods and inputs that give our partners the tools they need to contribute to the growth of industries that are fundamental to the development of the countries in which we operate.*

*For 100 years, with integrity and under the highest quality standards, we have been a key agent in the development of infrastructure, impacting the quality of life of millions of people and generating greater access to opportunities. Thus, over time, we have become a leading corporation, with a presence in different countries and internationally recognized prestige.*

*While we are proud of what we have achieved, we know that there is still much to do. Therefore, today more than ever we reaffirm our commitment to society and assume the responsibility of continuing to **create development**, seeking to constantly innovate and amplify our impact on society”.*

### Corporate values

The pillars that guide the daily actions of the employees of the corporation, maintain the ethical conduct of the organization and contribute to the sustainability of the business are represented by the values of Ferreycorp that, along with its purpose are fundamental to everything it does, defining its strategy and day-to-day execution.

#### Commitment

We recognize our role in society and work every day to generate greater access to opportunities and contribute to the growth and development of the

#### Integrity

We work with honesty and transparency, always taking responsibility for our actions.

#### Respect

We celebrate diversity and promise dignified and respectful treatment of all people.

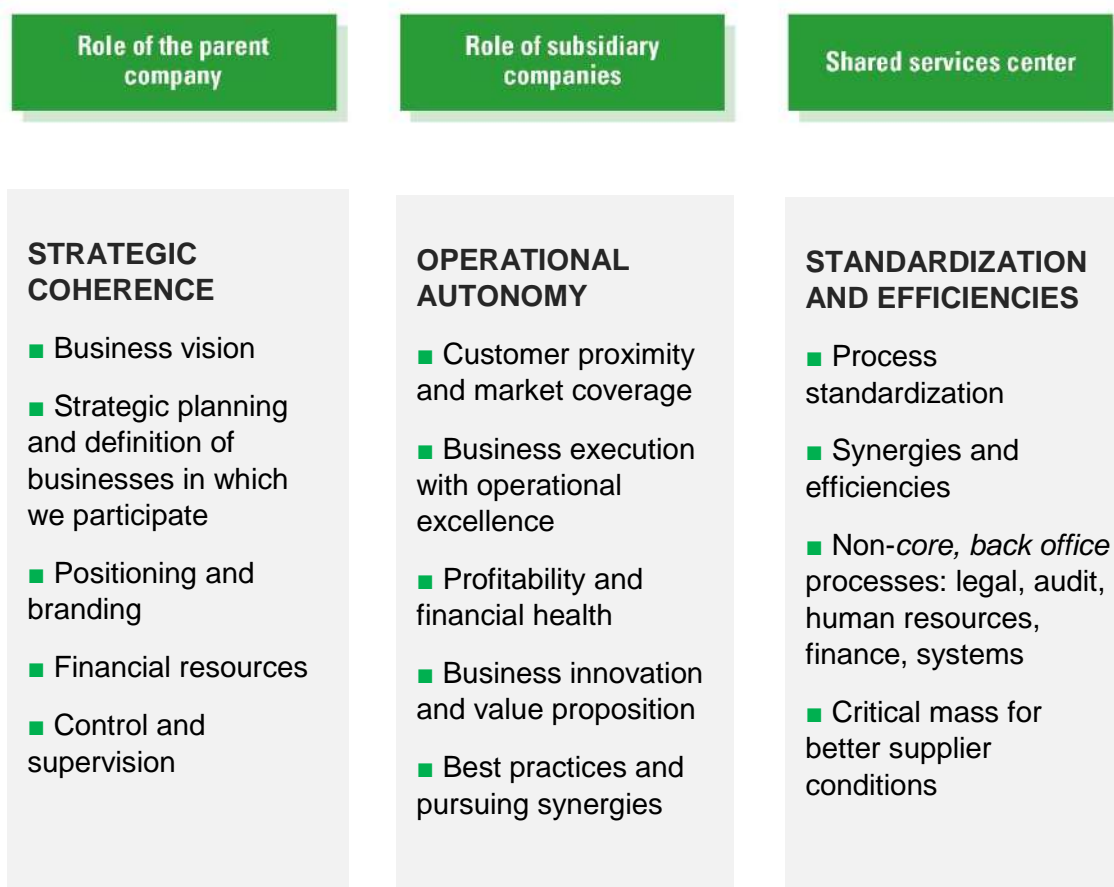
#### Equity

Each of our interactions is based on fair treatment of all our stakeholders.



### 1.1.3 Corporation's operating model

Ferreycorp's operating model is one of strategic coherence with operational autonomy, which is provided by the corporate entity and the operational autonomy of the company's subsidiaries. There are three types of roles in the organization: that of the *holding* company of the economic group, which provides strategic coherence and guidelines; that of the subsidiaries, which are responsible for operating their business with operational autonomy within the corporate guidelines; and that of shared services, which promotes efficiencies and synergies among the subsidiaries, as shown below.



Within the framework of these roles, the holding company Ferreycorp allocates funds for the growth and investment of the companies, defines guidelines to standardize management with time-tested practices, and creates spaces for the subsidiaries to share best practices and enhance their value propositions. At the same time, the subsidiaries contribute to the productivity and efficiency of their clients, through the provision of capital goods of leading and renowned brands, as well as related world-class services, with a vision of excellence and innovation.

As part of the revenue and profit generation they generate for the economic group, the subsidiaries deploy a broad market coverage and enrich the organization's solutions offering. They also complement each other's critical capabilities, such as national coverage and logistical deployment, generating synergies in favor of clients.

In this way, the corporation's vast portfolio of products and services maximizes the possibilities of meeting the varied needs of its customers, operating as a *one stop shop*.















Thus, many customers of the flagship company Ferreyros receive goods and services from other subsidiaries of the group.

At the same time, the Shared Services Center contributes to increasing efficiencies and encouraging synergies in processes and activities in various areas of specialization, serving the various subsidiaries of the organization.

With this strategic perspective, we seek to boost the dynamism and growth of the corporation, with positive transversal impacts on its different stakeholders.

## 1.1.4 Companies of the corporation

Ferreycorp is comprised of the following subsidiaries and/or businesses:

Representatives of Caterpillar and allied brands in Peru			
 CAT heavy machinery and allies	 CAT lighth machinery and allies	 CAT machinery and allies in the Selva region	 Assembly and operation of power generation plants
Representatives of Caterpillar and allied brands in Central America *			
 CAT machinery (Guatemala and Belize)	 CAT machinery (El Salvador)	 Consumables (Nicaragua)	 Spare parts for heavy transport (El Salvador and Honduras)
Complementary businesses in Peru and other countries in South America **			
 Consumables	 Cranes, platforms and port equipment (Chile, Ecuador, Colombia and Peru)	 Light machinery (Ecuador)	
 Temporary, customs and bonded warehousing	 Freight forwarder	 Technological solutions	





The subsidiaries contribute to the development of the countries where they operate by directing their products and services to sectors such as mining, construction, industry, energy, oil, fishing, agriculture, trade and transportation.

Following is more information on each subsidiary of Ferreycorp:

(GRI 2-6)

Representatives of Caterpillar and allied brands in Peru						
Name	Year of incorporation	Sectors served	Product / Service	Country/ Region	Number of sites	Number of employees
<b>Ferreiros</b>  <small>UNA EMPRESA FERREYCORP</small>	1922	Construction, mining, hydrocarbons, energy, marine and fishing, government, agriculture, trade, industry and services.	Commercialization of heavy machinery and equipment. Rental and supply of spare parts and services.	<b>Peru</b> <u>North:</u> Piura, Tumbes, Lambayeque, Cajamarca, Trujillo, Chimbote <u>Central:</u> Cerro de Pasco, Huancayo, Ica, Ayacucho, Huaraz, Lima. <u>South:</u> Arequipa, Cusco, Moquegua and Puno.	42	4,298
<b>Ferrenergy</b> 	2006	Mining, hydrocarbons, government, energy, construction, fishing and industry.	Participation in the company of 50% Power solutions from 1MW up to the unlimited amount required, with gas, diesel, solar and residual oil (HFO) generating equipment.	<b>Peru</b> Lima <b>Guatemala</b> Ciudad de Guatemala	3	58
<b>Unimaq</b>  <small>UNA EMPRESA FERREYCORP</small>	1999	Construction, mining, hydrocarbons, agriculture, government, trade, industry and services.	Commercialization and rental of light equipment.	<b>Peru</b> <u>North:</u> Cajamarca, Chiclayo, Piura, Trujillo <u>Central:</u> Cerro de Pasco, Huancayo, Lima, Huaraz <u>South:</u> Ica, Arequipa, Ayacucho, Cusco, Ilo, Moquegua, Puno	17	629
<b>Orvisa</b>  <small>UNA EMPRESA FERREYCORP</small>	1973	Construction, forestry, agriculture, government, river transportation, hydrocarbons and energy.	Commercialization of equipment, spare parts, services and consumables.	<b>Peru</b> <u>North:</u> Bagua, Iquitos, Tarapoto <u>Central:</u> Pucallpa, Huanuco <u>South:</u> Puerto Maldonado	7	139

## Representatives of Caterpillar and allied brands in Central America

Name	Year of incorporation	Sectors served	Product / Service	Country/ Region	Number of sites	Number of employees
<b>Genrac</b> 	2010	Construction, aggregates, agriculture, government, mining, oil extraction, energy, industry and commerce	Commercialization of heavy machinery and equipment. Rental and supply of spare parts and services.	<b>Guatemala</b> Ciudad de Guatemala, Quetzaltenango, Teculután, Escuintla, Morales, Retalhuleu, Huehuetenango, Cobán y Petén  <b>Belize</b> Ladyville	12	355
<b>General de Equipos</b> 	2010	Construction, housing, power generation, industrial, government, agricultural and automotive.	Commercialization of heavy machinery and equipment. Rental and supply of spare parts, services and lubricants.	<b>El Salvador</b> San Salvador, Sonsonate, San Miguel	3	180
 <b>Soltrak</b>	2013	Construction, industry, transportation.	Marketing of lubricants.	<b>Nicaragua</b> Managua It will stop operating from 2023	1	25
<b>Motored</b> 	2015	Construction, freight and passenger transportation, government, trade and services.	Supply of spare parts for trucks and buses; consumables; trucks and buses.	<b>El Salvador</b> San Salvador, Santa Ana, Sonsonate, San Miguel, Metapán, Lourdes, Santa Rosa de Lima, Soyapango, Zacatecoluca, Aguilares y Usulután	14	180

## Complementary businesses in Peru and other countries in South America

Name	Year of incorporation	Sectors served	Product / Service	Country/ Region	Number of sites	Number of employees
<b>Soltrak</b> 	2007	Mining, construction, transportation, industry, energy and hydrocarbons, agriculture, fishing and forestry.	Comprehensive solution for tire management, lubricants, filtration, predictive maintenance and personal protective equipment and other industrial safety products.	<b>Peru</b> <u>North:</u> Piura, La Libertad <u>Central:</u> Lima <u>South:</u> Arequipa	12	416
<b>Trex</b> 	2014	Mining, port industry, commerce, services and construction, among others.	Cranes and other lifting solutions.	<b>Chile</b> Santiago, Antofagasta, Calama <b>Colombia</b> Barranquilla, Bogotá <b>Ecuador</b> Quito, Guayaquil <b>Peru</b> In Peru it operated from Maquicentro and from 2023 it will be from Unimaq	10	162
<b>Fargoline</b> 	1983	Capital goods, consumer goods, energy, mining, construction, fishing, agriculture, trade and services.	Temporary warehouse for containers, loose and rolling cargo, customs deposit; simple storage; movement of project cargo; transportation and distribution.	<b>Peru</b> Callao and Arequipa	2	208
<b>Forbis Logistics</b> 	2010	Automotive, mass consumption, mining, energy, <i>retail</i> , industry.	International air and ocean freight forwarding for import and export, and cargo consolidation, inspection and processing services.	<b>Peru</b> Lima <b>EE.UU.</b> Miami <b>Chile</b> Santiago	3	116
<b>Soluciones Sitech Perú</b> 	2013	Mining, construction and hydrocarbons.	Integration of technologies to create solutions that enhance customer productivity	<b>Peru</b> Lima	1	32
<b>Maquicentro</b> 	2015	Construction, mining, oil, industrial, transportation and agricultural.	Commercialization and rental of light equipment.	<b>Ecuador</b> Guayaquil, Quito y Riobamba	2	14

## 1.1.5 Representation

(GRI 2-6)

In its first years of existence, the organization - founded nearly a century ago - was dedicated to the marketing of consumer products. However, in 1942, it marked a key milestone in its history: the beginning of its partnership with Caterpillar in Peru. This close relationship has been strengthened over the years, achieving wide recognition of this distinguished global brand, as evidenced by a series of awards received. The granting of the Caterpillar representation contract in Central America in 2010 is a clear demonstration of this relationship of trust.

Similarly, during its trajectory, the corporation and its companies took on the distribution of other prestigious brands, both in Peru and in other Latin American countries, to increase the scope of its service to customers in different economic sectors, exercising the capabilities and knowledge already developed and its alignment with those represented for the local deployment of initiatives that the factories intend to replicate around the world. This has allowed them to consolidate a prestigious portfolio of represented brands and generate excellent long-term relationships with all of them, becoming the undisputed leader in its field.



## 1.1.6 History

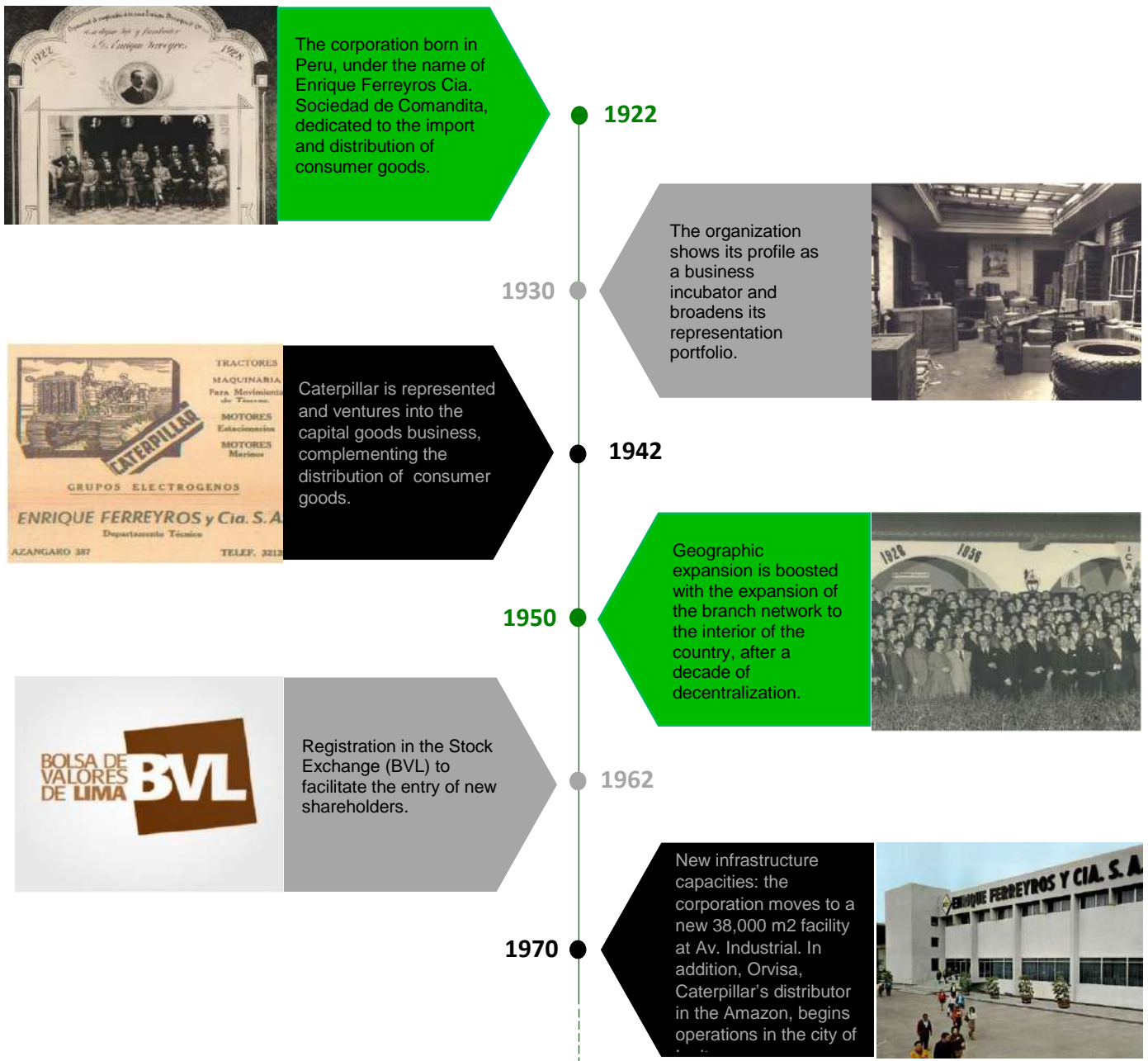
The following are the corporation's main milestones in its development.



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Redefinition of the business portfolio, with the main focus on capital goods to give new impetus to growth. Development of logistics capabilities with the creation of a warehousing firm, which will later become Fargoline.

1980

1990

Decade of the arrival of the first Cat trucks in Peru and construction of the CRC - Ferreyros Component Repair Center. The machinery rental and used machinery sales business is launched.



Period of incorporation of complementary capital goods and consumables businesses to serve new segments with related products and services. Unimaq, a specialist in light equipment; Mega Caucho & Representaciones, now Soltrak; and Ferrenergy, total revenues of US\$ 230

2000

Decade of Internationalization, with the acquisition of Gentrac and Cogesa, distributors in Guatemala, El Salvador and Belize, which later incorporated lubricants and auto parts businesses in the region. Acquisition of Trex with operations in Chile, Ecuador and Colombia, as well as the expansion of operations in Ecuador with Maquicetro. Creation of Forbis Logistics to expand logistics capabilities. Total revenues of US\$1 billion.



2010



The functions of Ferreycorp, as holding company and owner of the corporation's companies, and Ferreyros, as the group's company, are made independent.

2012

2012

Also in this decade, the use of remote monitoring and integrated equipment management technologies was intensified; Condition Monitoring Centers, Sitech Peru Solutions and e-commerce of spare parts via Parts.Cat.Com (PP) were launched.



Commissioning of 100% of the first fleet of autonomous trucks in Peru, a decade after introducing the first giant 400-ton trucks and adding the largest shovels and drills with maximum wingspan.

2022

2022

Ferreycorp and its company Ferreyros celebrate 100 years in Peru and 80 years as Caterpillar distributors, with total revenues of US\$ 1.7 billion. Ferreycorp, the only Peruvian company in the Dow Jones Sustainability MILA Pacific Alliance Index for the sixth year. It is part of the S&P/BVL Peru General ESG Index.



## 1.1.7 Main awards

Ferreycorp is constantly seeking to improve its operational performance and corporate management. This has led the corporation to be distinguished with a series of recognitions in different aspects of its management, either from the global companies it represents, or from associations and business entities.



### **Caterpillar 2022 Excellence Programs**

**Gold:** Ferreyros, Unimaq y Orvisa<sup>1/</sup> (Service, Spare Parts, Rental); Gentrac Guatemala (Service and Rental of Heavy Machinery).

**Silver:** Ferreyros, Unimaq y Orvisa<sup>1/</sup> (Digital and Marketing and Sales); Gentrac Guatemala (Rental of Light Machinery, Spare Parts, and Marketing and Sales).

**Bronze:** Gentrac Guatemala (Digital); General de Equipos (Service, Spare Parts, Digital, Marketing and Sales).

1/ Since 2022, the performance of Ferreyros, Unimaq and Orvisa is evaluated jointly.



### **Caterpillar's Five Stars in Contamination Control**

Fourteen Ferreyros workshops (Arequipa; Cajamarca; Centro de Desarrollo Tecnico; Chimbote; CRC Lima; CRC La Joya; Cusco; Huancayo; Lambayeque; Piura; Rentafer; Lima Machine Shop; Hydraulic Workshop; Trujillo), its Spare Parts Distribution Center (CDR), as well as one from Orvisa in Tarapoto, have this distinction by the end of 2022.



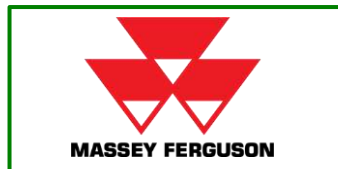
### **Caterpillar's World-Class Workshops Certifications**

Ferreyros maintains the certification granted by the main represented Caterpillar to the company's two Component Repair Centers (CRC), located in Lima and La Joya (Arequipa), as world-class workshops.



### **Massey Ferguson: Best Performance: Retail Pulverizadoras**

Ferreyros ranks fifth in Massey Ferguson's *Dealer Excellence* program, considering all countries in South and Central America, except Argentina and Brazil.



### **Massey Ferguson: Dealer Excellence**

Award granted to Ferreyros for generating the highest sales in Massey Ferguson sprayers in 2022, in all countries of South and Central America, except Argentina and Brazil.



### **Carmix: Distinction from the Distributors Club**

Unimaq is recognized by Carmix as a member of its Distributors' Club, after consolidating a historical fleet of 600 self-compacting concrete mixers in Peru.



**Dow Jones Sustainability Indices | MILA- Alianza del Pacifico**

Ferreycorp, the only Peruvian firm to be included for the sixth consecutive year in this index, which recognizes the leading companies in sustainability in the Pacific Alliance region.



**S&P/BVL Peru General ESG Index**

Ferreycorp integrates this new index of S&P Dow Jones Indices and the Lima Stock Exchange, which provides an ESG benchmark for the Peruvian stock market.



**Merco Corporate Responsibility and Corporate Governance**

Ferreycorp distinguished among the second companies with best social responsibility and corporate governance.



**Socially Responsible Company Distinction (ESR)**

Awarded by Peru Sostenible, in alliance with the Mexican Center for Philanthropy (Cemefi), to Ferreycorp, Ferreyros, Unimaq, Orvisa, Fargoline and Soltrak.



**Most Admired Companies of Peru Award (EMA)**

The corporate community chooses Ferreycorp among the 10 most admired companies in Peru through the EMA 2022 Award, organized by PwC and the magazine G de Gestion



**Merco Companies and Leaders Ranking**

For the eleventh consecutive year, Ferreyros is recognized among the ten companies with the best corporate reputation in Peru and as a leader in the sector. It ranked sixth and at the head of the industrial sector.



**Ranking PAR**

Ferreycorp was awarded first place in gender equity, diversity and social inclusion in the PAR 2021 ranking, by the consulting firm Aequales, in the category of companies with up to 200 employees. It ranked among the top ten in the National General Ranking, which evaluated more than 200 companies.



**Merco Talent Ranking**

Ferreyros is ranked among the top ten companies, and the leading company in its industry, for attracting and retaining talent in Peru, for the ninth consecutive year. It remains in eighth place in the national ranking and first place in its sector.

## 2. Sustainable Management

Sustainability is part of the way Ferreycorp and its companies operate: it is a fundamental part of its corporate strategy and is closely linked to the corporation's purpose, "Together we create development".



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The application of the sustainable management model adopted by Ferreycorp contemplates the development of ESG (environmental, social and governance) best practices. The corporation establishes strategies and actions for each of its stakeholders and incorporates their opinions and expectations in the development of projects and programs aligned with the United Nations Sustainable Development Goals (SDGs).

**(GRI 2-29)** Its long-term commitment, supported by the highest levels of the organization, to generating value for its seven stakeholders -shareholders and investors, employees, customers, community, suppliers, environment, government and society in general- makes it an agent of change in society, demonstrating transparent and ethical behavior and an inclusive and responsible vision.

Long before the concepts of sustainability and social responsibility were disseminated, Ferreycorp's team assumed the conviction that companies should be managed in such a way as to have a positive impact on all stakeholders, developing win-win relationships.

Responsible management not only commits the organization to adopting the best practices in its field, but is also visible in notable results in terms of attracting, motivating and retaining talent; investor relations; access to capital; comprehensive risk management; and positioning and reputation, both in the market and in the society in which Ferreycorp and its companies operate

### 2.1 Reporting Process

**(GRI 3-1, GRI 3-2)**

The Sustainability Report presented contains information on the sustainable management based on economic, social and environmental aspects of the operations of the corporation Ferreycorp and its subsidiaries in Peru from January 1 to December 31, 2022.

Ferreycorp reports in this document 18 specific contents of the GRI Standards, which were selected considering the following sustainability reporting criteria:

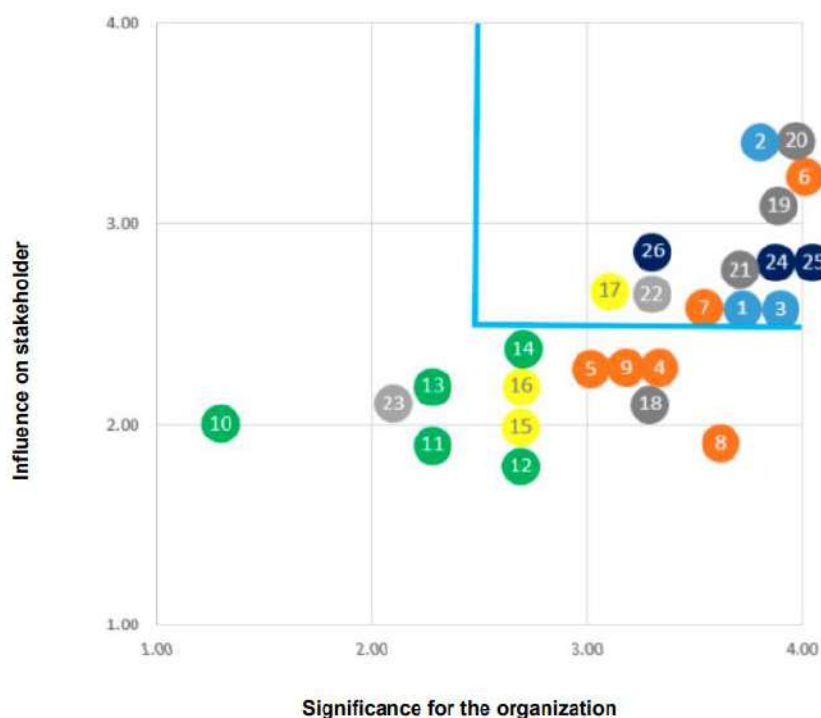
- a. Stakeholder inclusiveness: The participation of employees and customers was included in the materiality process, considering the expectations of both stakeholders, collected through the Working Environment survey and The Voice of the Customer survey, as well as the interests of shareholders.

- b. Sustainability context: The risks and impacts for the Trading & Distribution Companies sector of the S&P SAM Sustainability Yearbook, to which Ferreycorp and its subsidiaries belong, were considered.
- c. Completeness: The risks and impacts of each material content were considered and their coverage was specified using the GRI 103 Management Approach Standards for each material content.
- d. Materiality: The materiality analysis carried out in the first trimester of 2021 is maintained. The selection process of the 26 material issues, organized into six thematic aspects, is detailed below. Thirteen issues were prioritized at the threshold of high relevance (position above 2.5 points in each axis)

### Stages of materiality analysis

1.Review	2.Identification	3.Prioritization	4.Validation	5.Grouping
Ferreycorp's 2020 materiality analysis and S&P SAM Sustainability Yearbook 2022 were used as input, highlighting the GRI thematic standards of the material topics reported.	As part of the materiality analysis, interviews were conducted with the main management and corporate heads selected for the report, where the main impacts were defined.	The risks and expectations collected in the identification stage were reviewed and then prioritized. Organizational leaders validated the importance criteria for each stakeholder group and assigned a rating to the issues identified.	The materiality results were validated with the Corporate Finance Management.	Finally, the material topics were selected and grouped into thematic axes.

Materiality matrix of Ferreycorp corporation and its subsidiaries in Peru



Corporate Governance and Compliance	
1	Corporate Governance
2	Compliance, ethics and integrity
3	Internal control and risk management

Employee development and well-being	
4	Talent Development
5	Training and educational opportunities for employees
6	Occupational health and safety
7	Competitive salary and equal pay
8	Diversity and inclusion
9	Human Rights

Commitment to environmental management	
10	Materials
11	Energy efficiency
12	Emissions
13	Waste
14	Water and effluents

Commitment to society	
15	Water and wastewater infrastructure and educational infrastructure
16	Youth education programs
17	Development of operators and technicians

Excellence in services	
18	Supply Chain Management
19	Relationship with represented brands
20	Relationship with clients
21	Innovation, business digitization and adoption of new technologies
22	Operational efficiencies
23	Extended Product Liability

Business management	
24	Financial results
25	Market economic conditions
26	Competitors

Identification of specific GRI content and Coverage				
N°	Thematic focus	Specific GRI related content	Coverage	Related Stakeholders
1	<b>Corporate governance and compliance</b>	Anticorruption	Internal and external	Employees, customer, suppliers and government
2	<b>Employee development and well being</b>	Employment	Internal	Employees
		Training and Education	Internal	Employees
		Market Presence	Internal	Employees
		Occupation Health and Safety	Internal	Employees and Suppliers
		Diversity and Equal Opportunities	Internal	Employees
		Human Rights	Internal	Employees
3	<b>Commitment to environmental management</b>	Materials	External	Community and environment
		Energy	External	Customers
		Emissions	External	Community and environment
		Effluents and waste	External	Community and environment
		Water	External	Community and environment
4	<b>Commitment to society</b>	Indirect economic impacts	External	Community
5	<b>Excellence in services</b>	Customer health and safety	External	Customers
		Procurement practices	External	Customers
		Marketing and labeling	External	Customers
		Customer privacy	External	Customers
6	<b>Business Management</b>	Economic Performance	Internal	Shareholders

## 2.1 Economic Dimension and Corporate Governance

### 2.1.1 Corporate Governance

Having clear Board policies; ensuring equitable treatment of shareholders; conducting the organization with integrity, fairness and seriousness; guaranteeing transparency of information in the management of the company; and developing areas of control, risk management and compliance are some of the basic principles that govern Ferreycorp's commitment to transparent governance and sustainability.



Based on global trends and in accordance with what is required or recommended for Peruvian companies, especially those with participation in the capital market, the corporation permanently updates and improves its corporate governance practices, with the objective of serving its shareholders and investors every day, with whom it maintains excellent relations. Likewise, it remains alert to the opinion of the market, whose expectation is to establish a direct and transparent relationship with the issuing companies with which it is linked.

The corporation has voluntarily adhered to the principles of the Code of Good Corporate Governance for Peruvian Companies, updated in 2013, which establishes five pillars organized into thematic areas: **i) Shareholders' Rights; ii) General Shareholders' Meeting; iii) The Board of Directors and Senior Management; iv) Transparency of Information; and v) Risks and Compliance.**

The adoption of Good Corporate Governance practices promotes a climate of respect for the rights of shareholders and investors in general; contributes to generating value, soundness and efficiency in companies; brings about better risk management; facilitates access to the capital market; leads to a reduction in the cost of capital, as well as greater and better access to sources of financing and long-term investment; and helps to mitigate the failures that exist in the markets due to information asymmetry

Attributes such as maintaining market leadership, generating expected profitability, and maintaining a healthy financial structure are valued by Ferreycorp's shareholders and investors, who increasingly demand the company's commitment to its human resources, society, and the environment, beyond profitability.

The high standards of compliance and leadership that characterize the corporation have earned it recognition both in Peru and abroad for its ESG (environmental, social, and corporate governance) best practices.

The following is a summary of how the corporation treats the five pillars of the Code of Good Corporate Governance.

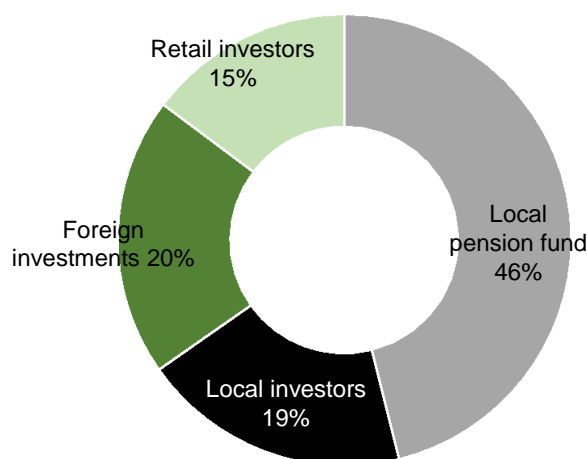
### 2.1.1.1 Rights of Shareholders

The protection of **the rights of all its shareholders**, both majority and minority, local and foreign, is the way in which Ferreycorp guarantees equitable treatment to its 3,068 shareholders. All corporate matters considered relevant are disclosed in an adequate and timely manner, following strict insider information guidelines, while ensuring the strategic management of the organization through the effective monitoring of the Board of Directors and the definition of its responsibilities towards shareholders.

#### **Shareholders of Ferreycorp**

Of the 100% of the corporation's shareholders, 46.10% are in the hands of Peruvian pension fund managers, while 14.73% are retail shareholders. Likewise, foreign investors represent 20% and local investors 19%.

**Shareholder composition of Ferreycorp as of December 31, 2022**



For more information on the distribution of voting shares; shareholder structure by type of investor; capital stock and share price behavior; and share repurchases.

On the other hand, the free float of the corporation increased from 80.62% in 2021 to 82.54% in 2022, which excludes the shares held by members of the Board of Directors and Senior Management, including relatives; workers; Peruvian State entities; banks, finance companies, municipal savings banks under the supervision of the SBS; entities not included in the previous paragraphs; and shares in portfolio.

The total number of Ferreycorp's retail shareholders at the end of 2022 was 2,874.



## **Profitability for shareholders**

The corporation has a Dividend Policy, modified by the General Shareholders' Meeting of 2019, to allow the delivery of extraordinary dividends above the established ceiling, which has been fully complied with for more than 20 years, as it recognizes that one of the main rights of shareholders is to receive the return generated by their investment.

In this way, it promotes the permanent improvement of the value of its shares through the achievement of good financial results and transparent information practices.

At the General Shareholders' Meeting of March 2022, it was approved to pay dividends for a total of S/ 225,632,578.81 corresponding to the 2021 fiscal year. Given that in October 2021 S/ 100,000,000.00 had been distributed on account of the profits of the 2021 fiscal year, the remaining amount to be distributed was S/ 125,632,578.81. This amount was delivered to shareholders in May 2022, equivalent to S/ 0.1328 per share, which represented a dividend yield of 6.0%.

Likewise, in September 2022, S/ 120,000,000.00 was paid to the shareholders on account of the 2022 profits, equivalent to S/ 0.127 per share, which represented a dividend yield of 5.7%. Considering the total dividend distribution in 2022, the dividend yield for the year was 11.6%.

### ***Dividend yield\* of Ferreycorp for the last 10 years***

<b>Year</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<i>Dividend yield</i>	3.6%	4.4%	5.2%	5.0%	5.3%	5.7%	10.4%	8.8%	9.6%	11.6%

(\*) **Dividend yield** indicates how much of the investment can be recovered solely through the company's **dividend** payout. It is a way of measuring the productivity of the investment.

### **Dividend payment detail**

<b>Fiscal year</b>	<b>Capital stock (S/ million)</b>	<b>Unrestricted net income (S/ millions)</b>	<b>Dividends in cash (S/ millions)</b>	<b>Dividends (% Unrestricted net income)</b>	<b>Cash dividends per share (%)</b>	<b>Dividend per share (S/.)</b>
2012	803	158	48	30%	6.0%	0.060
2013	945	93	56	60%	5.9%	0.059
2014	1,014	118	61	52%	6.0%	0.060
2015	1,014	146	87	60%	8.9%	0.089
2016	1,014	207	124	60%	12.8%	0.128
2017	975	240	132	55%	13.5%	0.135
2018	975	202	121	60%	12.5%	0.125
Ext. dividend 2018	975		100		10.2%	0.102
2019	975	245	147	60%	15.3%	0.153
2020	975	144	86	60%	9.1%	0.091
Div. Advance 2022	975		100		10.6%	0.106
2021	959	376	126	60%	13.3%	0.133
Div. Advance 2022	946		120		12.7%	0.127

It is worth mentioning that the corporation has had a market maker since 2016, in order to provide greater liquidity to its shares on the Lima Stock Exchange.

**Economic Value Generated and Distributed to Stakeholders**  
(GRI 201-1)

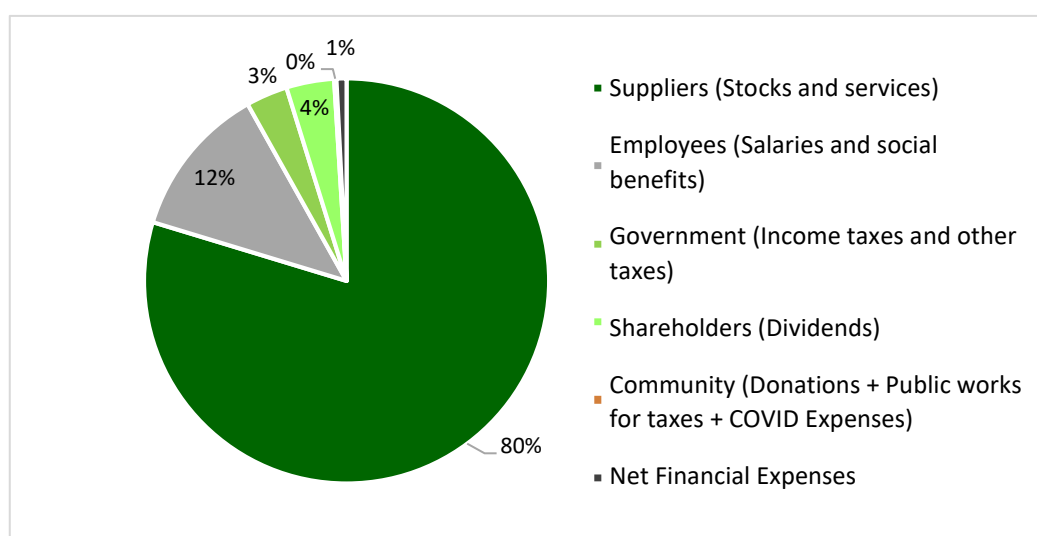
The analysis of economic value generated and distributed allows Ferreycorp and its subsidiaries to measure the direct and indirect economic impact of its operations on the stakeholders that are part of its value chain. Through this indicator, the corporation reflects, beyond the reporting of financial information, how its operations generate and distribute wealth, thus participating in the development of the sector and the countries in which it operates.

The broad scope of the economic value generated and distributed by Ferreycorp and its subsidiaries to its stakeholders is shown below.

Ferreycorp (\$/ thousands)	Year 2021	Year 2022
<b>Direct Economic Value Generated (DEV)</b>	<b>6,091,940</b>	<b>6,578,446</b>
Sales (Net sales + share of subsidiaries)	6,090,591	6,577,298
Other income (Sales of fixed assets + other investments)	1,349	1,148
<b>Economic Value Distributed (EVD)</b>	<b>-5,775,274</b>	<b>-6,441,533</b>
Suppliers (Stocks and services)	-4,664,565	-5,133,281
Employees (Salaries and social benefits)	-650,050	-785,098
Government (Income tax + other taxes)	-215,340	-214,113
Shareholders (Dividends)	-186,369	-245,577
Community (Donations, work for taxes covid expenses)	-9,069	-11,935
Net financial expenses	-49,881	-51,529
<b>Retained economic value (REV)</b>	<b>316,666</b>	<b>136,913</b>

In 2022, 98% of the economic value of the Ferreycorp corporation was distributed (93.4% in 2021). Of the total economic value distributed, 80% corresponded in 2022 to payments to suppliers, mainly inventories and services (79.1% in 2021). The remaining 20% was distributed to government, community, employee and shareholder stakeholders (20.9% in 2021).

**Percentage distribution of value in 2022**



### 2.1.1.2 Shareholders Meeting

The evaluation and approval of strategic decisions for the operation of the corporation is one of the aspects addressed by the **Shareholders' Meeting**, a space in which the results of the previous year's management are mainly reported and, at the same time, a dialogue with the participants is promoted. The promotion of the active participation of its shareholders is what motivates Ferreycorp to ensure that the motions on the agenda are circulated and approved by the largest number of shareholders or those represented through their proxies present at the meeting, and to seek to increase the quorum at the annual meeting. The quorum for the meeting held on March 30, 2022 was 84.15%, with the direct participation or by proxy of 133 shareholders.

The Meeting approved the audited financial statements and the Annual Report; agreed on the delivery of the dividend in cash, in accordance with the Dividend Policy; authorized the amendment of some articles of the Bylaws of Ferreycorp S.A.A. and Ferreyros S.A., to include other ways of calling and holding the Shareholders' Meeting; decided the redemption of a number of treasury shares held in portfolio for the two-year term limit; and the appointment of the external auditors for the year 2022.

In 2020, due to restrictions related to the COVID-19 pandemic, Ferreycorp had to adapt the procedures for holding the Meeting to the use of virtual tools, as is the case of remote voting, which has been maintained in 2021 and 2022. Currently, the company has adapted its systems, processes and procedures so that the meetings can be held in person, virtually or in hybrid mode, in order to promote the highest possible quorum and participation, complying with regulations and ensuring the security of information and identification of shareholders.

For further information, please refer to Section A - Letter of Presentation of the [Report on Compliance with the Code of Good Corporate Governance for Peruvian Companies](#).

### 2.1.1.3 The Board of Directors and Senior Management (GRI 2-9)

#### 2.1.1.3.1 Board of Directors

##### Composition of the Board of Directors

The number of members that compose the Board of Directors should ensure a plurality of opinions within the Board, so that the decisions adopted by the Board are the result of an appropriate and broad deliberation, always observing the best interests of the company and its shareholders.

**(GRI 2-10)** The Board of Directors of Ferreycorp S.A.A. may be made up of between eight and twelve directors elected for a period of three years, in accordance with the provisions of the General Companies Act and articles 31 and 32 of the company's bylaws. To learn more about the selection process for Board members, please visit the Report on Compliance with the Principles of Good Corporate Governance.

At the General Meeting of Shareholders held on 30 July 2020, it was agreed that the Board of Directors would be composed of nine directors, and the election of directors

took place after the list of candidates and their curricula vitae had been circulated well in advance.

The members of the board elected Andreas Von Wedemeyer Knigge as chairman and Humberto Nadal del Carpio as vice-chairman for the aforementioned period.

**(GRI 2-9, GRI 2-11)** Directors of Ferreycorp for the period 2020-2023 are the following:

Members of the Board of Directors	Position	Executive level	Independence	Tenure	Other mandates	Industry Experience	Gender
				(Years)	(Number)		
Andreas Wolfgang von Wedemeyer Knigge	Chairman	Non-Executive	Non independent	20	4	Industrial Materials Consumer Finance Other	Male
Humberto Reynaldo Nadal del Carpio	Vice chairman	Non-Executive	Independent	6	2	Industrial Materials Finance	Male
Manuel Bustamante Olivares	Director	Non-Executive	Non independent	12	5	Financial Services Services	Male
Thiago de Orlando e Albuquerque	Director	Non-Executive	Non independent	3	1	Finance	Male
Gustavo Jose Noriega Bentín	Director	Non-Executive	Independent	6	1	Finance Consumption Others	Male
Mariela García Figari de Fabbri	Director – General Manager	Executive	Non independent	12	1	Finance Industrial Consumption Others	Female
Raúl José Ortiz de Zevallos Ferrand	Director	Non-Executive	Independent	12	5	Industrial Services Materials Consumption Others	Male
Rodolfo Javier Otero Nosiglia	Director	Non-Executive	Independent	6	0	Materials Finance	Male
Alba Fiorella San Martin Piaggio	Director	Non-Executive	Independent	3	1	Services	Female

*\*To learn more about the experience of each of the directors, please visit Ferreycorp's website at: <https://www.ferreycorp.com.pe/es/gobierno-corporativo/directorio/miembros>*

**Board Composition Index  
(GRI 405-1)**

Indicator		N°
Executive Level	Executive Directors	1
	Executive Non-Directors	8
Independence	Independent Directors	5
	Non-independent Directors	4
Gender	Male	7
	Female	2
Industry Experience	Independent or non-executive directors with industry experience	3
Tenure	Average length of service in years	8.89
Other mandates	Independent or non-executive directors with 4 or fewer additional directorships	6

The Report on Compliance with the Principles of Good Corporate Governance reports on the practices of the Board of Directors. These include its plural composition, the participation of independent directors and the operation through specialized committees, as well as the execution of its management, supervision and risk control functions

It is important to mention that at the General Shareholders' Meeting held on 29 March 2023, the election of board members for the period 2023 - 2026 took place. It was agreed that, for said period, the Board of Directors would continue to be composed of nine directors. Likewise, as a result of the vote, eight members were re-elected, the only change being the departure of Mr. Gustavo José Noriega Bentín, who was replaced by Mr. Manuel Arturo del Rio Jiménez.

### **Special bodies formed and constituted within the Board of Directors**

The Board of Directors of Ferreycorp S.A.A. has four committees, three of which are chaired by independent directors:

- Nominating, Compensation, Corporate Governance and Sustainability Committee: Chaired by Humberto Nadal del Carpio.
- Audit and Risk Committee: Chaired by Javier Otero Nosiglia.
- Innovation and Systems Committee: Chaired by Gustavo Noriega Bentín.
- Investment Committee: Chaired by Manuel Bustamante Olivares.

**(GRI 2-12, GRI 2-13)** For more information on the functions and powers of the Board and each of the committees, see the Report on Compliance with the Principles of Good Corporate Governance (pages 38-39 and 49-50).

### **2.3.2 Management**

The corporation's functions are to decide which businesses to enter into and through which subsidiaries; obtain financial resources for the corporation's growth projects;

supervise and control the management of the subsidiaries; establish certain standardized processes for the subsidiaries; and provide certain shared services. To carry out these functions, Ferreycorp has general management and corporate management.

In turn, the structure of the subsidiaries is sized according to the complexity and size of their operations, and in all cases, they have a general management.

The following are the principal officers of Ferreycorp and its subsidiary companies in 2022.

**Officers of Ferreycorp S.A.A.**

Mariela Garcia Figari de Fabbri

**General Manager Director**

Ronald Orrego Carrillo

**Corporate Business Manager**

Luis Bracamonte Loayza

**Corporate Business and Marketing Manager**

Patricia Gastelumendi Lukis

**Corporate Finance Manager**

Eduardo Tirado Hinojosa (desde mayo de 2022)

**Corporate Manager IT, Processes and Innovation**

Maria Teresa Merino Caballero

**Human Resources Manager**

Eduardo Ramírez del Villar Lopez de Romaña

**Corporate Manager of Corporate Affairs**

Andrea Sandoval Saberbein

**Corporate Internal Audit Manager**

**Principal Officers of Ferreyros S.A.**

Gonzalo Diaz Pro

**General Manager**

Luis Fernando Armas Tamayo

**Large Mining Division Manager**

Alvaro Vizcardo Wiese

**National Accounts Division Manager**

Enrique Salas Rizo-Patron

**Regional Accounts Division Manager**

Paul Ruiz Lecaros

**Energy Division Manager**

Angélica Maria Paiva Zegarra

**Administration and Finance Division Manager**

Jorge Duran Cheneaux

**Human Resources Division Manager**

Alan Sablich Nairn

**Marketing and Digital Business Division Manager**

Jose Gutierrez Jave

**Product Support Division Manager**

**Principal officers of other subsidiaries and businesses of Ferreycorp corporation**

Alberto Parodi de la Cuadra

**Unimaq General Manager**

Cesar Vasquez Velásquez

**Orvisa General Manager**

Ricardo Ruiz Munguia

**Gentrac General Manager (Guatemala and Belize) and Cogesa (El Salvador)**

Gonzalo Romero Pastor

**Gentrac Guatemala Deputy General Manager**

Rodolfo Paredes León

**Soltrak General Manager**

Victor Otero Pizarro

**Trex Latin America General Manager**

Carlos Ojeda Iglesias

**Trex Peru General Manager**

Jorge Devoto Nuñez del Arco

**Forbis Logistics General Manager**

Raúl Neyra Ugarte

### **Fargoline General Manager**

Carlos Calderón Torres

### **Soluciones Sitech Peru General Manager**

Ernesto Velit Suarez

### **Ferrenergy General Manager**

The **Board of Directors** is a space where the plurality of opinions becomes relevant for the creation of value for shareholders, as well as for the development, together with the management, of the strategic plan of the corporation and its subsidiaries, which marks the future of the organization.

Ferreycorp's Board of Directors for the period 2020 - 2023 was elected by the Shareholders' Meeting on July 30, 2020 and is composed by nine members; five of them are independent and two are women. In the same year, the usual induction session on the main policies and management results of the corporation's companies was held for the new members.

In terms of its internal structure, there is a diversity of experience, training and background among its members, who actively participate in the sessions and committees. Likewise, the corporation has been working towards a parity Board of Directors, and has ensured that, in its composition, both independent and non-independent members hold positions or have had experience in different sectors of the economic activity.

**(GRI 2-17)** At the beginning of their functions, the members of the Board of Directors received an induction session on the strategy, business plans, structure and results of the different companies of the organization, and were also given the main policies and rules of the corporation (Bylaws, Corporate Compliance Policy, Regulations of the General Shareholders' Meeting and Board of Directors, Corporate Rules for Safeguarding Confidentiality, Transparency and Disclosure of Information to the Capital Markets, and the Director's Affidavit). Likewise, the operation of the Board's administration platform was explained to them and a guided tour of the main facilities was conducted. In addition, they receive annual training on FIU issues.

(It is important to mention that, in view of the election and start of functions of the new director elected at the General Shareholders' Meeting of March 29, 2023, Mr. Manuel Arturo del Río Jiménez, the respective induction session and delivery of the documents mentioned in the previous paragraph have already been carried out.)

**(GRI 2-18)** In 2022, the Board of Directors carried out a self-evaluation of its performance, with scope on the convening, agenda, sessions and their conduction. At the same time, during the year an external consultant evaluated its management of the 2021 fiscal year, a practice that is performed on an interannual basis.

Section A- Cover Letter of the [Report on Compliance with the Code of Good Corporate Governance for Peruvian Companies](#) contains more information on this pillar of corporate governance.



## 2.1.1.4 Transparency of information

All matters relevant to shareholders and investors are disclosed by Ferreycorp with accurate and regular information, including the financial situation, market situation, business performance, corporate strategy and sustainability management, economic group information and the delivery of rights to shareholders, among other topics. In this way, it **ensures the appropriate disclosure of information and its transparency** through communication channels, mainly virtual, easily accessible to its shareholders and investors. At the same time, the corporation has promoted the incorporation of more and more public information required to support the results of sustainability initiatives and its environmental, social and corporate governance (ESG) practices, available to all its stakeholders.

Ferreycorp has an Investor Relations area within the Corporate Finance Department, which maintains permanent communication with current and potential shareholders through conferences, meetings and telephone calls, in which 380 investors participated in 2022. On a quarterly basis, the corporation offers its shareholders and investors a press report and a quarterly conference call in English, with the participation of the general manager, in order to present and explain the financial results of the period, as well as the performance of the business and other topics of interest.

On the other hand, Ferreycorp's presence in the indexes managed by the Lima Stock Exchange and in other international indexes has required it to support its indicators through its answers to questionnaires whose information is freely available and published on the corporation's website.

It is also important to mention that the corporation has regulations and guidelines regarding the treatment of privileged and reserved information.

## 2.1.2 Risks and compliance

### 2.1.2.1. Corporate Control Environment

The deployment of internal and external control leads Ferreycorp's Board of Directors to fully exercise its function of ensuring the integrity of the accounting systems and financial reports, as part of its fiduciary duty to the company and its shareholders. Therefore, it submits to the Shareholders' Meeting its proposal regarding the external auditing firm that will be responsible for auditing the individual and consolidated financial statements of the corporation's companies each year.

Ferreycorp's internal audit, compliance system and corporate risk management are articulated in the internal control environment, which delimits corporate actions based on values and promotes the company's sustainability. This environment, of general scope for all employees and managers of the organization, promotes socially responsible business, contributes to strengthening the trust of stakeholders and promotes decision-making based on risk analysis.



During 2022, the Audit and Risk Committee of the Board of Directors met four times to receive reports from the corresponding corporate management, which were subsequently presented to the full Board of Directors in a timely manner. In this way, the following agenda items were addressed: Audit Management's annual plan and its compliance and reports of internal operational audits; Compliance Reports from the Compliance Officer; Presentation of audited financial statements for the year 2021 by the external auditors, as well as meetings with them to define their work plan for the fiscal year 2022; status of the Zero Bribery certifications issued by Empresarios por la Integridad and of the ISO 37001 anti-bribery certification; status of the audits carried out by Sunat on Ferreycorp's companies in 2022; reports on transactions between related parties and transfer pricing in 2022; reports on corporate risk mapping and mitigation plan; and reports from the Financial Intelligence Unit.

### **External Audit**

The main function of the external auditors is to ensure that the financial statements prepared by the corporation, individually and on a consolidated basis, fairly reflect its financial reality in their material aspects, comply with all auditing standards and conform to generally accepted accounting principles. Ferreycorp's internal policy for the hiring of external financial auditors contemplates that the Shareholders' Meeting approves the nomination of the external auditors and the contracting periods.

In accordance with this policy, the external auditing firm must present, at the beginning of the year, its proposal for services with a description of the work plan, methodology to be followed and the responsible team that will be in charge of the work, as well as the economic proposal, first to the Corporate Finance Management and then to the Audit and Risk Committee, so that the Board of Directors can finally propose it to the Shareholders' Meeting.

At a meeting held on February 15, 2022, Management proposed to the Audit and Risk Committee of the Board of Directors to hire the firm EY for the audit of the financial statements for the 2022 fiscal year, following the evaluation of the service received during 2021. It should be noted that EY has been in charge of the financial audit of the company and its subsidiaries for one year, to the full satisfaction of the corporation. In this regard, the Board of Directors considered it appropriate to recommend to the General Shareholders' Meeting the appointment of the firm Tanaka, Valdivia & Asociados Sociedad Civil de Responsabilidad Limitada, a member firm of EY, to carry out the audit for fiscal year 2022.

The external auditors met up to three times with the Audit and Risk Committee to present the work team in charge of the 2022 audit, as well as the Work Plan, Compliance and Presentation of the Audited Financial Statements of Ferreycorp, both individually and on a consolidated basis with its subsidiaries, which will be submitted to the consideration of the General Shareholders' Meeting.

### **Internal Audit**

To ensure an internal control environment, Ferreycorp has a Corporate Audit Management and a team of internal auditors, who perform decentralized review work in all companies and business units, within the framework of the annual plan approved by the Audit and Risk Committee. This plan is outlined on the basis of certain prioritization

criteria for a selection of matters within the auditable universe. The objective of the reviews is to validate compliance with the processes defined for business development and operations. The team of internal auditors performs the work with complete independence and autonomy; their findings and recommendations, as well as their implementation, are presented to the Committee. As the Board of Directors is responsible for internal control, the internal audit team ensures that these controls are effective and function as established.

The Audit and Risk Committee of the Board of Directors approved an annual plan for 2022 consisting of 172 assignments during the year and appointed the Corporate Audit Manager (internal auditor) at the December 20, 2021 meeting. During the year, this Management participated in the four sessions of the Committee, in which it presented the results of the 2021 Annual Plan; obtained the approval of the 2022 Annual Plan, consisting of operational, process and regulatory audits, among others, and reported on its progress; and reported on the status of the pending recommendations of the 2021 Annual Plan (99% of a total of 644 were implemented) and the 2022 Annual Plan (65% of the 850 recommendations issued in 2022 were implemented).

### 2.1.2.2. Risk Management

Ferreycorp has a comprehensive risk management culture, aligned with good corporate governance guidelines and corporate values, and oriented to the identification, measurement, management, control and monitoring of critical risks within the organization, to ensure its sustainability and the creation of value for shareholders. A Senior Executive is responsible for the identification and follow-up of mitigation plans, under the leadership of the Corporate Finance Management -which leads the risk management process-, together with those responsible for this area in each subsidiary. It is also responsible for presenting to the Audit and Risk Committee of the Board of Directors the risk map prepared on the basis of its identification in each of the subsidiaries, within the framework of the workshops held with the management of each company.

To carry out this process, the corporation has a Corporate Policy for Integral Risk Management, which is based on various international models and standards such as COSO ERM, ISO 31000 and AS/NZS 4360. Based on these standards, an internal methodology has been developed that includes the following components:

- **Risk identification:** Process by which internal and external risks that affect the strategy and business objectives are identified. The risks of Ferreycorp and its subsidiaries are classified into strategic, operational, financial and compliance risks.
- **Risk assessment and response:** Phase through which the risks of a subsidiary are assessed -prioritized according to their level of severity or criticality- in sessions or workshops led by the Senior Executive of Corporate Risk Management and directed to the Senior Management team of each subsidiary and corporate management, if required. More than one hundred employees of the corporation participated during 2022 in these spaces, the results of which have the approval of the General Management of each subsidiary, which are committed to carry out the contingency plans established for each of the risks identified.
- **Monitoring of action plans:** Mechanism that allows following up on the implementation of the response plans defined to mitigate the main inherent risks

identified in each company. These plans and their results, as well as the residual risks and their criticality, are presented to the Audit and Risk Committee.

In 2022, the identification of the risks of all the companies of the corporation was kept up to date, resulting in the risk maps of all the subsidiaries, the control activities and their mitigation, which were presented to the Audit and Risk Committee of the Board of Directors in September 2022.

### 2.1.2.3 Compliance System

(GRI 3-3, GRI 2-15, GRI 2-24)

In order to ensure that the actions of all Ferreycorp's employees are carried out within the framework of a culture of integrity, aligned with ethical values and principles, as well as observing the legal framework applicable to all areas of business management, the Compliance System has been implemented to prevent crimes, especially corruption and money laundering.

The system is based on three pillars:



The **Corporate Code of Ethics** details the corporate values that guide the behavior and decision-making of all employees, including Ferreycorp's officers and directors, without exception. that guide the behavior and decision-making of all employees, including Ferreycorp's officers and directors, without exception. In addition, it clearly and explicitly determines the fundamental lines of action that must govern relations with the different stakeholders, based on ethical principles.

The **Corporate Compliance Policy** sets out the corporation's commitment to fight against bribery in any form; through an agent or third party; in relation to a public employee or a natural or legal person; in any situation that may arise; as well as against the crimes of collusion, influence peddling, money laundering and financing of terrorism. The development of this policy, as well as the measures and the design of the Compliance System that is deployed, takes into consideration the requirements established by the ISO 37001:2016 standard, as well as the current laws and regulations on compliance and crime prevention.

A set of specific corporate **standards** constitutes a guide for the actions of collaborators, officers and directors in circumstances that could present risk situations, such as the giving or receiving of gifts, conflict of interest, business with government agencies and relationships with public officials; as well as other standards related to reputational risk control and preventing corruption in business with third parties. There are also **procedures** focused on the identification and evaluation of risks, communications management, audits of the system, among others, contributing to its efficient management.

**(GRI 2-23)** It should be noted that Ferreycorp has a [Compliance System Portal](#), where each of the standards that comprise it can be reviewed. Within each document its objective, scope and approvals are detailed.

The edition with the final report with information at the end of 2021 was presented at the Audit and Risk Committee of the Board of Directors on February 14, 2022. The report covering the progress achieved in the first half of 2022 was presented at the September committee meeting, while the final report with information for the second half of 2022 will be presented at the March 2023 committee meeting.

The report is an evaluation of the degree of compliance in ten dimensions of specialized regulations and major compliance risks: Corporate Compliance System, Financial Intelligence Unit, illegal mining, protection of personal data, contracting with public sector entities, relations with clients and suppliers, securities market, imports, taxes and transfer pricing, and labor and health issues.

In addition to the information on the Compliance System for the prevention of corruption crimes of the corporation and its subsidiaries, it includes the regulations related to the prevention of money laundering and financing of terrorism, and its subsequent reporting to the Financial Intelligence Unit (UIF); control of mining, fishing and illegal logging; personal data protection; contracts with the State; relations with customers and suppliers; securities market and disclosure of information; tax declaration and payment; as well as compliance with transfer pricing provisions; foreign trade regulations; and compliance with labor obligations with respect to employees.

**(GRI 205-1)** In fiscal year 2022, the implementation of the Compliance System was strengthened, which systematizes, organizes and implements various Ferreycorp initiatives in this area, from the existing and long-standing ones to those recently created. By the end of 2022, the system is implemented and certified in seven of the corporation's companies: Ferreycorp, Ferreyros, Unimaq, Soltrak, Fargoline, Orvisa and Forbis Logistics. By the end of 2023, certification is expected to be completed in the other subsidiaries in Peru: Soluciones Sitech Peru and Ferrenergy. Also, during 2023, the system will be integrated into the processes of the subsidiaries located abroad.

Also in 2022, Unimaq, Soltrak and Fargoline obtained ISO 37001 Certification: Anti-Bribery Management System, the highest international standard in this area, having passed the verification of independent auditing companies of recognized trajectory such as BASC and SGS.

Likewise, the subsidiaries Orvisa and Forbis Logistics obtained the Anti-Bribery Certification granted by the Asociacion Empresarios por la Integridad (Businessmen for Integrity Association). To date, Ferreycorp, Ferreyros, Unimaq, Soltrak and Fargoline, as well as the aforementioned companies, have this certification.

These recognitions demonstrate the existence and proper functioning of an anti-corruption regulatory system, and the commitment to a culture of integrity in the corporation and its subsidiaries, with clear principles to promote ethical behavior, based on values, with all stakeholders.

**(GRI 2-25, GRI 2-26)** It should be noted that one of the main elements for the operation of the system is a Corporate Ethics and Compliance Officer, with a whistleblower channel and training processes for employees in this area.

In accordance with the provisions of the Code of Ethics, the Ethics Officer is in charge of managing the correct application of this code and is the person to whom the director, the employee or any third party in general should report as soon as possible any event, situation or inappropriate conduct or any conduct contrary to the provisions of this regulation, using the established reporting channels.

These are the Compliance System's reporting channels, which are accessible to all stakeholders of the corporation and its subsidiaries:

- Website: [https://www.ferreycorp.com.pe/canal\\_denuncias/](https://www.ferreycorp.com.pe/canal_denuncias/)
- Email: [canalddenuncias@ferreycorp.com.pe](mailto:canalddenuncias@ferreycorp.com.pe)
- Phone: 626-4110.
- Mailbox: Jr. Cristóbal de Peralta Norte 820, Santiago de Surco
- Personal interview with the Corporate Ethics and Compliance Officer

**(GRI 2-16, GRI 406- 1, GRI 418-1)** The Corporate Ethics and Compliance Officer is responsible for managing the cases received and reporting them to the Board of Directors. During the year 2022, the following cases were recorded, which for the purposes of this report have been classified as followed:

Reporting areas	Number of breaches in FY 2022
Corruption and Bribery	0
Discrimination or harassment	0
Customer Privacy Data	0
Conflicts de interest	2
Money Laundering or Insider trading	0

**(GRI 2-27)** For more information on Ferreycorp’s regulatory and legislative compliance, please visit the [Corporate Sustainability Report](#) (10180) for the SMV.

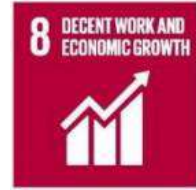
An important part of the corporation's efforts to have an anti-bribery system is the training of its employees. During the month of August 2022, a virtual training course on the Compliance System was held, in which a total of 6,924 international employees participated, of which 94.35% passed the evaluation.

Another important aspect of the compliance system is the knowledge of those strategic partners with whom Ferreycorp has relationships, which is why it incorporates due diligence processes in contracting with its customers and suppliers. During 2022, suppliers from five of the corporation's subsidiaries have been invited to learn about the Compliance System for the Prevention of Corruption and share their best practices, promoting their incorporation in their own companies.

## 2.1.3 Customer Relationship Management

(GRI 3-3)

Ferreycorp, through its subsidiaries in Peru and abroad, focuses on the commercialization of capital goods of prestigious brands and recognized quality, and related services in several Latin American countries. Within the framework of this mission, the organization develops capabilities that allow it to have the preference and loyalty of its customers, maintaining a high market share in the lines it distributes.



Its attributes of excellence in the quality of products and services, as well as in customer safety, with the purpose of satisfying their expectations, establishing solid long-term relationships and generating recommendation of Ferreycorp companies, have meant that it has increasingly higher levels of loyalty.

In this sense, it offers nationwide coverage in the territories where it operates; it has a wide infrastructure of workshops and an assorted inventory to meet the needs of its customers in an efficient and timely manner; and it provides, through trained technicians, after-sales service with the best quality standards.

In addition, the corporation provides its customers with an efficient supply chain. It has a large stock of spare parts in Lima and its branches; a network of approved carriers to guarantee the best service; and an important logistics capacity deployed through its subsidiaries Fargoline and Forbis Logistics. The latter contribute significantly to the efficiency of the supply chain, offering customers the shortest possible time for the arrival in the country of the required products and their dispatch.

Finally, the corporation offers medium-term credit for the purchase of machinery, equipment, and spare parts and, through Caterpillar's financial arm, financing with excellent financial conditions.

In order to provide guidelines for customer-oriented management of its subsidiaries, Ferreycorp has customer satisfaction measurement indicators and internal policies such as:

- **Corporate Customer Experience Management Policy**, which contains tools to fulfill the brand promise of products and services to the market, as well as customer complaint mechanisms.
- **Integrated Corporate Safety, Health and Environment Policy**, which includes guidelines for the safety program, use of indicators and management tools, as well as compliance control and auditing.
- **Corporate Information Security Policy**, in compliance with the Peruvian Personal Data Protection Law.

### 2.1.3.1 Product quality and customer satisfaction

There are six best practices with which subsidiaries implement a customer experience management model aimed at building customer loyalty:

- Design of experiences consistent with the brand promise of products and services.
- Periodic information gathering mechanisms such as the "Voice of the Customer" survey.

- Specification of loyalty indicators (satisfaction, repurchase, recommendation).
- Service recovery actions.
- Analysis of customer pain points or insights.
- Specification of initiatives to improve customer experience and/or improve the value proposition of products and services.

Through the Voice of the Customer survey, the corporate Customer Experience Management area standardizes complaint management, implements customer experience standards and supports the development of experience protocols for customer service channels in the corporation's subsidiaries.

It should be noted that through this survey the customer satisfaction index is obtained, as well as the Net Loyalty Score (NLS), which considers three rigorous indicators: satisfaction, repurchase intention and recommendation; based on these three ratings, under a scale of 1 to 10, the number of loyalists or promoters -who score 9 or 10 in the three questions minus detractors -who register 5 or less in any of the questions- is identified.

The level of customer satisfaction with the products or services offered by Ferreyros, Unimaq, Orvisa, Soltrak, Fargoline and Forbis Logistics in Peru; by Gentrac in Guatemala; by General de Equipos in El Salvador; and by Trex in both Peru and Chile is shown below. The improvement in the results of most of these companies is noteworthy.

**Consolidated results of the level of customer satisfaction with the products or services offered by the company\***

Survey Type	Ferreyros		Unimaq		Orvisa	
	Satisfaction	Satisfaction	Satisfaction	Satisfaction	Satisfaction	Satisfaction
	2021 (%)	2022 (%)	2021 (%)	2022 (%)	2021 (%)	2022(%)
New machinery	58	68	46	57	77	74
Services	70	75	60	68	67	57
Replacement parts	65	69	44	64	60	62
Sale of used equipment	60	58	59	62	-	-
After-sales service of allied brands	-	-	54	50	-	-
Rent	81	95	70	63	-	-
<b>Total %</b>	<b>67</b>	<b>71</b>	<b>47</b>	<b>62</b>	<b>65</b>	<b>63</b>

Survey Type	Soltrak	
	Satisfaction	Satisfaction
	2021 (%)	2022 (%)
Lubricants	59	79
Industrial Safety	35	49
Tires	47	66
<b>Total %</b>	<b>47</b>	<b>65</b>

Survey Type	Fargoline		Forbis	
	Satisfaction	Satisfaction	Satisfaction	Satisfaction
	2021 (%)	2022 (%)	2021 (%)	2022 (%)
Service	49	54	69	68
<b>Total %</b>	<b>49</b>	<b>54</b>	<b>69</b>	<b>68</b>



Survey Type	Gentrac		Cogesa		Trex Peru		Trex Chile	
	Satisfaction	Satisfaction	Satisfaction	Satisfaction	Satisfaction	Satisfaction	Satisfaction	Satisfaction
	2021 (%)	2022 (%)	2021 (%)	2022 (%)	2021 (%)	2022 (%)	2021 (%)	2022 (%)
New machinery	83	77	89	89	56	50	61	55
Services	66	72	72	65	52	77	52	65
Replacement parts	65	72	59	62	50	38	54	59
Rent	72	70	100	89	-	-	59	56
<b>Total %</b>	<b>67</b>	<b>72</b>	<b>70</b>	<b>64</b>	<b>52</b>	<b>57</b>	<b>56</b>	<b>60</b>

(\*) It includes: Ferreyros, Unimaq, Orvisa, Forbis Logistics, Fargoline, Soltrak, Gentrac, Cogesa, Trex Peru and Trex Chile

Likewise, most of the companies analyzed show a consistent improvement in the level of customer loyalty to the products and services offered.

The loyalty indicator (NLS) goes beyond customer satisfaction, since it considers the level of satisfaction, repurchase intention and recommendation intention. It is an even more demanding indicator, focused on customers returning to the company to continue acquiring products and services and to be prescribers in the market of business with Ferreyrcorp companies.

**Consolidated results of NLS customer loyalty level with the products or services offered by the company**

Survey Type	Ferreyros		Unimaq		Orvisa	
	NLS	NLS	NLS	NLS	NLS	NLS
	2021 (%)	2022 (%)	2021 (%)	2022 (%)	2021 (%)	2022 (%)
New machinery	53	64	36	45	77	72
Services	68	73	54	66	63	49
Replacement parts	61	65	33	56	50	55
Sale of used equipment	58	48	53	50	-	-
After-sales service of allied brands	-	-	53	37	-	-
Rent	81	95	68	52	-	-
<b>Total %</b>	<b>61</b>	<b>67</b>	<b>37</b>	<b>52</b>	<b>65</b>	<b>63</b>

Survey Type	Soltrak	
	NLS	NLS
	2021 (%)	2022 (%)
Lubricants	57	73
Industrial Safety	35	45
Tires	67	59
<b>Total %</b>	<b>46</b>	<b>56</b>

Survey Type	Fargoline		Forbis	
	NLS	NLS	NLS	NLS
	2021 (%)	2022 (%)	2021 (%)	2022 (%)
Services	45	51	66	65
<b>Total %</b>	<b>45</b>	<b>51</b>	<b>66</b>	<b>65</b>

Survey Type	Gentrac		Cogesa		Trex Peru		Trex Chile	
	NLS	NLS	NLS	NLS	NLS	NLS	NLS	NLS
	2021 (%)	2022 (%)	2021 (%)	2022 (%)	2021 (%)	2022 (%)	2021 (%)	2022 (%)
New machinery	79	75	78	89	52	50	43	43
Services	64	68	71	64	48	73	40	53
Replacement parts	63	70	56	62	38	33	43	49
Rent	71	70	100	89	-	-	44	47
<b>Total %</b>	<b>65</b>	<b>70</b>	<b>68</b>	<b>63</b>	<b>45</b>	<b>52</b>	<b>43</b>	<b>49</b>

(\*) It includes: Ferreyros, Unimaq, Orvisa, Fargoline, Forbis Logistics, Soltrak, Gentrac, Cogesa, Trex Peru and Trex Chile

Various means of communication such as telephone, mail, website and social networks are used by all Ferreycorp companies as permanent channels for customer service and reception of suggestions and complaints regarding products and services. In particular, in accordance with Law No. 29571, a complaints book is available to customers in Peru.

Complementarily and within the framework of its operational independence, each subsidiary company has generated processes for receiving and managing complaints and claims. For example, Ferreyros, Orvisa and Unimaq have a process for handling complaints and indicators; registration and follow-up are carried out through the SAP CRM system. In this way, it is possible to better control customer information, ensuring the quality of their information.

### 2.1.3.2 Customer health and safety

In all the countries where it operates, Ferreycorp is committed to providing a safe environment to ensure the physical integrity of its employees, customers, suppliers and third parties.

The integrated quality and safety management policies of the subsidiaries reflect their commitment to be responsible for the health of their employees, customers and suppliers, as well as for the environment. In offices, workshops, and operations there are internal safety regulations to ensure the safety of everyone in the area. Likewise, procedures have been established for the handling, segregation, and storage of solid waste and hazardous liquids. Currently, the subsidiaries abroad are in the process of adapting their management systems in this area.

**(GRI 417-1)** The following is information on Ferreycorp's five largest companies in Peru. These companies have hundreds of products and product families, including equipment, accessories and spare parts of the different brands they represent. 100% of the products show the data required by current regulations, such as origin, safety instructions, and product disposal instructions. In the case of equipment, these have safety manuals that include specific information for each model.

**Product and service labeling information (\*)**

Labeled	Ferreyros				Unimaq				Orvisa				Soltrak			
	Equipment	Accessories	Spare parts	Services	Equipment	Accessories	Spare parts	Services	Equipment	Accessories	Spare parts	Services	Equipment	Accessories	Spare parts	Services
<b>Origin</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes	Yes	-	-	Yes	-	-
<b>Content: Presence of substances that may affect the environment</b>	-	-	Yes	Yes	-	-	Yes	Yes	-	-	Yes	Yes	-	Yes	-	Yes
<b>Safety instructions</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	-	Yes
<b>Product disposal</b>	-	-	Yes	Yes	-	-	Yes	Yes	-	-	Yes	Yes	-	Yes	-	Yes

(\*) It includes: Ferreyros, Unimaq, Orvisa y Soltrak

### 2.1.3.3 Customer Privacy

In compliance with the Peruvian Personal Data Protection Law, Ferreycorp and its subsidiaries in the country request the prior, informed, express and unequivocal consent to process the data or information of a natural person. In the case of processing sensitive data, written consent is also required.

Likewise, Ferreycorp has established standards and procedures to ensure the proper handling and storage of customer data:

- GTPI-SEG-NC-003: Corporate Standard for the Protection of Personal Data.
- INP-SEG-PRC-002: Corporate Procedure for the Management of Incidents Related to the Personal Data Protection Law.

An important aspect of the data management standards is the consent of the data subject to access to their personal data, except where exempted by law, and its use for its intended purposes.

### 2.1.3.4 Relationship and frequency

Communication with customers is daily and personalized, in order to contribute to the success of their business through products, services and solutions. Contact is made by e-mail, telephone, online digital platforms, among others.

It should be noted that Ferreyros, Unimaq and Orvisa, companies of the corporation that represent Caterpillar in Peru, have an integrated customer relationship management (CRM) system, in which they share company and contact information. This contributes to having available and updated customer information and facilitates the administration of commercial activities, with the objective of maintaining optimal customer relations.

## 2.1.4 Supply Chain

(GRI 2-6, GRI 3-3)

Ferreycorp's commitment to its supply chain is important to ensure a responsible business model, in which its products and services meet high standards of quality and good sustainability practices.



Ferreycorp develops reliable and permanent relationships with its suppliers, under a perspective of mutual growth, fair, loyal and transparent treatment. The corporation and its subsidiaries seek to ensure that their suppliers maintain an ethical commitment and act with social and environmental responsibility. Thus, in 2021 the corporate Supplier Code of Conduct was published, establishing the basic principles that should exist in relation to this stakeholder group.

Its strategy towards suppliers guides management towards their development, focusing on improving their capabilities and training them in values and respect for human rights, whether they are natural persons with business, micro, small, medium and large companies.

Thus, the corporation's suppliers must carry out their activities in accordance with the regulations in force within the scope of their commercial activity, as well as in accordance with the Corporate Code of Ethics, Supplier Code of Conduct, Compliance System and other related corporate standards.

To this end, they must provide high quality competitive **products and services**, in accordance with the requirements and technical specifications negotiated and in accordance with safety standards, without being able to receive retribution that transcends the commercial relationship; adopt measures regarding **personal data, confidentiality and intellectual property**, so as to comply with the protection of information according to the agreements entered into with the organization, without disclosing it or using it independently, as well as respecting registered trademarks and patents, and not making counterfeits; avoid any situation that presents itself as a **conflict of interest**, guided by the principles of good faith; health and safety; maintain a **commitment to human rights**, without using or promoting child labor and forced labor, ensuring equal treatment of its stakeholders without discrimination, and preserving freedom of association and **collective bargaining**; act with due diligence in the selection of its own suppliers and subcontractors to ensure responsible sourcing throughout the supply chain: and having the highest standards of moral and ethical conduct, within the framework of **the fight against bribery and corruption**.

In addition, as part of its Compliance System, Ferreycorp and its subsidiaries implemented best practices for suppliers, such as the incorporation of anti-corruption clauses and ethical and sustainable development principles in all contracts. Likewise, a Supplier Affidavit and a Due Diligence Questionnaire were included in the supplier file as part of the ethical standards established by the corporation.

At the end of 2022, the number of suppliers that served all the companies of the corporation in Peru was 10,848 (this database considers suppliers greater than S/ 200 soles). This figure considers all the suppliers that supplied each of the different subsidiaries, so it is possible that the same supplier can meet the demand of more than one. Within the framework of this consideration, 36% of the purchases made by

Ferreycorp's companies in 2022 corresponded to local suppliers, while the remaining 64% came from foreign suppliers, basically suppliers of the products that the company and its subsidiaries commercialize, especially Caterpillar, the corporation's flagship brand in Peru and abroad.

**Number of suppliers and purchases made by the corporation in 2022 in Peru\***

Indicator	Total	% Spending
Total number of suppliers	19,971	-
Total amount of purchases of goods and services (S/)	S/ 5,369,866,892	100%
Total amount of <u>domestic</u> purchases (goods and services) in S/.	S/ 1,907,571,704	36%
Total amount of <u>foreign</u> purchases (goods and services) in S/.	S/ 3,462,295,188	64%

*\* The values aggregate all the suppliers that supplied each of the different subsidiaries, so it is possible that the same supplier can meet the demand of more than one subsidiary.*

Of the base of 10,848 suppliers, 1,412 significant suppliers have been identified (more than S/. 100 thousand in annual purchases), which represents 13% of the number of qualified suppliers and 97% of the total procurement expenditure in soles, including Caterpillar and the brands represented. As part of the corporate strategy, this group will be monitored separately, according to their training plans, approval and development plans, etc.

Supplier selection	2022
Total number of suppliers (mayores a 200 Soles)	10,848
Total number of direct significant suppliers (>100,000)	1,412
% of total significant direct supplier spending	98%

### 2.1.4.1 Type of suppliers

Ferreycorp and its subsidiaries classify their suppliers according to different characteristics and conditions. By the type of relationship with the companies, they can be commercial or non-commercial; by the type of transaction, local or foreign; by the level of criticality, with invoicing greater or less than S/. 1 million; and by the possibility of substitution, essential (suppliers necessary for the company's operations) or not essential.

Within the framework of this classification, the main commercial suppliers of the corporation, mostly foreign, are the manufacturers of the brands represented, whose goods are imported from various parts of the world by Ferreycorp's subsidiaries.

Holding Company and Subsidiaries	Number of Suppliers	Amount invoiced in soles
Ferreycorp	43	13,837,478
Ferreyros	702	3,557,126,542
Sitech	14	11,456,296
Unimaq	308	616,028,160
Forbis	86	93,416,738
Fargoline	80	77,572,507
Orvisa	43	106,872,083
Soltrak	111	281,141,749
Ferrenergy	25	27,664,103
<b>Total</b>	<b>1,412</b>	<b>4,785,115,657</b>

It is worth mentioning the relationship that has been maintained since 1942 with Caterpillar, the organization's flagship brand, which joins other leading brands represented and recognized in international markets, with world-class sustainability practices. Its commitments range from a high level of environmental and social responsibility to the principle of promoting lasting relationships with its stakeholders, which includes providing products that comply with safety and environmental regulations, inclusive work environments, and respect for human rights, among other aspects.

Commercial suppliers are also considered to be those related to workshops, logistics and transportation and that are part of the value proposition of the companies. In addition, there are several commercial suppliers within the value chain of the subsidiaries engaged in the sale of consumable products and other service companies.

Ferreycorp also has a portfolio of local and foreign suppliers in its non-commercial activities, including insurance and telephone companies; suppliers of van fleets, travel agencies, customs, and logistics; general and cleaning services; infrastructure, environmental, and technology services; stationery, uniforms, and merchandising; consulting, advisory, and IT services, among many others. Therefore, suppliers are being classified according to their economic sector, and we are also working on the classification by size: micro, small, medium and large companies. These classifications by type of supplier will allow us to prioritize projects according to their characteristics.

### 5.1.4.2 Supplier Risk Management

#### Potential risks

The management of the companies of the Ferreycorp corporation is focused on mitigating the potential risks associated with the supply chain and related to the contracting of suppliers for the supply of goods and services.

The Supplier Risk Matrix takes into account the social, environmental and corporate governance dimensions, and defines undesirable events and their possible impacts. In addition, in accordance with the corporation's risk assessment standard, the sustainability risks of suppliers throughout the supply chain are formally assessed and quantified in terms of impact and probability of occurrence, taking into account variables such as severity, extent of damage to the image, impact on legal compliance and impact on the continuity of operations.

Risks are evaluated in their inherent state (inherent to the activity without taking into account the effect of the risk treatment) and residual (considering the treatment carried out on the inherent risk). Action plans are prioritized according to the severity of the risk, i.e. whether it is critical, high, moderate or low.

### **Supplier security**

In the area of safety and health of suppliers, a risk assessment is performed in order to eliminate or minimize the hazards identified in products and services, as well as to determine preventive measures. In addition, there are operating manuals for equipment that include safety issues, while for visits to the plant, guidelines have been established to ensure the integrity of visiting personnel, such as contractor induction, supplementary risk work insurance (SCTR, by its Spanish acronym), safe work analysis (ATS, by its Spanish acronym), safety signage, safety booklet, use of personal protective equipment, risk map, evacuation map, etc.

It is important to note that suppliers are also part of the scope of Ferreycorp's Safety, Health and Environmental Management System (HSE).

### **Action plans**

In 2022, action plans aligned with the Supplier Risk Matrix have been defined in order to focus on activities that reduce the impacts identified. The action plans include the following aspects:

- To raise awareness and provide environmental information to suppliers through training on climate change and carbon footprint, circular economy and waste management.
- To have a digital platform for contracts that allows better monitoring of their expiration, as well as ensuring that all contracts have anti-corruption clauses and sustainability principles.
- To have an additional classification in the supplier matrix, identifying as critical those suppliers that represent the corporation before any state entity and that comply with anti-corruption training once a year.
- Have a minimum of 15000 supplier approvals by 2023 with ESG content and a visit to their facilities.

### **2.1.4.3. Supplier training**

In order to improve the quality of the goods and services they offer, within a framework of respect and legality, Ferreycorp's different companies seek to promote the formalization and development of local suppliers, thus contributing to the growth of local economies.

Ferreycorp promotes the training of its suppliers through their participation in external programs, as well as internal training on topics such as sustainability, labor rights, gender equity, climate change, compliance systems, and health and safety. Internal training has also been extended to all purchasing managers at the different subsidiaries.

Suppliers of Ferreycorp and its subsidiaries participated in the following external programs in 2022, with an impact on their suppliers:

- **Competitive Businesses** of the Global Reporting Initiative (GRI), which enabled 40 suppliers to issue their Sustainability Report (28 companies did so for the first time).

- **Co Digital** of the **Es Hoy** movement, aimed at promoting the digitalization of small and medium-sized companies, in which 31 suppliers in the workshop and facilities maintenance sector were trained.
- **Provee Pyme Platform**, an initiative of the ILO and Confiep that seeks to bring large corporations closer to MSMEs and in which 21 suppliers are already registered at the end of 2022.

In addition, 457 suppliers were trained nationwide with in-house specialists on topics such as gender equity, introduction to sustainability and GRI methodology, human rights and labor outsourcing, climate change and carbon footprint measurement, and anti-corruption measures - compliance system.

On the other hand, 1,456 were trained in health and safety, compliance systems and other topics, for a total of 2,005 suppliers trained.

#### Supplier training developed by holding company Ferreycorp and its subsidiaries in Peru by 2022

Indicators	Ferreyros	Unimaq	Orvisa	Forbis	Holding Ferreycorp
Total suppliers trained	4,263	217	65	21	34
Man hours of supplier training	9,215	5,278	204	5	5
% of suppliers trained in health and safety	100%	17%	54%	0%	0%
% of suppliers trained in the in the Compliance System	100%	36.5%	46%	100%	100%
Number of suppliers trained in sustainability issues	Internal training provided by in-house specialists				
% of suppliers trained in other issues	100.00%	36.5%	0%	0%	0%

Indicators	Soltrak	Fargoline	Sitech	Motriza	Ferrenergy	Total Corporation
Total suppliers trained	271	165	15	0	0	5,051
Man hours of supplier training	542	165	1	0	0	15,415
% of suppliers trained in health and safety	74%	100%	0%	0%	0%	Individual for each Subsidiary
% of suppliers trained in the in the Compliance System	13%	52%	0%	0%	0%	Individual for each Subsidiary
% of suppliers trained in sustainability issues	Internal training provided by in-house specialists					457
% of suppliers trained in other issues	0%	100%	100%	0%	0%	Individual for each Subsidiary

#### 2.1.4.4. Amount of investment in suppliers

(GRI 204-1)

During 2022, Ferreycorp's main subsidiaries in Peru and the holding company itself have contracted with suppliers for an amount of more than S/. 5,369,866,892. Below are the values of purchases that Ferreycorp and its subsidiaries in Peru made from suppliers in 2022.



## Spending on suppliers of Ferreycorp and subsidiaries in 2022

	Ferreyros	Unimaq	Orvisa	Forbis	Ferrenergy
Total number of suppliers	10,569	1,583	3,222	497	645
Total amount of purchases of goods and services (S/)	3,599,081,457	1,061,596,432	118,198,145	113,530,192	41,374,460
Total amount of domestic purchases (goods and services) in S/.	853,811,780	723,768,028	38,412,404	13,648,448	19,066,248
% of purchases from domestic suppliers.	24%	68%	32.5%	12%	46%
Total amount of foreign purchases (goods and services) in S/.	2,745,269,677	337,828,404	79,785,741	99,881,744	22,308,212
% of purchases from foreign suppliers.	76%	32%	67.5%	88%	54%

	Soltrak	Fargoline	Sitech	Motriza	Holding Ferreycorp
Total number of suppliers	983	1,503	179	98	692
Total amount of purchases of goods and services (S/)	281,220,000	84,841,732	15,588,012	35,866,064	18,570,398
Total amount of domestic purchases (goods and services) in S/.	146,350,000	84,836,039	5,340,380	5,170,688	17,167,688
% of purchases from domestic suppliers.	52%	99,99%	34%	14%	92%
Total amount of foreign purchases (goods and services) in S/.	134,870,000	5,692	10,247,632	30,695,376	1,402,710
% of purchases from foreign suppliers.	48%	0,01%	66%	86%	8%

### 2.1.4.5. Digitalization of processes for suppliers

Five Ferreycorp companies work with the SAP 4HANA system, thanks to a significant investment made in recent years. Through this system, the payment terms of each supplier can be recorded and a release strategy can be established in accordance with a corporate policy and a corporate accounting plan. In addition, contracts and relevant documentation can be attached to the corresponding purchase orders. In 2022, Ferreycorp and its subsidiaries registered each supplier's information in a platform called Expediente Digital de Proveedores, which serves as a repository.

On the other hand, the holding company Ferreycorp has a Supplier Portal, fully integrated with SAP, which allows it to register and enter payment documents digitally. This eliminates the physical delivery of documents through a digitized process of presentation and registration of invoices, purchase orders, delivery guides, etc., which generates efficiencies in time, in addition to tracking the scheduling of payments by the supplier itself. In this way, the carbon footprint is reduced, due to the reduced use of paper, as well as less use of fuel in the transfer of suppliers to the main office to physically leave their invoices.

## 2.1.4.6 Supplier evaluation and selection process

The responsible management of the supply chain of Ferreycorp and its subsidiaries begins with a supplier approval process. In 2021, the Corporate Standard for the Evaluation, Selection and Approval of Non-Commercial Suppliers was published, which incorporates issues such as internal and external approval of suppliers, and provides guidelines to all subsidiary companies on the conditions necessary for their suppliers to comply with due diligence. This process requires the completion of relevant information regarding the policies, standards and procedures established in the Compliance System for the prevention of corruption crimes of the corporation and its subsidiaries.

In 2022, 1,439 suppliers were approved at the corporate level. In addition, the digital supplier file was used, a tool that streamlines the approval process and serves as a repository of the documentation of each supplier.

On the other hand, each company of the corporation has the power to define whether it will work the activities it requires through a third party or directly. Ferreycorp and/or its subsidiaries must carry out a bidding process, either through a private bidding process or an administrative procedure, in which several suppliers are quoted. This process takes into account variables such as price, quality, delivery time, good sustainability practices (environmental, social responsibility, and compliance), as well as a review of the financial aspects and commercial references of the candidates. In a subsequent period, non-commercial purchases are expected to be made only with approved suppliers.

**Supplier approvals by 2022**

	Ferreyros	Unimaq	Orvisa	Soltrak	Fargoline	Sitech	Motriza	Forbis	Ferrenergy	Matriz Ferreycorp	Total
Internal Approval	0	393	9	136	0	11	0	57	0	104	710
External Approval	537	52	22	23	47	9	0	35	4	0	729

All suppliers shall be subject to due diligence controls in general (found in the Corporate Standard for Due Diligence on Customers, Suppliers and Collaborators GEN-GCAC-NC-008) regardless of the process each company has in place, in order to prevent corruption risks or the commission of any related or related crimes.

### Network of responsible buyers

Since 2022, Ferreycorp has established a Buyers' Network made up of those responsible for managing suppliers in the different subsidiaries nationwide. This network reviews operational issues to facilitate compliance with the corporate supplier strategy, such as defining groups for different training, identifying new regulations that affect suppliers and initiatives offered by the market (development programs, training, etc.), establishing standard classifications for all companies, applying best practices in supplier management, among others. By 2023, a Supplier Circle will be formed to inform, contribute ideas and share best practices aligned with the corporate strategy.

## KPIS for Supplier Evaluation

### Coverage and progress of our supplier evaluation program

Supplier Evaluation	2022	2022 Target
Total number of suppliers evaluated through desk evaluations	1439	700 suppliers
Number of evaluated suppliers that did not pass the Hodelpe approval after supporting them with action plans.	87	-
Percentage of suppliers that did not pass Hodelpe approval despite having substantial corrective action plans.	6% (87suppliers)	-

### Coverage and development of suppliers with corrective actions plans

Support for the corrective action plan	2022
Total number of suppliers supported in the correct implementation of the action plan of the evaluated suppliers.	408
% of suppliers evaluated with substantial actual/potential negative impacts supported in the corrective action plan implementation of evaluated suppliers.	28%

### Coverage and progress of suppliers in capacity building programs

Capacity Building Programs 2022	2022
Total number of suppliers in capacity	2005

## 2.2 Social Dimension

### 2.2.1 Human Capital Management

#### 2.2.1.1 Human capital management model

(GRI 3-3)

Ferreycorp's **more than 7,000 employees** in Peru and abroad are the most important and valuable resource of the corporation and to whom it owes its success and transcendence during its 100 years of history. For this reason, Ferreycorp attaches the utmost importance to the management of human capital in all its companies.

Human Resources management is aligned with the values and cultural principles, as well as with the business strategy, and is based on the following strategic focuses:

- To build the **Ferreycorp culture**, solid and transcendent, which can inspire and motivate all employees and, therefore, maximize their commitment and performance.
- **To manage talent** by attracting, retaining and developing talent to achieve the best results and contribute to the sustainability of the business, while always ensuring the safety and health of all.
- **To generate** organizational **efficiency**, optimizing the structure in each company and at the same time creating synergies among the companies of the corporation and fostering a culture of high performance to achieve the best results.

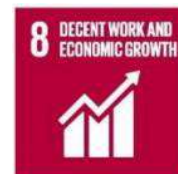
The Corporate Human Resources Management ensures optimal human capital management within Ferreycorp, providing a management framework to all its subsidiaries in the various countries in which it operates. The latter, in turn, have their own specialized human resources management areas, and have their leaders as the main drivers of change.

The following is a description of key aspects of human resources management in the corporation.

#### Employment

##### a) Employment generation

The value proposition that Ferreycorp has developed for its employees and those of its subsidiaries is based on generating pride and purpose, as well as providing quality of life and an excellent work environment, personal and professional development, including a competitive compensation and benefits system.



At the end of 2022, the corporation has a team of 7,022 employees in all its companies in Peru and abroad and is committed to continue adding to its workforce those talents who, together with solid values and commitment, can perform and grow within any of its companies.

Below is the evolution of the workforce of the entire corporation, as well as the distribution according to geographic location, type of employee and gender.

During 2022, the number of employees of the parent company Ferreycorp S.A.A. and its subsidiaries operating in Peru -country where the corporation generates close to 90% of its revenues- increased by 448, considering new hires and excluding from the total the calculation of the terminations made during the year.

**(GRI 2-7)** The evolution of the workforce of the entire corporation, as well as the distribution according to geographic location, type of employee and gender.

**Employees hired by employment contract (permanent or temporary) by region and gender (\*)**

Employment Contract	Region	Gender	Ferreyros	Unimaq	Orvisa	Fargoline	Forbis	Soltrak	Motriza	Ferrenergy	Sitech	Holding Ferreycorp	Total
Permanent	Lima	Male	1,213	171	0	63	21	117	24	2	5	50	1,666
		Female	224	59	1	13	27	69	9	2	1	62	467
	Provinces	Male	1,107	131	112	6	0	42	0	0	0	0	1,398
		Female	71	20	10	1	0	14	0	1	0	0	117
Temporal	Lima	Male	489	23	0	89	18	81	24	18	25	13	780
		Female	146	21	0	30	21	38	10	1	1	10	278
	Provinces	Male	873	178	13	11	0	50	0	21	0	0	1,146
		Female	175	26	3	0	0	5	0	0	0	0	209
<b>Total</b>			<b>4,298</b>	<b>629</b>	<b>139</b>	<b>213</b>	<b>87</b>	<b>416</b>	<b>67</b>	<b>45</b>	<b>32</b>	<b>135</b>	<b>6,061</b>

**Employees hired by type of contract (full time or part time) by gender (\*)**

Type of contract	Gender	Ferreyros	Unimaq	Orvisa	Fargoline	Forbis	Soltrak	Motriza	Ferrenergy	Sitech	Holding Ferreycorp	Total
Full time	Male	3,682	503	125	169	39	290	48	41	30	63	4,990
	Female	616	126	14	44	47	126	19	4	2	72	1,070
Part time	Male	0	0	0	0	0	0	0	0	0	0	0
	Female	0	0	0	0	1	0	0	0	0	0	1
<b>Total</b>		<b>4,298</b>	<b>629</b>	<b>139</b>	<b>213</b>	<b>87</b>	<b>416</b>	<b>67</b>	<b>45</b>	<b>32</b>	<b>135</b>	<b>6,061</b>

*\*Considers Ferreycorp's companies with operations in Peru in 2022*

**(GRI 2-8)** It should be noted that during 2022 there were 163 pre-professional interns, 58 professional interns and 51 people working as labor intermediaries, these dedicated mainly to cleaning the facilities of the corporation's headquarters.

- **Employees turnover**  
(GRI 401-1)

During 2022, the following results were archived in terms of new hires in Ferreycorp S.A.A and its subsidiaries Fargoline, Ferrenergy, Ferreyros, Forbis Logistics, Trex Perú, Orvisa, Soluciones Sitech Perú, Soltrak and Unimaq),

#### Hiring during 2022 (\*)

		Fargoline	Ferrenergy	Ferreycorp	Ferreyros	Forbis Perú	Motriza	Orvisa	Sitech	Soltrak	Unimaq	Total
Hiring by region	Lima	69	15	36	329	26	16		16	101	22	630
	Provinces	9	23		480			10		44	101	667
Hiring by age range	Up to 30 years	29	6	22	491	18	10	3	5	61	72	717
	31 - 50 years	44	31	12	315	8	6	6	11	78	50	561
	51 years and older	5	1	2	3			1		6	1	19
Hiring by gender	Female	21	1	16	170	16	7	3	2	40	29	305
	Male	57	37	20	639	10	9	7	14	105	94	992
Hiring by type of employee	Executives			4								4
	Sales force	1			9	2	1			22	6	41
	Technicians		8		504		3	4	2		49	570
	Employees	77	30	32	296	24	12	6	14	123	68	682
<b>Total</b>		<b>78</b>	<b>38</b>	<b>36</b>	<b>809</b>	<b>26</b>	<b>16</b>	<b>10</b>	<b>16</b>	<b>145</b>	<b>123</b>	<b>1,297</b>

This represented an increase of 448 employees of Ferreycorp S.A.A. and its subsidiaries operating in Peru (considering new hires and excluding from the total, the calculation of terminations made during the year).

#### Increase in the number of employees (\*)

		Fargoline	Ferrenergy	Ferreycorp	Ferreyros	Forbis Perú	Motriza	Orvisa	Sitech	Soltrak	Unimaq	Total
Hiring by region	Lima	13	14	14	92	5	-21		1	40	-2	156
	Provinces	6	-14	0	243		0	-2		17	42	292
Hiring by age range	Up to 30 years	11	-1	16	265	8	-5	1	-1	29	43	366
	31-years	3	2		72	-3	-12	-2	2	22		84
	51 years and older	5	-1	-2	-2		-4	-1		6	-3	-2
Hiring by gender	Female	6	-1	6	96	10	-5			22	5	139
	Male	13	1	8	239	-5	-16	-2	1	35	35	309
Hiring by type of employee	Executive	-1		-1	-2	-1	-2				-2	-9
	Sales Force	-1			-5	-1	-3			7	-2	-5
	Technicians		7		225		-2		-5		24	249
	Employees	21	-7	15	117	7	-14	-2	6	50	20	213
<b>Total new hires per company</b>		<b>19</b>	<b>0</b>	<b>14</b>	<b>335</b>	<b>5</b>	<b>-21</b>	<b>-2</b>	<b>1</b>	<b>57</b>	<b>40</b>	<b>448</b>

\*It includes: Fargoline, Ferrenergy, Ferreyros, Forbis Logistics, Trex Peru, Orvisa, Soluciones Sitech Peru, Soltrak, Unimaq y la matriz Ferreycorp S.A.A.

Constant monitoring of turnover indicators is a task performed as part of human resources management, to analyze each case and, if necessary, take appropriate actions.

The following table, which includes the companies operating in Peru (Fargoline, Ferrenergy, Ferreyros, Forbis Logistics, Trex Perú, Orvisa, Soluciones Sitech Perú, Soltrak and Unimaq) and holding Ferreycorp S.A.A., shows the total and voluntary personnel turnover. It is worth noting that the total turnover of this group of companies is 15% and voluntary turnover is 8%.

It should be noted that Ferrenergy's turnover is explained by the termination of personnel at the end of contracts signed between the company and its clients. Likewise, the turnover at Trex Peru mainly reflects the termination of a group of employees following the merger by absorption of this business into Unimaq. Excluding both cases, the total turnover of the companies in Peru amounts to 14%.

**Percentage of staff turnover during 2022\***

		Fargoline		Ferrenergy		Ferreycorp		Ferreyros		Forbis Perú		Motriza		Orvisa		Sitech		Soltrak		Unimaq		Total	
		T	V	T	V	T	V	T	V	T	V	T	V	T	V	T	V	T	V	T	V	T	V
Region	Lima	56	34	1		22	10	237	124	21	18	37	8			15	13	61	45	24	9	474	261
	Provinces	3	2	37	1			237	145					12	4			27	18	59	31	375	201
Age range	Up to 30 years	18	9	7		6	5	226	126	10	9	15	5	2	2	6	5	32	26	29	15	351	202
	31 - 50 years	41	27	29	1	12	5	243	143	11	9	18	3	8	2	9	8	56	37	50	25	477	260
	51 years and older			2		4		5				4		2						4		21	0
Gender	Female	15	10	2		10	6	74	43	6	5	12	3	3	2	2	2	18	15	24	14	166	100
	Male	44	26	36	1	12	4	400	226	15	13	25	5	9	2	13	11	70	48	59	26	683	362
Employee Type	Executive	1	1			5	1	2	1	1	1	2								2		13	4
	Sales Force	2	1					14	8	3	3	4						15	8	8	6	46	26
	Technicians			1				279	144			5	1	4	1	7	5			25	9	321	160
	Empoyees	56	34	37	1	17	9	179	116	17	14	26	7	8	3	8	8	73	55	48	25	469	272
Total		59	36	38	1	22	10	474	269	21	18	37	8	12	4	15	13	88	63	83	40	849	462

**Percentage of voluntary personnel turnover during 2022\***

		Fargoline		Ferrenergy		Ferreycorp		Ferreyros		Forbis Perú		Motriza		Orvisa		Sitech		Soltrak		Unimaq		Total	
		T	V	T	V	T	V	T	V	T	V	T	V	T	V	T	V	T	V	T	V	T	V
Region	Lima	29%	18%	11%	0%	18%	8%	12%	6%	25%	22%	54%	12%	0%	0%	48%	42%	23%	17%	9%	3%	15%	9%
	Provinces	23%	15%	100%	3%			12%	7%					9%	3%			28%	19%	18%	10%	15%	8%
Age range	Up to 30 years	35%	18%	88%	0%	32%	26%	17%	9%	34%	31%	63%	21%	10%	10%	35%	29%	34%	27%	16%	8%	20%	11%
	31 - 50 years	33%	21%	85%	3%	16%	7%	10%	6%	22%	18%	45%	8%	7%	2%	69%	62%	23%	15%	13%	7%	14%	8%
	51 years and older	0%	0%	50%	0%	13%	0%	2%	0%	0%	0%	80%	0%	18%	0%	0%	0%	0%	0%	10%	0%	5%	0%
Gender	Female	39%	26%	33%	0%	14%	9%	14%	8%	15%	13%	71%	18%	23%	15%	100%	100%	17%	14%	20%	11%	18%	11%
	Male	27%	16%	90%	3%	22%	7%	12%	7%	34%	30%	48%	10%	7%	2%	45%	38%	27%	19%	12%	5%	15%	8%
Employee Type	Executive	25%	25%	0%	0%	19%	4%	4%	2%	20%	20%	67%	0%	0%	0%	0%	0%	0%	0%	15%	0%	11%	3%
	Sales Force	29%	14%					6%	3%	50%	50%	44%	0%	0%	0%			20%	11%	9%	7%	11%	6%
	Technicians			0%	0%			13%	7%			23%	5%	13%	3%	39%	28%			13%	5%	14%	7%
	Empoyees	29%	18%	2%	2%	17%	9%	11%	7%	24%	19%	74%	20%	9%	3%	67%	67%	26%	20%	16%	8%	17%	10%
Total turnover per Company		29%	18%	83%	2%	18%	8%	12%	7%	25%	22%	54%	12%	9%	3%	48%	42%	24%	17%	14%	7%	15%	8%

\*Considera: Fargoline, Ferrenergy, Ferreyros, Forbis Logistics, Trex Perú, Orvisa, Soluciones Sitech Perú, Soltrak, Unimaq y la matriz Ferreycorp S.A.A.

It is worth noting that Ferreyros, Ferreycorp's main subsidiary, reaffirmed its position among the ten best companies in Peru for attracting and retaining talent, according to the prestigious Merco Talento 2022 ranking, for the ninth consecutive year, and remains in eighth place in the national ranking and in first place in its sector.

## **b) Labor relations**

**(GRI 2-30)**

Ferreycorp and its subsidiaries in Peru and abroad respect the freedom of association of its employees. Therefore, there are no policies that affect their decisions regarding union membership or the signing of collective bargaining agreements.

In Peru, the Sindicato Unitario de Trabajadores, which at the end of 2022 had 589 members, including employees and technicians, has uninterruptedly represented the personnel of Ferreyros, the corporation's main subsidiary, since 1946. This group of collaborators maintains good relations with the company and contributes to improving policies that favor working conditions. It should be noted that at the end of July, a direct agreement was reached for the 2022-2023 period.

On the other hand, the Trex subsidiary in Chile also has a Unitary Union made up of 47 employees, which also maintains a good relationship with the company.

To ensure compliance with legal labor standards, standardize processes and manage labor relations among employees, the corporation has continued to strengthen the advice it provides to its subsidiaries on labor relations in Peru and abroad. It also maintains its respect for the principles of gender equity and equality and non-discrimination in employment, while the process of reporting labor harassment has been strengthened through the Ethics Channel and training.

It should be noted that the corporation has implemented a series of actions to continue complying with the labor standards promoted by the Government, among them the Salary Equity Law, the Regulation of the Labor Outsourcing Law, the Law for the Prevention and Punishment of Sexual Harassment, and the Surveillance Plan to prevent COVID-19. During the year, it incorporated into its regulatory compliance model the implementation of new rules related to outsourcing and remote work, and the standardization of legal documents and regulations.

## **c) Compensation and benefits**

**(GRI 2-19, GRI 2-20, GRI 2-21)**

The basis of the compensation system of Ferreycorp and its subsidiaries in Peru and abroad is the valuation of positions with a methodology that considers aspects such as the complexity of the function, the specialized knowledge required, the level of decision making, among others, with which the salary scales are built taking into consideration information from salary surveys in the labor market. This system seeks to maintain internal equity and external competitiveness, under the framework of the Corporate Compensation and Benefits Standard applicable to all the companies of the corporation.

According to an analysis carried out in the Peruvian subsidiaries in 2022, there is equality in the average annual income between women and men.

In addition, there are short-term variable compensation schemes. One of them is the performance bonus for Ferreycorp employees in Peru and abroad, which takes into account the performance evaluation and the achievement of their objectives for the



previous year. There are also incentives for the sales force and sales managers based on the fulfillment of certain objectives and goals established by each subsidiary.

## **Diversity and human rights**

### **a) Gender equity**

At the end of 2022, 1,072 women were working in the corporation's subsidiaries with operations in Peru (Ferreyros, Unimaq, Orvisa, Fargoline, Forbis Logistics, Ferrenergy, Trex Perú, Sitech and Soltrak), as well as in Ferreycorp S.A.A., which represents 18% of the total number of employees in this group of companies. This figure represents an increase over last year (933 women, equivalent to 17% of this group of companies).

Although the number of women is still low due to the industry in which the corporation operates, Ferreycorp promotes gender equity in its companies. This is a long-standing issue that is not only embodied in specific policies, but is lived on a daily basis. If we consider non-technical positions, the percentage of women increases by one percentage point with respect to 2021, reaching 27%. It is worth noting that several areas of the corporation at the executive level, such as General Management, subsidiary boards, Corporate Human Resources Management and Corporate Finance Management, among others, are occupied by women.

The corporation maintains equitable management between men and women in terms of salaries, job opportunities, and positions.

Ferreycorp has been promoting the development of women in the workplace, even in technical careers, where the market still does not have the necessary supply, through various initiatives such as, for example, the offer of internships for women in technical positions, scholarships for technical careers in specialized institutes, among others. Similarly, Ferreyros +Juntas program addresses the emotional wellbeing of female technical personnel, as detailed in this chapter.

**Distribution of employees by employment type, gender and age\***  
(GRI 405-1)

Type of employee	Gender	Age	Year 2022
Officers	Men	Up to 30 years old	0
		31 - 50 years old	36
		51 years and older	47
		Total	83
		Percentage	1.4%
	Women	Up to 30 years old	0
		31 - 50 years old	16
		51 years and older	12
		Total	28
		Percentage	0.5%
Sales force	Men	Up to 30 years old	50
		31 - 50 years old	286
		51 years and older	46

		Total	382
		Percentage	6.3%
	Women	Up to 30 years old	14
		31 - 50 years old	59
		51 years and older	3
		Total	76
		Percentage	1.3%
Technicians	Men	Up to 30 years old	918
		31 - 50 years old	1,408
		51 years and older	112
		Total	2,438
		Percentage	40.2%
	Women	Up to 30 years old	99
		31 - 50 years old	22
		51 years and older	0
		Total	121
		Percentage	2.0%
Employees	Men	Up to 30 years old	460
		31 - 50 years old	1,418
		51 years and older	209
		Total	2,087
		Percentage	34.4%
	Women	Up to 30 years old	364
		31 - 50 years old	426
		51 years and older	57
		Total	846
		Percentage	14.0%
Total	Men	Up to 30 years old	1,428
		31 - 50 years old	3,148
		51 years and older	414
		Total	4,990
		Percentage	82.3%
	Women	Up to 30 years old	477
		31 - 50 years old	522
		51 years and older	72
		Total	1,071
		Percentage	17.7%
<b>TOTAL OF EMPLOYEES</b>			<b>6,061</b>

*\*It includes the holding company Ferreycorp and all subsidiaries in Peru and abroad.*

**Labor force breakdown by gender \***

<b>Diversity Index</b>	<b>Percentage</b>	<b>Target</b>
Percentage of women in the total labor force	18%	25%
Percentage of women in management positions (including low, middle, and senior management positions)	25%	-
Percentage of women in lower management level positions, out of the total number of positions at that level.	32%	-
Percentage of women in senior management positions out of total senior management positions.	20%	-
Percentage of women in management positions linked to revenue generation (sales) of all management positions (excluding support positions such as Human Resources, IT, Legal, etc.).	12%	-
Percentage of women in STEM positions (out of total STEM positions)	15%	-

**Labor force breakdown by nationality \***

<b>Nationality</b>	<b>Percentage of total employees</b>	<b>Percentage of total managerial level positions</b>
Peruvian	99.87%	99.10%
Colombian	0.03%	0%
Costa Rican	0.03%	0%
Argentinean	0.02%	0.9%
Chilean	0.02%	0%
Ukrainian	0.02%	0%
Venezuelan	0.02%	0%

*\*Includes: Fargoline, Ferrenergy, Ferreyros, Forbis Logistics, Trex Perú, Orvisa, Sitech Perú, Soltrak y Unimaq and Ferreycorp S.A.A.*

On the other hand, the Pares program is the framework under which the various actions that the corporation has been developing since 2018 to promote gender equity among its employees nationally and internationally are executed. Through this program, the corporation seeks to ensure equal opportunities without distinction for employees, also covering different abilities, ethnicities and cultures, LGTBQI+ community and generations.

As part of the program, the Peer Committee has been formed, made up of the corporation's General Management and representatives of the different corporate managements and main subsidiaries in Peru and abroad. The committee aims to put on the agenda various issues that contribute to achieving the objectives by action front (different skills, ethnicities and cultures, LGTBQI+ community and generations) and to monitor different initiatives, such as awareness and training, having allies and defining the number of women that the corporation wishes to incorporate in certain positions and/or areas.

In 2022, Ferreycorp was distinguished as the first leading company in gender equity and diversity in Peru, in its category, according to the PAR 2021 ranking of the consulting firm Aequales. At the same time, it was positioned in the Top 10 of the National General

Ranking and the Top 20 in Latin America. The evaluation focused on four fundamental areas for gender equity: management of objectives, organizational culture, organizational structure and talent management.

In addition, the holding company Ferreycorp won second place in the category "Promotion of Equal Opportunities between Men and Women" for the Pares program, according to the Peruvian Ministry of Labor's Best Practices Contest.

Ferreycorp uses certain indicators to measure the participation of female personnel in training programs and promotions in relation to total personnel in all of its subsidiaries in Peru and abroad. Growth is sought in various indicators, such as hours of training, number of promotions and promotions, number of women in key positions, and salary by category and gender (average salary for men compared to women).

During 2022, activities were developed in spaces that promote diversity and inclusion, based on a segmented strategy distributed among events, workshops and lectures for different audiences and attended by close to one thousand employees at the international level, with a satisfaction level of 99.8%. One such event was the V Meeting of Women Leaders, which annually promotes reflection and networking among Ferreycorp's employees, with the participation of leaders who encourage practices related to diversity and inclusion.

The subsidiaries have also implemented initiatives with an impact on gender equity. The +Juntas program at Ferreyros addresses the emotional wellbeing of female technical personnel, while at Orvisa the "Breaking Paradigms" workshop was held to identify the unconscious biases that people acquire as they develop in society and raise awareness to break established paradigms.

In addition, under this same axis, employees throughout Peru and foreign subsidiaries participated in the course on Sexual Harassment in the workplace, reaching 95.56% of the total number of employees (6,983 people). In addition, 18 face-to-face and virtual workshops on sexual harassment were held, attended by approximately 476 employees, and three workshops on the elimination of violence against women, with a total of approximately 280 participants, both leaders and a diverse public from the corporation and the Ferreycorp Association, given by the consultant Maricarmen Panizzo and Ferreycorp's manager of Labor Relations and HSE, Barbara Pita.

## **b) Equal opportunity and inclusion**

Ferreycorp and its subsidiaries in Peru and abroad are committed to promoting and maintaining a work environment free of discrimination, favoring equal opportunities based on the merits of each employee, regardless of gender, ethnicity, origin, creed, sexual orientation or social status. It should be noted that the corporation's employees come from different geographic areas and socioeconomic status.

In particular, in order to continue promoting diversity and inclusion, regardless of sex, sexual orientation, gender identity and expression, a workshop was held for corporate leaders so that they can extend the lessons learned to their teams, and the message was reinforced with a webinar given at the international level.

**c) Parent Leave**  
(GRI 401-3)

In 2022, in Ferreycorp and its companies in Peru, 100% of the employees who became parents enjoyed parental leave. In total, 289 employees, including fathers and mothers, were able to be with their children and enjoy their first months. Of the employees whose reinstatement and retention rates can be measured in 2022, 100% rejoined the company after their leave and 93% remained at work for up to 12 months after their return. Likewise, employees who took their statutory maternity leave had the option of working fewer hours upon their return and gradually completing their workday after the postnatal period, receiving full pay, thanks to the staggered return program. Upon returning to work, breastfeeding mothers have at their disposal lactation rooms, implemented and equipped according to regulatory requirements.

**Employees and parental reinstatement rate (\*)**

	Gender	Fargoline	Ferrenergy	Ferreycorp	Ferreyros	Forbis Logistics	Motriza	Orvisa	Sitech	Soltak	Unimaq	Total	%
Yes	M	7	2	1	206	1	3	6	0	7	24	257	89
	F	1	0	0	11	4	1	3	1	5	6	32	11
Subtotal "Yes"		8	2	1	217	5	4	9	1	12	30	289	100
No	M	0	0	0	0	0	0	0	0	0	0	0	0
	F	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal "No"		0	0	0	0	0	0	0	0	0	0	0	0
Total		8	2	1	127	5	4	9	1	12	30	289	100%

**Employees and parental retention rate (\*)**

	Gender	Fargoline	Ferrenergy	Ferreycorp	Ferreyros	Forbis Logistics	Motriza	Orvisa	Sitech	Soltak	Unimaq	Total	%
Yes	M	3	0	2	117	2	1	9	3	6	20	163	83.59
	F	1	0	3	7	1	0	0	0	5	2	19	9.74
Subtotal "Yes"		4	0	5	124	3	1	9	3	11	22	182	93.33
No	M	0	3	0	2	1	0	0	0	2	1	9	4.62
	F	1	0	0	2	0	0	0	0	0	1	4	2.05
Subtotal "No"		1	3	0	4	1	0	0	0	2	2	13	6.67
Total		5	3	5	128	4	1	9	3	13	24	195	100%

*\*Considers: Employees who have been retained in the company for up to 12 months after taking parental leave from the companies Fargoline, Ferrenergy, Ferreyros, Forbis Logistics, Motriza, Orvisa, Sitech, Soltrak, Unimaq and the holding company Ferreycorp S.A.A.*

**d) Respect for human rights**  
(GRI 2-23)

Ferreycorp and its subsidiaries are committed to the respect and protection of human rights, which are a fundamental part of its sustainability strategy and cover its entire value chain, which includes more than 7,000 employees of the corporation. The purpose of

this strategy is to incorporate international standards in the corporation's companies, so as to guarantee respect for human rights in the scope of their activities, regardless of their size and industry. Hence, it is aligned with the principles included in the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, ILO fundamental conventions, the Sustainable Development Goals, among other international human rights standards and conventions. This commitment is evidenced in the Corporate Human Rights Policy, which also includes the due diligence process that must be followed to ensure compliance in the operations of the corporation and its subsidiaries and in its relationship with stakeholders.

Likewise, Ferreycorp and its subsidiaries, in the various countries in which they operate, maintain and incorporate the best practices on respect for human rights, responsible labor, preservation of the environment and the fight against corruption, contained in the 10 guiding principles of the United Nations Global Compact, to which the corporation has been a signatory since 2004. Therefore, it does not endorse or contemplate the employment of minors, inside or outside the workplace, and does not use or sponsor practices that induce forced or compulsory labor that violate their will or freedom of contract.

The commitment of Ferreycorp is to respect the dignity of the individual, the principle of equality and non-discrimination, the right to equal pay, and other conditions between men and women, as well as other conditions of gender equality and inclusion. It also undertakes to pay special attention to the rights of potentially vulnerable groups, establishing, if necessary, reasonable adjustments in accordance with the law. The corporation protects maternity rights, as well as all rights and leaves derived from pregnancy and breastfeeding, both for the mother and the father.

Ferreycorp also respects freedom of association and collective bargaining, the elimination of inhuman or degrading treatment, and the elimination of harassment and sexual harassment in the workplace.

Ferreycorp has a policy and strict processes for safe and healthy working conditions, offering a dignified work environment and taking the necessary measures to avoid minimizing occupational hazards in its operations. In addition, the corporation maintains a vision of demanding and caring for these principles throughout its value chain and with all its stakeholders.

**(GRI 406-1)** During 2022, there were no incidents, complaints or allegations related to child, forced, compulsory or non-consensual labor, or any other form of discrimination in any of Ferreycorp's subsidiaries, and training on human rights was provided to suppliers

## **Training**

### **a) Performance Management**

#### **(GRI 404-3)**

The strengthening of Ferreycorp's Performance Management Program has continued over the years, not only with respect to systematization processes and measurement parameters, but also in its competency model, as the corporate competencies have been regrouped from 13 to five, with greater alignment to strategy and culture aspects and, above all, with greater simplicity. These are: We have passion for clients, We are agents

of change, We generate knowledge and self-learning, We work as a team and We achieve results with excellence.

As a sign of their active participation, in 2022, 99% of the employees of the total number of the corporation's companies in Peru and abroad completed their performance evaluation and 97% defined their objectives, which were incorporated into the performance evaluation system, thus enabling better monitoring of the results obtained by each employee and their action plans.

#### **b) Succession and development of leaders**

Ferreycorp has developed programs aimed at strengthening leaders in their competencies and knowledge necessary for the transformation of the business, as it considers it is strategic that they have the necessary profile to enhance the growth of the corporation.

In line with this aspiration, in 2022 the second class of the LiderazGO program for Managers and Supervisors graduated, in which more than 200 leaders from all the companies of the corporation in Peru and abroad participated. The level of satisfaction with the program was 91%.

On the other hand, it is important for Ferreycorp to maintain continuity in the work carried out in each management and/or area, in the event of a vacancy or organizational change. For this reason, during the year, the criticality of the positions and possible successors to those positions are reviewed.

#### **c) Training and job opportunities**

At Ferreycorp, the development of workers is promoted through internal and external training and job opportunities, which leads to movements between subsidiaries to fill a new or vacant position. In this sense, during 2022, in the companies in Peru, 501 employees had a change of position, 431 were promotions and 70 horizontal movements.

The training policy is focused on developing the necessary performance competencies to achieve the business objectives. The educational proposal continues to expand with new agreements offered to employees and their families with scholarships and discounts on technical courses, undergraduate, diplomas, specializations, master's degrees, among others. In 2022, particularly in Peru, 18 agreements were reached.

At the same time, the training of technical personnel at Ferreyros' modern Technical Development Center (CDT) stands out. This facility is also used for technical, safety, health and environmental, and regulatory courses.

To facilitate access to training for employees from different parts of the country, Ferreycorp uses the Google Classroom platform both in Peru and abroad, through which it deployed synchronous SAP training courses and mandatory asynchronous corporate courses, such as those corresponding to the Peruvian Financial Intelligence Unit and the Corporate Compliance System, as well as specific subjects for subsidiaries abroad.

Se presenta seguidamente la distribución por tipo de trabajador y género de los 6,564 colaboradores capacitados, así como horas de capacitación, en las nueve empresas con operación en el Perú y la matriz Ferreycorp S.A.A.

**Employees trained in 2022**  
(GRI 404-1)

		Fargoline	Ferrenergy	Ferreycorp	Ferreyros	Forbis Perú	Motriza	Orvisa	Sitech	Soltrak	Unimaq	Total	Hours	Average per employee
Executives	F	1	1	13	8	3	1		1	1	1	30	394	13
	M	3		13	46	2	2	2		6	11	85	3,434	40.40
Sales Force	F	4			34	5	5			23	19	90	2,027	22.53
	M	3			216	1	6	19		63	89	397	104,666	263.64
Technicians	F				137		1					138	5,870	42.54
	M		3		2,329		22	33	18		225	2,630	109,377	41.59
Employees	F	44	3	65	484	50	17	17	3	111	133	927	63,712	68.73
	M	181	39	52	1,344	44	24	85	18	237	243	2,267	276,187	121.83
<b>Total</b>		<b>236</b>	<b>46</b>	<b>143</b>	<b>4,598</b>	<b>105</b>	<b>156</b>	<b>40</b>	<b>441</b>	<b>721</b>	<b>6,564</b>	<b>65,667</b>	<b>86.18</b>	

## **Health and Safety**

### **a) Occupational health care, safety and working conditions** (GRI 403-1)

Ferreycorp's Safety, Occupational Health and Environmental Management System in Peru and abroad has high standards that regulate the regulatory aspects, dissemination, control and follow-up mechanisms, as well as the active role of the corporation's leaders. The system reflects the company's commitment to protect its employees, in line with its corporate values, such as fairness, integrity and respect for the individual.



This system is inspired by the Loss Control Management System model, which is based on the DNV Safety Management System; the Occupational Health and Safety Law No. 29783; the international standard ISO 45001; and national occupational health and safety and environmental legal standards. It includes elements such as context analysis; visible leadership and worker participation; strategic planning and design; implementation; performance measurement and monitoring; and continuous improvement.

The Safety, Occupational Health and Environmental Management System has been adopted by the holding company Ferreycorp S.A.A. and its subsidiaries in Peru, covering all its employees and third party personnel, and comprising all activities carried out by Ferreycorp and its subsidiaries in the country.

The subsidiaries in Peru have an Occupational Health and Safety Committee with equal representation (50% employer and 50% employees). The purpose of this committee is to monitor compliance by the organization and the workers with the preventive measures established to ensure the safety, integrity, and health of personnel, as well as to protect the environment. The corporation's foreign companies are in the process of progressively aligning their practices with these standards.

The identification of hazards and risk assessment, set out in a matrix, is the basis for the preparation of preventive plans and programs, as well as for defining the guidelines for safeguarding the integrity of all employees.



In the event of an incident or accident at work, the following is established:

- If personnel are injured: arrange for immediate medical assistance.
- To initiate an immediate investigation in order to determine the causes.
- To define corrective measures to avoid a possible repetition of the event.
- To issue an alert to the companies about the event and its causes to take preventive measures and avoid recurrence.

Ferreycorp's companies in Peru and abroad have an Occupational Health Program aimed at preventing the occurrence of occupational diseases or as a result of work, as well as carrying out medical surveillance of all employees who are included in the risk groups.

Among the main health problems identified in 2022 in the different workplaces are cases of respiratory diseases due to SARS-CoV-2 infection (COVID-19).

## b) Safety management indicators (GRI 403-9)

The three main indicators of safety management in the corporation are fatalities, the lost-time injury frequency rate for employees and contractors, and the accident rate.

In the corporation and its subsidiaries, in Peru and abroad, it can be seen that, in 2022, fatalities - the number of events in which injuries result in the death of the employee or contractor - were 0. The lost-time injury frequency rate was 1.16 for employees and 1.97 for contractors, both significantly lower than in 2021.

### Fatalities

This indicator shows the number of events in which injuries result in the death of the employee.

Fatalities	2019	2020	2021	2022
Employees	0	0	0	0
Contractors	0	0	0	0

*\*It includes holding company Ferreycorp and all subsidiaries in Peru and abroad*

### Lost-Time Injury Frequency Rate (LTIFR) – Employees

This indicator refers to any work-related injury that results in an employee being unable to return to work on the next scheduled work day or shift.

*Formula:*

$$LTIFR = \frac{\text{Number of lost time injuries} * 1'000,000}{\text{Total Number of hours worked}}$$

*Total Number of hours worked*

LTIFR	2019	2020	2021	2022
Employees	3,65	3,00	3,20	1.16
% de employees covered by this indicator	97,85%	100%	100%	100%

*\*It includes holding company Ferreycorp and all subsidiaries in Peru and abroad*

Type of injuries: Entrapment or crushing of fingers and hand; bruises on the fingers, hand, foot and leg; wounds on the head, fingers.

Measures to control the risk:

- Reinforcement of the use of the "Safe Work Analysis" log for the identification of hazards, risks and control measures.
- Training of personnel in hand tool handling, lockout/tagout, ATS, IPERC.
- Revision of IPERC matrices to incorporate risks arising from accidents.
- Update/implementation of safe work procedures for critical activities.
- Dissemination with all personnel of accident safety alerts through start of work talks, monthly meetings, mailings.
- Reinforcement of reporting of substandard acts and conditions in the work area.
- Scheduling general and specific safety inspections to work areas.

### Lost Time Injury Frequency Rate (LTIFR) - Contractors

An indicator that refers to any work-related injury that causes a collaborator of an outside contractor to be unable to return to work on the next scheduled work day or shift.

Formula:

$$LTIFR = \frac{\text{Number of lost time injuries} * 1'000,000}{\text{Total Number of hours worked}}$$

Total Number of hours worked

LTIFR	2019	2020	2021	2022
Contractors	3,23	3,04	3,14	2.16
% of contractors covered by this indicator	99,84%	100%	100%	100%

Type of injuries: Bruises on the hands, wrist, ankle; fractures in fingers; sharp and puncture wounds to fingers and ankle.

Measures to control the risk:

- Prior coordination of the work to be carried out by the contractor personnel with the responsible for the requesting area to determine the security requirements.
- Security, health and media entry requirements pre-verification of workspace.
- Carry out a security induction course for new staff.
- Request the supplementary work insurance, life risk and pension for the critical activities carried out by contractor staff.
- Verify the completion of the "Safe Work Analysis" format, prior to the work authorization.
- Field supervision of the activities carried out by the contractor staff.
- Apply the internal policy of suspension of unsafe jobs in case the contractor staff carry out substandard acts or conditions

### Accident rate

The Accidentability Index -an indicator calculated by the frequency index and the severity index- decreased significantly with respect to 2021, reaching 0.05 in the corporation and its companies. The most frequent injuries that occurred due to occupational accidents in 2022 were entrapment or entrapment, fractures, cutting wounds, and contusions. The number of hours worked was 16,078,654.7.

The following is the accident rate for the holding company Ferreycorp and the companies operating in Peru in 2022.

Formula:  

$$\text{Accident rate} = \frac{\text{Frequency Index} * \text{severity index}}{1,000}$$

- **Employees\***

Indicators	Ferreyros	Unimaq	Orvisa	Fargoline	Soltrak	Trex Perú	Sitech	Forbis Logistics	Ferreycorp S.A.A.	Total
N° de accidents	11	2	1	0	1	0	0	0	0	15
Rate	0,036	0,03	0,033	0	0,092	0	0	0	0	0,034

- **Contractors\***

Indicators	Ferreyros	Unimaq	Orvisa	Fargoline	Soltrak	Trex Perú	Sitech	Forbis Logistics	Ferreycorp S.A.A.	Total
N° de accidents	5	1	0	1	0	0	0	0	0	7
Rate	0,126	0,008	0	0,009	0	0	0	0	0	0,077

*\*Considers the holding company Ferreycorp and all subsidiaries in Peru*

### c) Occupational Health Circle

Since the gradual return to on-site work in all subsidiaries, Ferreycorp's health protocols have been adapted to the needs of the operations and the employees who participate in them. The Occupational Health Circle, created in 2020 to integrate all occupational physicians and Human Resources areas of the corporation's subsidiaries in Peru and abroad, was maintained during 2022 and continues to operate to date. Its actions have been aimed at extending biosafety measures, providing care and medication to all employees and family members in the initial stage of the disease, periodic screening of COVID-19 discard tests, among others. Other topics related to medical surveillance plans and programs, mental health management and general health awareness plans were also incorporated.

### Social welfare

The corporation offers conditions that favor an adequate balance between the work and personal lives of its employees, promoting their well-being in the various countries where it operates. In this way, it contributes to the care of their physical and mental health and generates positive impacts on the family environment.

In 2022, Ferreycorp developed 172 initiatives, in its companies inside and outside Peru, to contribute to the well-being of its human team, having as main lines of action: health (145), life balance (9), benefits (7) and entrepreneurship and finance (11), with 98% of total satisfaction among employees. Among the initiatives are the "Niños de Hierro" (Iron Children) program, to prevent and combat anemia in the children of employees aged between 6 months and 3 years, and "Pa Lante" (Forward, which provides guidance to the family members of employees who are developing enterprises. Psychological and nutritional counseling is also provided, among other activities.

In particular, within the health and safety area, 633 nutritional services were provided, 404 individual psychological services were provided, and four psychological

emergencies were attended to by employees of subsidiaries, providing emotional support and action plans for their psychological well-being.

We also developed health campaigns in the different subsidiaries, reaching employees and their children; screening for diseases such as breast cancer and anemia; nutritional plans; activities for future fathers and mothers; spaces for psychological support and attention to psychological emergencies; among other actions.

These initiatives are complementary to the health benefits offered to employees, such as the opportunity to have oncology insurance paid for by the company and private health insurance (EPS), and to affiliate their children and spouses or partners. It should be recalled that the Social Welfare area of each subsidiary provided personalized and permanent attention in areas such as health, education, housing, among others.

At the same time, multiple family integration initiatives were carried out virtually, such as Christmas parties and other family celebrations, artistic activities and recreational vacations for the children of employees. Likewise, in some subsidiaries, school supplies vouchers and Christmas bonuses were given out.

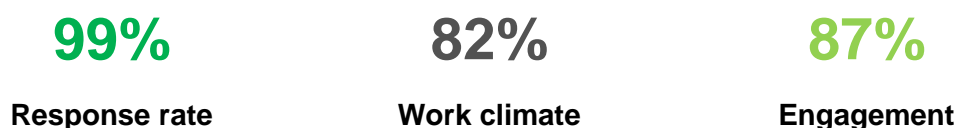
There were also corporate agreements with various institutions nationwide to offer discounts on attractive goods and services for employees and their families, including discounts in the education and entertainment sectors.

## **Climate and culture**

### **a) Culture and internal communication**

Through the 2022 Work Climate survey, the corporation was able to know the satisfaction of employees in the dimensions of relationship with the team, culture and work environment, among others.

The corporate results of the survey were as follows:



In terms of employee commitment, the following results were obtained in recent years

Employees engagement	Unit	2019	2020	2021	2022	2022 Target
Employee engagement	Percentage of engaged employees	84%	92%	89%	87%	88%
Coverage	Total percentage of employees participating in the survey	99%	77%	95%	99%	99%

In addition, eight activities were held to celebrate the corporation's centennial, including Innovation Week, the TikTok Challenge, Ferreycorp has talent, the Ferreycorp Song and the Ferreycorp Olympics, among other sports, artistic and innovation activities, which brought together more than 3,000 employees and connected with the different generations.

## **2.2.2 Community impact**

(GRI 3-3)

### **2.2.2.1 Ferreycorp Association**

For more than 25 years, the corporation has centralized its social responsibility activities in the Ferreycorp Association, a non-profit civil organization founded in 1997. Its purpose is to contribute to the formation of professionals with values and civic responsibility through the development of training activities aimed at the stakeholders of its associates: Ferreycorp, Ferreyros, Unimaq, Orvisa, Fargoline and Soltrak.

To date, the Ferreycorp Association has benefited more than 40,000 students from higher education institutions nationwide, through initiatives on soft skills, employability and, above all, training in values and civic responsibility, and more than 14,000 heavy machinery operators, with virtual technical talks on Caterpillar machinery operation and presentations on values and life skills.

#### **a) Ethics and citizenship training for young people**

With an offer of workshops on soft skills, values and civic responsibility for the integral development of future professionals, since 2020, the Ferreycorp Association expanded its educational proposal in the virtual modality, with different learning spaces, such as online workshops, live talks with experts as part of the "Zona Franca" sequence and interviews with Ferreycorp leaders in the new editions of "Conversaciones desde Casa" (Conversations from Home).

Throughout 2022, 21 virtual workshops were held, with the participation of more than 2,300 students from different cities throughout Peru, which addressed various topics such as "Employability", "Learning based on challenges", "Leadership and effective communication", "Agile methodologies for the day to day", "Growing in self-esteem and self-confidence", "Finances for entrepreneurs", "Exercising my citizenship in the digital world", among other issues of contribution to the personal and professional development of young people.

In addition, the Ferreycorp Association developed 40 sequences of its live talks, known as Zona Franca, which were broadcast on its YouTube channel and were conducted by its team of facilitators and expert guests. Among the topics addressed were "Values in a digital world", "Employability post pandemic: Challenges and opportunities", "Our role in the prevention of violence against women", "Ethics and sustainability", "Measure your carbon footprint: Options to mitigate your impact"; among others. These broadcasts had more than 2,000 live connections and were subsequently replayed more than 8,200 times.

Likewise, during the year, we continued with the transmission of "Conversations from home", a format of interviews with leaders of the corporation, in which they discussed topics of interest to young students in a warm and close manner. Some of the topics discussed were "The value of perseverance", "Values that make us grow", "Digital transformation" and "Importance of ethics in leadership". In 2022, 12 editions were held, disseminated on the social networks of the Ferreycorp Association, and reached more than 6,800 reproductions on its YouTube channel.

In 2022, the launch of the new educational platform AFconecta stands out, through which young students from universities and institutes nationwide can access the new Ferreycorp Program for Employability free of charge. Through a participatory and playful methodology, participants are able to reflect, analyze and manage relevant and determining aspects for their future performance and professional practice. The program addresses different topics organized in five key dimensions for the development of young future professionals -personal, employability, leadership, socio-environmental development and innovation and technology-, with a training of 38 hours, between synchronous and asynchronous sessions. Around 90 students benefited from this learning during the first dates of the program in virtual mode in 2022.

#### **b) Technical training from the Operators Club and Heavy Equipment Technicians Club**

The Heavy Equipment Operators Club, launched in 2012 and currently with 20,474 members, is an initiative through which Ferreyros, Unimaq, Orvisa and Genrac, Caterpillar representatives in Peru and Central America, has been contributing to the development and recognition of machinery operators. In the same vein, another initiative that seeks to generate positive impacts on the professional development of maintenance technicians is the Technicians Club, which was born in 2016 and today brings together more than 6,522 members.



The Ferreycorp Association is responsible for organizing training activities that promote the acquisition of knowledge and the exchange of experiences in both clubs.

During 2022, the Operators' Club training continued to be provided virtually. Forty-nine courses, each lasting an hour and a half, were delivered through live transmissions on social networks, which reached 5,997 connections and more than 39,200 reproductions.

Contests such as "The Best Heavy Equipment Operator in Peru", which in its five editions has attracted more than 9,600 operators from all over the country, and "The Best Heavy Equipment Technician in Peru", with a reach of more than 3,000 participants nationwide, are also held. In addition, relevant content for operators and technicians is disseminated through social networks and the websites of both clubs ([www.clubdeoperadores.com.pe](http://www.clubdeoperadores.com.pe) and [www.clubdetecnicos.com.pe](http://www.clubdetecnicos.com.pe)).

## 2.2.2.2 Technical skills training programs

### a) ThinkBIG and DreamBIG Programs

The ThinkBIG program is a Caterpillar global initiative that has been successfully implemented in Peru since 2002 through Ferreyros and Tecsup, to train future technicians specialized in Caterpillar products. In recent years, the subsidiaries Unimaq and Orvisa have also joined this program.



This two-year program includes classes at Tecsup and internships at Ferreyros, Unimaq and Orvisa workshops. At the end of the program, graduates have the first option of entering the workforce of the corporation's companies with a defined career path.

The program involved 175 young people during 2022, including 40 women who are members of DreamBIG, a scholarship program that seeks to encourage the entry of female talent into technical careers in heavy machinery and thanks to which they have 50% of their career expenses covered.

### b) Dual Apprenticeship Programs

Sponsored by Ferreyros, Unimaq and Soltrak, 53 young heavy machinery maintenance students joined the Dual Apprenticeship Program of the National Training Service (Senati) in 2022, in order to complement their technical training with practical learning at the facilities of the corporation's companies, which are members of Senati's General Taxpayers' Register.

In particular and as a complement to this program, in 2022 Unimaq developed an alliance with the Cerro Verde mining company to sponsor 12 young people, including eight women, graduates of educational institutions located in the client's area of influence in Arequipa, in their preparation for the SENATI admission exam. Thus, through its "Sembrando Futuro" initiative, they are offered vocational evaluation and orientation and academic reinforcement sessions. The beneficiaries also participated in Caterpillar's free virtual program called Technicians for Latin America, whose objective is to awaken interest in a career as a heavy machinery technician.

Otras empresas de la corporación como Fargoline aportan, por su parte, a modelos de aprendizaje dual similares de instituciones como InLog (Instituto Nacional de Logística).

### c) Programs to promote technical careers for women

Thanks to the Ferreycorp Scholarship, four outstanding young women are studying Electronic Engineering, Mechatronics Engineering and Industrial Engineering at the Universidad de Ingeniería y Tecnología (UTEC), with which an agreement was signed in 2019.



A similar Ferreycorp scholarship program, this time in alliance with Senati, has been destined in 2022 to twelve students who studied careers such as industrial electricity, automotive mechanics and machinery maintenance in the cities of Lima, Arequipa and Trujillo. Launched in 2020, this program is aimed exclusively at women, allowing them

to cover all of their studies, as well as other expenses associated with their academic training.

In addition, scholarships were granted as part of the DreamBig program described above, bringing the total number of Ferreycorp scholarships to 56 women between UTEC, Senati and Tecsup, and adding to the corporation's efforts to promote the training of women in technical careers, with the aim of increasing their participation in the labor market of the country's main productive sectors.

#### **d) Specialization program in preventive maintenance of heavy machinery**

Ferreycorp and its customer Anglo American Quellaveco, and the Jose Carlos Mariategui Institute, have maintained an alliance materialized in an agreement for the execution of a specialization program in Preventive Maintenance of Heavy Machinery in 2022, in order to contribute to the professional development of young graduates of related careers in the city of Moquegua. To date there are 60 people, out of a total of 80 participants in the program, who have received this free technical training.

Through virtual and on-site classes in the workshops, groups of 20 participants receive training from Ferreycorp's expert instructors and with state-of-the-art equipment for a period of approximately five months.

In order to make the program sustainable, a process of knowledge and equipment transfer to the Jose Carlos Mariategui Institute is being carried out, which includes the participation of teachers from the institution as students of the program, with the purpose that in the immediate future these trainings will be in charge of its teaching staff.

### **2.2.2.3 Corporate volunteering**

During 2022, the virtual corporate volunteering activities of the Kallpachay Educación program -organized by Empresarios por la Educación, Enseña Perú and Osmia- continued, with the participation of 41 employees of Ferreycorp and its companies. As part of this program, the corporation's volunteers spent a total of more than 1,200 hours preparing and facilitating tutoring sessions for close to 200 students from public educational institutions nationwide.

It is worth mentioning that Ferreycorp develops every year, at national level, the Corporate Volunteering program, with the purpose of generating positive impacts on society, promoting the participation of employees in activities related to the community and strengthening its commitment with vulnerable populations.



### **2.2.2.4 Ferreycorp 4K**

After two years of virtual events, as part of the corporation's centennial celebrations, the "Ferreycorp 4K" race was once again held in person and simultaneously in 14 cities in Peru, as well as in Chile and Guatemala. This integration activity for employees of



subsidiary companies and their families has been held for 13 years in the corporation in order to raise funds for corporate volunteering.

In 2022, more than 3,400 employees, along with their families, friends and pets who participated in this race in Peru had the opportunity to contribute to raising funds for the Vidawasi hospital citadel. This is located in Urubamba, Cusco, and provides quality medical care to children suffering from complex illnesses and childhood cancer. With the funds raised, Ferreycorp will carry out corporate volunteering activities for the benefit of this organization and other causes at a regional level.

### 2.2.2.5 Works for Taxes Projects

(GRI 203-1)

Ferreycorp has maintained its focus on water and sanitation works, as well as on improving educational infrastructure, as part of its objective to contribute directly to the decentralized development of the country by financing and executing public investment projects under the Works for Taxes modality. The end result is an improvement in the quality of life and an increase in the development possibilities of isolated and low-income populations without access to the most basic services.



Through this mechanism, Ferreyros, the corporation's main company, continued in 2022 with the execution of the water and sanitation works in the Piura micro-basin and in the province of Urubamba, Cusco, in partnership with the company Backus. This mechanism enables the contribution of the private sector's capabilities in order to reduce the country's infrastructure gap in a more expeditious manner.

To date, Ferreycorp and its subsidiaries have invested more than S/. 105 million in 11 Works for Taxes projects in regions such as La Libertad, Ica, Ucayali, Pasco, Junin and Cusco, to benefit more than 34 thousand Peruvians.

Location	Sector	Committed investment (S/ millions)	Numbers of beneficiaries
Chepen, La Libertad	Education	S/ 6.9	4,020
Chepen, La Libertad	Education	S/ 6.7	1,280
Laredo, La Libertad	Education	S/ 5.9	2,168
Pueblo Nuevo, Ica	Education	S/ 5.3	5,200
Coronel Portillo, Ucayali	Education	S/ 5.7	2,000
Huayllay, Pasco	Water and sanitation	S/ 4.3	1,605
Yauli, Junin	Water and sanitation	S/ 4.3	5,514
Sangarara, Cusco	Water and sanitation	S/ 14	2,055
Zurite, Cusco	Water and sanitation	S/ 12.7	2,072
Colquepata, Cusco	Water and sanitation	S/ 21.4	2,050
Urubamba, Cusco	Water and sanitation	S/ 18.3	6,388

By 2023, Ferreycorp will continue to commit a significant investment for the execution of more water and sanitation works, as well as educational infrastructure.

The execution of Works for Taxes allows private companies to finance and implement public projects and then recover the investment made through a certificate for the

payment of their income tax. It is important to highlight the management effort required by the corporation to implement this modality in the different stages of the works, from the identification of the projects, through the verification of the quality of the work, to its handover to the beneficiaries.

### 2.2.2.6 Membership in Associations (GRI 2-28)

Both Ferreycorp and its subsidiaries are active participants and/or work together with various associations related to the sectors they serve or to the guidelines, values and policies of the corporation, seeking to promote a culture of continuous improvement and good corporate practices.



The following are the associations of Ferreycorp's *holding* company and its companies with operations in Peru.

<b>Ferreycorp</b>	<ul style="list-style-type: none"> <li>• Association of Capital Markets Companies (Procapitales)</li> <li>• Peruvian Institute of Entrepreneurial Action (IPAE)</li> <li>• Sustainable Peru</li> <li>• American Chamber of Commerce of Peru (Amcham)</li> <li>• Peruvian-Chinese Chamber of Commerce (Capechi)</li> <li>• Spanish Chamber of Commerce</li> <li>• Organization of Women in International Trade (Owit Peru)</li> <li>• Association of Corporate Secretaries of Latin America (Ascla)</li> <li>• Good Employers Association (ABE)</li> <li>• Businesspeople for Integrity</li> <li>• Works for Taxes Alliances (Aloxi)</li> <li>• Libelula</li> <li>• Climate Action</li> </ul>
<b>Ferreyros</b>	<ul style="list-style-type: none"> <li>• Good Employers Association (ABE)</li> <li>• Lima Chamber of Commerce</li> <li>• American Chamber of Commerce of Peru (Amcham)</li> <li>• Canadian Chamber of Commerce</li> <li>▪ German Chamber of Commerce</li> <li>▪ Peru-Mexico Chamber of Commerce</li> <li>• Peruvian Chamber of Construction (Capeco)</li> <li>• National Society of Mining, Petroleum and Energy (SNMPE)</li> <li>• National Society of Industries (SNI)</li> <li>• National Society of Fisheries (SNP)</li> <li>• Peruvian Society of Foreign Trade (Comex Peru)</li> <li>• Peruvian Institute of Economics (IPE)</li> </ul>
<b>Unimaq</b>	<ul style="list-style-type: none"> <li>• Good Employers Association (ABE)</li> <li>• Lima Chamber of Commerce</li> <li>• Peruvian Association of Human Resources</li> <li>• Peruvian Chamber of Construction (Capeco)</li> </ul>

<b>Orvisa</b>	<ul style="list-style-type: none"> <li>• Chamber of Commerce, Industry and Tourism of Loreto</li> <li>• Chamber of Commerce, Industry and Tourism of Ucayali</li> <li>• Chamber of Commerce, Production and Tourism of San Martin</li> <li>• Chamber of Commerce and Industry of Huanuco</li> </ul>
<b>Soltrak</b>	<ul style="list-style-type: none"> <li>• Good Employers Association (ABE)</li> <li>• Lima Chamber of Commerce (CCL)</li> <li>• Peru-China Chamber of Commerce (Capechi)</li> <li>• Automotive Association of Peru (AAP)</li> <li>• American Chamber of Commerce of Peru (Amcham)</li> </ul>
<b>Fargoline</b>	<ul style="list-style-type: none"> <li>• Good Employers Association (ABE)</li> <li>• Peruvian Association of Port Operators (Asppor)</li> <li>• Peruvian Society of Foreign Trade (Comex)</li> <li>• Peru 2021</li> <li>• Lima Chamber of Commerce (CCL)</li> <li>• Arequipa Chamber of Commerce</li> <li>• Business Alliance for Secure Commerce (BASC)</li> </ul>
<b>Forbis Logistics</b>	<ul style="list-style-type: none"> <li>• Good Employers Association (ABE)</li> <li>• Business Alliance for Secure Commerce (BASC)</li> <li>• The Peruvian Association of International Freight Forwarders (APACIT)</li> <li>• The International Air Transport Association (IATA)</li> <li>• Association of Exporters (ADEX)</li> </ul>
<b>Trex</b>	<ul style="list-style-type: none"> <li>• Good Employers Association (ABE)</li> <li>• Lima Chamber of Commerce (CCL)</li> </ul>
<b>Ferrenergy</b>	<ul style="list-style-type: none"> <li>• Lima Chamber of Commerce</li> <li>• Canadian Chamber of Commerce</li> </ul>

### 2.2.2.6.1 Contributions

	2019	2020	2021	2022
Lobbying, interest representation or similar	S/ 369,996.00	S/ 324,393.86	S/ 348,094.83	S/ 345,937.00
Local, regional or national political campaigns / organizations / candidates	-	-	-	-
Trade associations or tax-exempt groups (e.g. think tanks)	S/ 87,333.70	S/ 94,393.38	S/ 98,040.42	S/ 136,413.06
Other (e.g. spending related to ballot measures or referendums)	-	-	-	-
<b>Total contributions and other spendings</b>	<b>S/ 457,329.70</b>	<b>S/ 418,787.24</b>	<b>S/ 446,135.25</b>	<b>S/ 482,350.06</b>

\*Considers: Fargoline, Ferreyros, Orvisa, Soltrak, and holding Company Ferreycorp S.A.A.

- **Largest Contributions & Expenditures**

Name of the organization	Type of Organization	Engagement	Total amount paid (thousands S/)*
National Society of Mining, Petroleum and Energy (SNMPE)	<b>Interest representation</b> SNMPE seeks to encourage the development of mining, hydrocarbon and electrical activities, to be carried out through the sustainable use of natural resources, and social development, within full respect for current legislation.	Subscription	S/ 32.4
Peruvian Society of Foreign Trade (Comex Perú)	<b>Trade association</b> Comex Perú contributes with public policy proposals, based on the defense of principles and not private interests, in order to promote the generation of employment, creation of opportunities and a better quality of life for citizens.	Subscription	S/ 92

\*Considers: Fargoline, Ferreyros, Orvisa, Soltrak, and holding Company Ferreycorp S.A.A.

### 2.2.2.6.2 Charitable contributions

Ferreycorp and its subsidiaries identify themselves as an agent of change whose purpose is to bring development and well-being to the countries and societies in which they operate, and seek to ensure that their social responsibility initiatives are related to their activities and capabilities, in order to make them more sustainable. In this regard, social responsibility actions are prioritized in the following issues: education and culture, health and hygiene, values and civic responsibility, development of areas of influence of the company and clients, care in emergency situations and volunteering.

	2019	2020	2021	2022
Charitable contributions (millions S/)*	S/ 1.5	S/ 1.2	S/ 1.6	S/ 2.1

\*Considers: Ferreycop S.A.A. y Ferreyros S.A.

## 2.3 Environmental management

(GRI 3-3)

Through the Environmental Management Programs of each company, Ferreycorp and its subsidiaries execute, monitor and audit the risk mitigation plans of their environmental impacts, aligned with their corporate strategy. Likewise, the corporation is focused on environmental management to reduce the impacts derived from climate change in different areas of the organization.

A specialized environmental area at Ferreycorp defines the guidelines of the corporate environmental strategy and promotes and manages environmental projects in coordination with the different enterprises of the corporation. The Environmental Circle led by Ferreycorp is maintained as an initiative to share experiences and practices related to the strategy, among the specialists in the field that each company has. Since 2022, Ferreycorp has created an operating committee composed of the environmental managers of each Peruvian headquarters to coordinate the execution of environmental projects.

Approved in 2021, the Corporate Environmental Policy is the document that guides performance and sets the basis for implementing actions to reduce and mitigate impacts on the corporate environment and other corporate standards on more specific environmental issues.

The subsidiaries Fargoline and Forbis Logistics, in Peru, and Trex, in Chile, have certified their environmental management systems under ISO 14001 for their facilities in Callao, as well as in Antofagasta and Santiago, respectively.

In 2022, Ferreycorp organized the first Environmental Convention, aimed at all its employees at the corporate level, in order to raise awareness of this issue that is becoming increasingly relevant for all levels of the organization. The convention gathered 2,369 employees, who attended four conferences given by leading suppliers and customers. In addition, employees were trained in environmental and climate management, and more than 80% of them passed the course at the corporate level.

On the other hand, in 2022 we implemented the Ecodatos digital platform, which consolidates the consumption of water, electricity, waste, fuels, sludge, fire extinguishers, compressed gases and refrigerants in more than 70 sites of more than ten companies of the group, as well as the calculation of their carbon footprint. This is a Big Data platform built on Google Cloud Platform (GCP), in which the managers per company and per site can review the evolution of their consumption and identify what they should focus on to improve their environmental indicators, helping them in their decision making.

### Environmental impacts in the value chain

In order to identify the main areas where Ferreycorp companies are generating environmental impact among their stakeholders and at each stage of their value chain, it is necessary to analyze the value chain in companies importing capital goods and related products that markets until delivery to the customer:

- Ferreycorp's companies are traders or importers of capital goods; they do not have factories in the countries where they operate; **the products are manufactured** by their subsidiaries in various parts of the world, which are global leaders and therefore

have world-class sustainability practices and environmental strategies and, therefore, a strategy for developing increasingly eco-efficient products.

- The **international transportation** of machinery, equipment, mining trucks, consumables and spare parts is carried out in maritime and air transport by third party companies, so it is an indirect impact.
- As soon as they arrive at customs **or warehouses**, they begin to have a direct impact, since Fargoline and Forbis Logistics, subsidiaries of Ferreycorp, are involved in the logistics chain during the import process.
- **Domestic transportation** is mainly carried out by trucking companies and the subsidiary Fargoline, which is in charge of transporting equipment components and spare parts by truck. The impact is considered direct when the units are managed, whether owned or leased.
- The **use of machinery** and equipment acquired or rented by the clients of the corporation's companies is carried out by the clients themselves, so the footprint generated at this stage is indirect.
- Ferreycorp, in most of its branches, provides **after-sales services**, which consist of the repair and maintenance of the machinery acquired from the corporation or its components and other related services such as failure assessment, oil and paint analysis, so they are processes that have a direct impact.
- Another service is the **reconstruction of equipment and components**, which can extend the useful life of the client's machinery or its components by two or three times, making it the greatest contribution to the environmental strategy of Ferreycorp's companies. In this way, the generation of tons of scrap is avoided, with the consequent reduction of environmental impacts along the entire value chain.
- Finally, the parts and components that cannot be reused are **sent to smelting, recycling and/or final disposal**, processes in which alternatives must be sought to reduce the impact in a responsible manner. In the case of spare parts or components, there are procedures for **returning them to Caterpillar to avoid a negative impact** on the environment when they are destroyed.

After evaluating each impact and its relevance for both the company and its stakeholders, the main areas where the greatest environmental impacts can be managed and reduced are climate, energy and emissions, water and effluents, and waste and materials. Having these areas identified is allowing us to focus the corporation's efforts on project management, as well as to take advantage of the opportunity to generate positive impacts and reverse negative ones, if any.

The following is a description of the environmental management focused on these areas during 2022, both in the holding company Ferreycorp and in the main locations of its subsidiaries.

## **2.3.1 Environmental commitment in products and services**

### **Review of the portfolio of products marketed by the represented companies: redesign of products**

The machinery marketed by the corporation's companies incorporates modifications and new configurations made by the manufacturers to contribute to the reduction of environmental impact. For example, not only do Caterpillar diesel and natural gas generator sets have highly efficient electric generators and engines with state-of-the-art technologies, but also, as part of the portfolio of the subsidiaries, the adoption of Cat natural gas generator sets is being promoted in the domestic market. Also, for several years, a wide range of Cat equipment in the country has been equipped with engines that allow reducing the emission levels of the units, while some truck models do not consume fuel in downhill or can incorporate a dual system to operate with a high percentage of liquefied natural gas (LNG)

### **Extended product liability**

By 2022, Ferreyros has successfully rebuilt 64 Caterpillar machines, contributing to the circular economy of the product by giving the units a new life for production in the field.

The company has carried out the certified rebuild of several families of Caterpillar equipment, including the largest model in the portfolio, the Cat 7945 shovel, a key production equipment for copper mining, over 20 meters high; mining trucks; low-profile loaders for subway mining; auxiliary equipment for use in large mining, of large dimensions; and equipment for heavy construction.

The rebuild is a reality thanks to the Cat Certified Rebuild (CCR) program, as well as Ferreyros' general equipment rebuild program, which offers the possibility of rehabilitating a wide range of machines, according to each customer's needs.

It should be noted that, for the 2021-2020 period, large mining units not included in the previous edition of the annual report are included, and some specific updates are applied to the whole.

**Table 1: Extended product responsibility programs**

<b>Equipos</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Cat Low Profile Loaders</b>	1	15	16
<b>Cat Heavy Construction Equipment</b>	9	29	29
<b>Cat Trucks</b>	10	5	7
<b>Other Cat Large Mining Machines</b>	8	18	12
<b>Total</b>	<b>28</b>	<b>67</b>	<b>64</b>

On the other hand, Ferreyros Lima and La Joya Arequipa workshops have implemented a good practice of expanding the reusability criteria for components, managing to recover the first 9.2 metric tons of iron in addition to the usual recovery of parts, which contributes to the circular economy of the product and the reduction of the carbon footprint in the value chain.

## Pollution control standards

In Peru, fifteen Ferreyros workshops and one Orvisa workshop have been awarded Five Stars in Pollution Control, Caterpillar's highest qualification, as they have demonstrated full compliance with the highest standards in this area during their repair processes.

## 2.3.2 Climate Commitment: Greenhouse Gas Emissions and Energy use

Aware of the impact on the environment due to the generation of greenhouse gas (GHG) emissions, Ferreycorp began to measure its carbon footprint at its main sites and worked to reduce energy consumption in its operations and increase the use of cleaner energies.



### Disclosure of climate risks in compliance with TCFD recommendations

Institutional investors that maintain strong relationships with organizations such as Ferreycorp seek to identify in their public information how they manage their risks and, in particular, those related to climate change. Therefore, in 2022, Ferreycorp hired the company Implementasur to conduct its first diagnostic and initiate the disclosure process aligned with the implementation of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), a global initiative that develops recommendations regarding the types of information that companies should disclose to help investors assess adequately a specific set of risks related to climate change.

The TCFD recommendations are structured around four thematic areas or pillars that represent core elements of how organizations operate: governance, strategy, risk management, and metrics and objectives.

The results report of the aforementioned assessment validates that Ferreycorp has carried out several environmental actions aligned with the various recommendations of the TCFD, and that it has committed to disclose these advances in accordance with the pillars and recommendations of this working group. In this way, the corporation is able to measure and show its climate change management with high standards.

The main advances made by Ferreycorp in relation to the pillars of the TCFD recommendations are the following:

#### **Pillar 1: Governance**

Corporate Finance Management is responsible for leading the climate agenda and reporting to the Board of Directors on risks and opportunities related to climate change. In order to support this role, the Environmental Circle and the Environmental Operating Committee have been created, and the Corporate Environmental Policy has been defined.



## **Pillar 2: Strategy**

Together with employees from different areas of the corporation, an inventory was made of the different physical, transition and climate change risks and opportunities that could have an impact on Ferreycorp. The most relevant risks and opportunities were analyzed and strategies were developed to mitigate or take advantage of them.

## **Pillar 3: Risk Management**

A methodology is being developed to identify, evaluate, and control climate change risks in the corporation, which considers the characteristics of such risks and is integrated into Ferreycorp's corporate risk management taxonomy.

## **Pillar 4: Metrics and Objectives**

The corporate carbon footprint was quantified including scopes 1 and 2 of its main headquarters. In addition to defining climate, water, energy and waste indicators, the company is updating its science-based emissions reduction targets, along with defining an internal carbon price and pursuing the offsetting of its emissions.

### **Carbon footprint measurement**

**GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4 (2016)**

Since 2016, Ferreycorp and its subsidiaries put on its agenda the need to measure the carbon footprint in its larger premises, gradually increasing the number of evaluated sites and complying with the Principles of the Greenhouse Gas Protocol (GHG Protocol). It should be noted that most of the measurements taken at the facilities, from 2017 to 2020, were subject to verification by an independent third party, under the ISO 14064-1 standard.

In 2020 and 2021, Ferreycorp reported these measurements in the virtual platform Huella de Carbono Peru, an innovative climate action tool created by the Peruvian Ministry of Environment, which allows to officially recognize public and private organizations that managed to reduce their Greenhouse Gas (GHG) emissions. This platform has a scale of recognition based on the level of action achieved by each company annually: they are awarded a number of stars for measuring, verifying, reducing and neutralizing their carbon footprint.

Since the beginning of the carbon footprint measurements, there has been a gradual increase in the number of locations, starting with two main locations from 2016, and nine larger locations from 2017 to 2019. Starting in 2020, two additional measurements were contemplated, a repair complex and a mining operation, thus expanding to eleven the number of locations evaluated for the period 2020. In the measurements for 2021, two additional locations were included - the Rentafer branch of Ferreyros and the Callao branch of Forbis Logistics - increasing the total number of locations evaluated to 13. In addition, and for better decision making, the corporation has decided to expand the measurements from 2022, from 13 locations to 79 locations, including smaller branches and operations at customer sites, in order to cover all our operations in Peru and Trex's operations in Chile.

In accordance with the update of ISO 14064 version 2018, a rule that standardizes the measurement of the carbon footprint, it became necessary to add the measurement coverage of categories 1 and 2 (footprint that the corporation manages or influences

directly such as, the direct use of fuels or the consumption of electric energy) and categories 3 and 4, which includes the indirect footprint generated by the transportation of waste through third parties, of personnel in buses hired by the company and air transportation of personnel paid by the company, in addition to the electricity used in remote work and water consumption.

However, a significant item such as the air, sea and land freight transportation will be evaluated starting in 2023, in order to work with suppliers to have accurate and reliable information.

The following table contains the carbon footprint measurements taken from 2020 and in 2022.

**Table 2: Carbon Footprint measurement results per year (met. ton. CO2e)**

Scope	Total Carbon Footprint measured			
	2019**	2020**	2021**	2022**
Total annual (category/scope 1)	864.14	1,262.14	1,611.59	6,362.08
Total annual (category/scope 2)	1408.10	1,236.12	1,725.06	2,609.54
Total annual (categories 3 y 4/ scope 3)*****	-	-	-	5,434.22
<b>TOTAL ANNUAL</b>	<b>2272.24</b>	<b>2,498.26</b>	<b>3,336.66</b>	<b>14,405.82</b>
Number of evaluated sites	9 sedes	11 sedes	13 sedes	79 sedes
Sales Coverage	26.97%	33.22%	37.6%	89.7%

**Table 3: Comparison of Carbon Footprint\* measured at 9 sites**

Scope	9 sites***			
	2019**	2020**	2021**	2022**
Total annual (category/scope 1)	864.14	718.22	871.24	1,019.99
Total annual (category/scope 2)	1408.10	941.99	1204.53	1,491.71
Total annual (categories 3 y 4/ scope 3)*****	-	-	-	4,630.78
<b>TOTAL ANNUAL</b>	<b>2272.24</b>	<b>1,660.2</b>	<b>2,075.77</b>	<b>7,142.47</b>
Number of evaluated sites	9 sites	9 sites	9 sites	9 sites
Sales Coverage	26.97%	27.15%	29.28%	32.6%

**Table 4: Comparison of Carbon Footprint\* measured at 11 sites**

Scope	11 sites***			
	2019**	2020**	2021**	2022**
Total annual (category/scope 1)	-	1,262.14	1426.79	1,591.95
Total annual (category/scope 2)	-	1,236.12	1699.38	2,026.15
Total annual (categories 3 y 4/ scope 3)*****	-	-	-	4,742.82
<b>TOTAL ANNUAL</b>	<b>-</b>	<b>2,498.26</b>	<b>3,126.17</b>	<b>8,360.91</b>
Number of evaluated sites	-	11 sites	11 sites	11 sites
Sales Coverage	-	33.22%	36.52%	40.3%

**Table 5: Comparison of Carbon Footprint\* measured at 13 sites**

Scope	13 sites***			
	2019**	2020**	2021**	2022**
Total annual (category/scope 1)	-	-	1,611.59	1,863.25
Total annual (category/scope 2)	-	-	1,725.06	2,049.12
Total annual (categories 3 y 4/ scope 3)*****	-	-	-	4,757.94
<b>TOTAL ANNUAL</b>	-	-	<b>3,336.66</b>	<b>8,670.30</b>
Number of evaluated sites	-	-	13 sedes	13 sedes
Sales Coverage	-	-	37.6%	42.0%

**Table 6: Comparison of Carbon Footprint\* measured at 79 sites**

Scope	79 sites****			
	2019**	2020**	2021**	2022**
Total annual (category/scope 1)	-	-	-	6,362.08
Total annual (category/scope 2)	-	-	-	2,609.54
Total annual (categories 3 y 4/ scope 3)*****	-	-	-	5,434.22
<b>TOTAL ANNUAL</b>	-	-	-	<b>14,405.82</b>
Number of evaluated sites	-	-	-	79 sedes
Sales Coverage	-	-	-	89.7%

**Notes:**

\* The gases included for the calculation of GHG emissions are CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O and HFCs; our processes do not have emissions of PFC, SF<sub>6</sub> or NF<sub>3</sub>.

\*\* All emissions shown in the tables (years 2019, 2020, 2021 and 2022) have been verified by an independent third party complying with the requirements demanded by MINAM according to RM 185-2021 for the use of the updated ISO-14064-1:2018 standard.

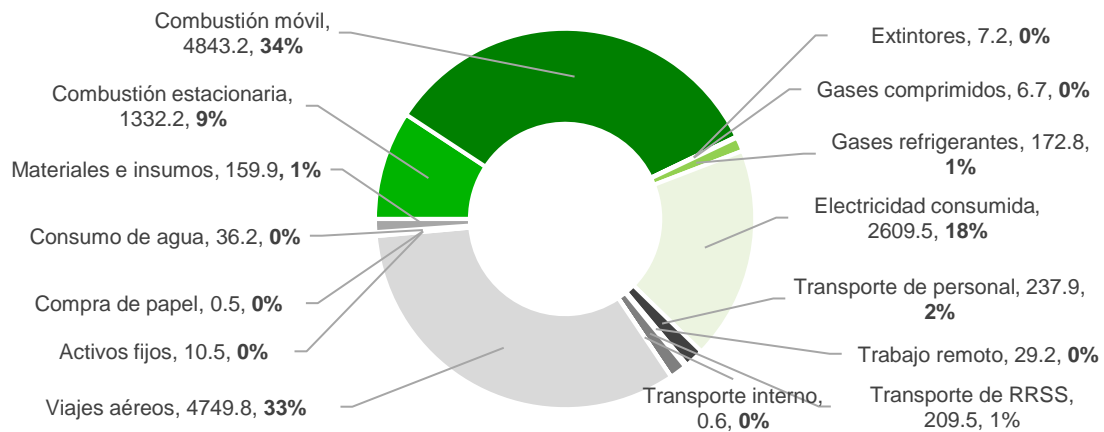
\*\*\* Since 2017, the measurement of 9 premises started, which have been gradually increased to 11 premises in 2020 and 13 premises in 2021.

\*\*\*\* Table 6 shows the great leap in the measurement of emissions, going from 13 locations in 2021 to 52 headquarters and 27 operations in customer facilities, for a total of 79 locations in 2022, representing 89.7% of the corporation's total sales. This expansion of measurement coverage is due to the need for a more complete measurement of this indicator.

\*\*\*\*\* In addition to the expansion to 79 locations in 2022, the categories measured were expanded from categories 1 and 2 (footprint that the corporation manages or influences directly, such as the direct use of fuels or electricity consumption) to categories 3 and 4, which include the indirect footprint generated by the transportation of waste through third parties, personnel in buses hired by the company and air transportation of personnel paid by the company, as well as electricity used in remote work and water consumption. It is clarified that in category 3 a significant item such as air, sea and land cargo transportation will be evaluated as of 2023.

\*\*\*\*\* The consolidation approach used is that of operational control at all sites.

## GHG emissions by source 2022



## Carbon Footprint Reduction Target

In accordance with the methodology of the global Science Based Targets Initiative (SBTi), the corporation established the goal of reducing its GHG emissions by 54.6% by 2030 (4.2% annually), compared to the base year 2017, in the nine largest locations of the corporation, considering that the increase in global temperature does not exceed 1.5°C compared to the pre-industrial era.

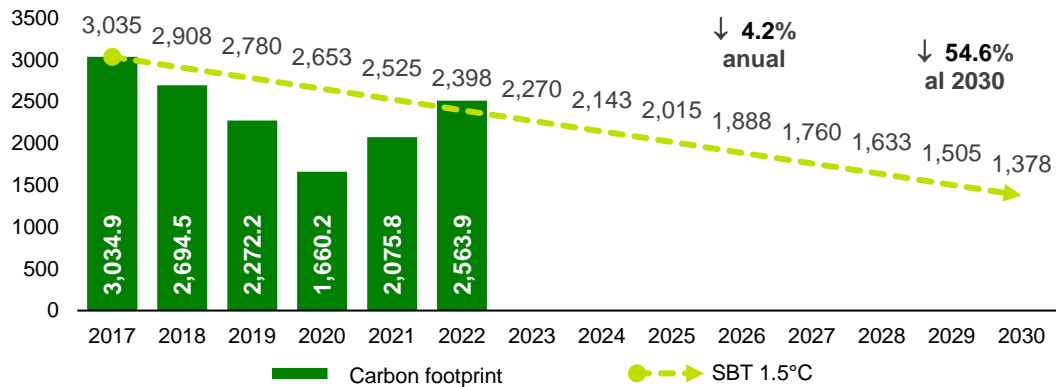
It should be noted that with these 9 locations evaluated since 2017, the percentage of sales coverage at the corporate level is around 28%. This does not allow the targets outlined to be enrolled in the Science Based Targets initiative platform, but it does allow us to outline, as a company, reduction targets aligned with climate science. This target has not yet been approved by the Board of Directors; instead, a 5% annual reduction target was approved for the previous year.

Based on the results obtained in the first climate risk diagnostic report within the framework of the TCFD recommendations, once the measurement of the complete national carbon footprint for the year 2023 is completed, to be measured at the beginning of 2024 (considering land, sea and air cargo transportation), this science-based target will be updated and a medium-term footprint reduction target will be established for the corporation.

## Evolution of the Carbon Footprint.

Graph 1 shows the evolution of emissions in the nine sites that have been measured since 2017. It is observed that in the year 2022 Ferreycorp has had an increase in the carbon footprint reaching 2,563.9 met. ton. CO<sub>2</sub>e being above its science-based target (2,398 met. ton. CO<sub>2</sub>e for the year 2022 as max.), and also above its short-term target (1972.01 met. ton.CO<sub>2</sub>e emitted as max.) this is the result of the increase in sales of the corporation with respect to previous years, and therefore, greater activity in its operations.

## GHG emissions of the nine main sites compared to the Science Based Reduction Target (SBT)



### Measures taken to reduce energy consumption and GHG emissions.

In 2022, a project was implemented to install solar showers in La Joya's workshops, which will prevent the emission of 16 tons of carbon per year over a 20-year life span. For the financial evaluation of this pilot project, a benchmark internal carbon price of US\$5 was used to determine the economic convenience of investing in solar showers, given the savings generated, in addition to the positive environmental impact. This was a first step towards including environmental variables in financial evaluations at Ferreycorp (internal carbon price), a fact that was recognized during the diagnostic study conducted by Implementasur on the progress made in implementing the TCFD recommendations.

On the other hand, in 2022, LED perimeter lights were installed at the Surco headquarters. Likewise, courses in eco-efficient eco-driving continued to be given to drivers of the fleet of vans and an eco-driving course for machinery operators was made available through the Ferreycorp Operators' Club fanpage. At the end of 2022, a total of 271 machinery operators had passed the course after an evaluation.

Similarly, the use of solar panels installed at La Joya continued, representing 10.9% of the energy used at the headquarters, which saved 57 tons of carbon in 2022 and a total of 149.6 tons of carbon avoided since their installation in 2019.

Other measures deployed that have also received attention in 2022 include the installation of flow control valves to save water (energy savings in pumping) at the headquarters of Ferreyros (Avenida Industrial and Chimbote), Soltrak (Callao) and Unimaq (Lurín); installation of more modern air conditioning and other equipment; scheduled maintenance of electrical control panels that consume fuel and equipment that uses refrigerant gases; and nightly monitoring by security personnel to turn off or unplug equipment that may be on or connected outside the premises; scheduled maintenance of fuel-consuming electrical control panels and equipment that uses refrigerant gases; and night monitoring by security personnel to turn off or unplug equipment that may be on or connected outside working hours.

## Emissions offsets

A total of thirteen of the corporation's headquarters offset the footprint generated corresponding to 2021 emissions in categories 1 and 2 through a REDD+ project (Reducing emissions from deforestation and forest degradation), which refers to the reduction of greenhouse gas emissions due to deforestation and forest degradation. The project in which the 2021 carbon footprint offset was made is a project in the Cordillera Azul National Park of the National Service of Natural Protected Areas (SERNANP), through which 3,343 tons of carbon have been offset (33% more than in 2020) and 7,486 tons of carbon offset since 2016. Offsets for the footprint generated in 2022 will be offset during the first half of 2023.

For all category 1 and 2 offsets, from 2016 to 2021, carbon credits are registered with Verra, guaranteeing their international validity. Offsetting the carbon footprint in these types of REDD+ projects allows for the conservation and enhancement of carbon stocks and sustainable forest management and contributes to the conservation of associated biodiversity.

All offsets made in 2022 corresponding to the 2021 footprint have the additional CCB-Gold (climate, community and biodiversity) certification.

**Table 7: GHG Emissions Offsets in categories 1 and 2**

		Carbon offsets (met. ton. CO <sub>2</sub> e)					
Company	Location	2016	2017	2018	2019	2020	2021
Ferreycorp	Surco	462	354	405	222	128	252
Ferreyros	CDR			195	220	217	244
Ferreyros	Industrial				1219	907	1049
Ferreyros	La Joya					807	1032
Ferreyros	Cerro Verde					31	20
Ferreyros	Rentafer						204
Unimaq	Lurín		91	66	53	50	65
Orvisa	Iquitos		218	187	177	96	151
	Tarapoto		64	67	61	50	67
	Pucallpa		78	56	48	35	55
Soltrak	Callao			125	136	74	107
Unimaq	Evitamiento		180	163	137	107	90
Forbis Logistics	Callao						7
	<b>Number of sites</b>	<b>1</b>	<b>6</b>	<b>8</b>	<b>9</b>	<b>11</b>	<b>13</b>
	<b>Met. Tons. of CO<sub>2</sub>e offset</b>	<b>462</b>	<b>985</b>	<b>1264</b>	<b>2273</b>	<b>2502</b>	<b>3343</b>

\* The 2022 offsets have not yet been made due to the recent completion of the carbon footprint verification process.

In 2022, the offsetting of the footprint generated by flights also began, through the Vuela Neutral programs of LATAM Airlines -with 1,300 tons of carbon offset in 2022- as well as the Cool Effect program, which has American Airlines as a partner -with 83.8 tons of carbon offset in 2022 corresponding to the years 2019 and 2020-. In the case of LATAM Airlines, the offsetting of emissions is carried out in two projects in the region: "Nii Kaniti

Community Forest Management", a sustainable forest management initiative by indigenous communities in the Peruvian Amazon, and the "Photovoltaic Solar Energy" project in the Atacama Desert in northern Chile. In the case of American Airlines, the offset was achieved by investing in a portfolio of projects managed by Cool Effect, an innovative platform that provides companies with the tools they need to become carbon neutral, in partnership with American Airlines.

**Table 8: GHG Emissions Offsetting - air flights**

Airline	Program	Carbon offsets (met. tons. CO <sub>2</sub> e)			
		2019	2020	2021	2022
LATAM Airlines	Vuela Neutral				1300.09
American Airlines	Cool Effect	83.8			
	<b>Met. tons of CO<sub>2</sub>e offset</b>	<b>83.8</b>			<b>1300.09</b>

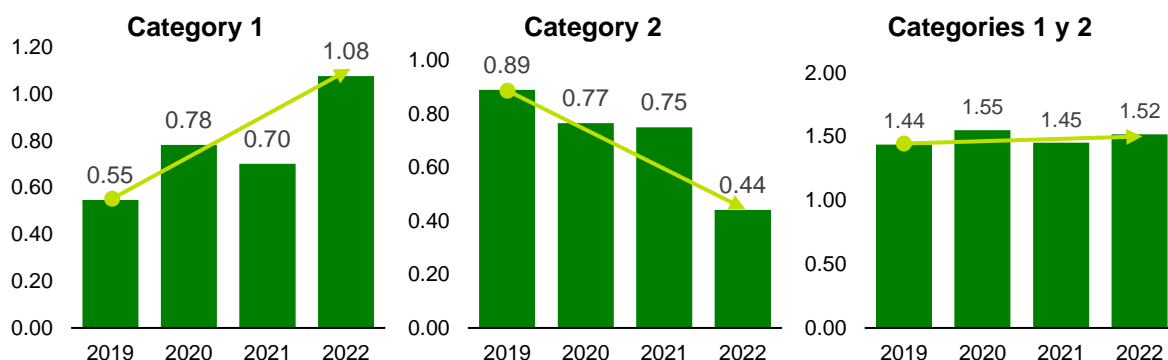
**KPI Emissions intensity**  
(GRI 305-4 2016)

To measure emissions intensity, sales expressed in millions of soles are used as the denominator, considering the measurement coverage of each year.

**Table 9: Data for GHG emissions intensity calculation**

Scope	Total Carbon Footprint measured			
	2019	2020	2021	2022
Category 1 / scope 1	864.14	1,262.14	1,611.59	6,362.08
Category 2 / scope 2	1408.10	1,236.12	1,725.06	2,609.54
<b>Total annual (categories/scopes 1 +2)</b>	<b>2272.24</b>	<b>2,498.26</b>	<b>3,336.66</b>	<b>8,971.62</b>
Number of sites evaluated	9 sites	11 sites	13 sites	79 sites
% Sales coverage	26.97%	33.22%	37.60%	89.70%
<b>Total annual sales</b>	<b>5865</b>	<b>4857.159</b>	<b>6111.817</b>	<b>6591.95</b>
<b>Hedged Sales</b>	<b>1581.79</b>	<b>1613.55</b>	<b>2298.04</b>	<b>5912.98</b>
Emissions intensity (category 1)	<b>0.55</b>	<b>0.78</b>	<b>0.70</b>	<b>1.08</b>
Emissions intensity (category 2)	<b>0.89</b>	<b>0.77</b>	<b>0.75</b>	<b>0.44</b>
Emissions intensity (categories 1 and 2)	<b>1.44</b>	<b>1.55</b>	<b>1.45</b>	<b>1.52</b>

**Emissions Intensity (met. tons. CO<sub>2</sub>e / MM soles in sales)**



Category 1 corresponds to direct greenhouse gas emissions (use of fuels, refrigerant gases, welding gases).

Category 2 corresponds to indirect emissions from the use of electrical energy.

When analyzing the intensity of emissions differentiated by categories 1 and 2, during 2022 there is a variation with respect to previous years, this is explained in part by the change in the coverage of measurement in 2022 where there is a greater coverage (from 13 to 79 sites); also, category 1 increases since this measurement includes mining operations with the respective fuel consumption for internal transportation in vans.

If we evaluate the intensity of emissions in categories 1 and 2, we see a similar result to previous years, with a slight increase in 2022.

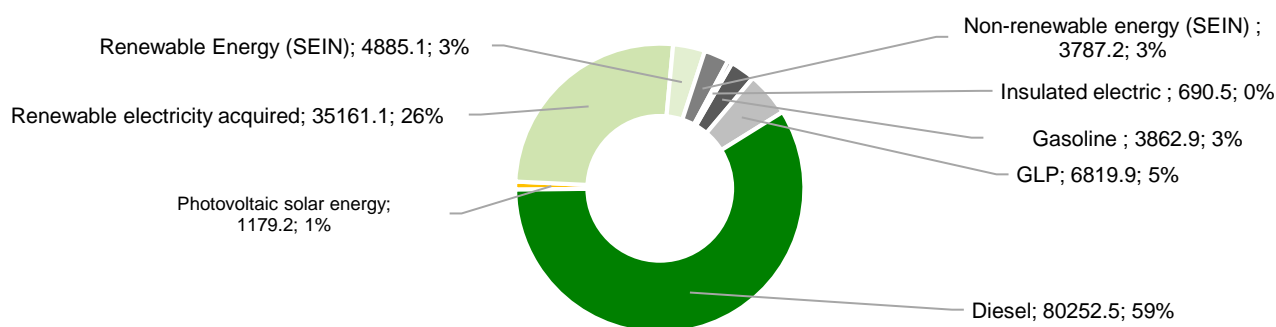
### **Energy consumption**

GRI 302-1 (2016)

During 2022, energy consumption measurements were performed at 38 individual locations, 14 shared sites and 27 operations at customer facilities, which is an effort to increase the number of the corporation's locations where measurements are performed since 2018.

Energy consumption in 2022 at the 79 locations nationwide and Trex Chile was 136,638.4 GJ where 30.2% of the energy used came from renewable sources in 2022, with a distribution as follows: 25.7% from electricity purchased as a free user for six main locations; 6.3% from energy purchased from SEIN (Peru); and 0.9% from solar energy, thanks to the use of photovoltaic panels at the Ferreyros headquarters in La Joya, Arequipa. Although the aforementioned locations also use non-renewable sources, measures to reduce the impact of energy use will allow us to migrate towards greater use of renewable energy.

**Total energy consumption by source (GJ) – 2022**



\* Data taken for this graph are shown at the end of the section, in numeral 2.3.5.

### **Management and practices adopted to reduce energy consumption and migration to cleaner energies**

In addition to the measures described for the reduction of GHG emissions generation, we have been implementing measures to reduce the impact of energy use, including the implementation of energy efficiency projects and the acquisition of renewable energy for five main locations since 2020 and in La Joya, the second most important operational headquarters of the corporation, since 2022. These locations use 100% renewable

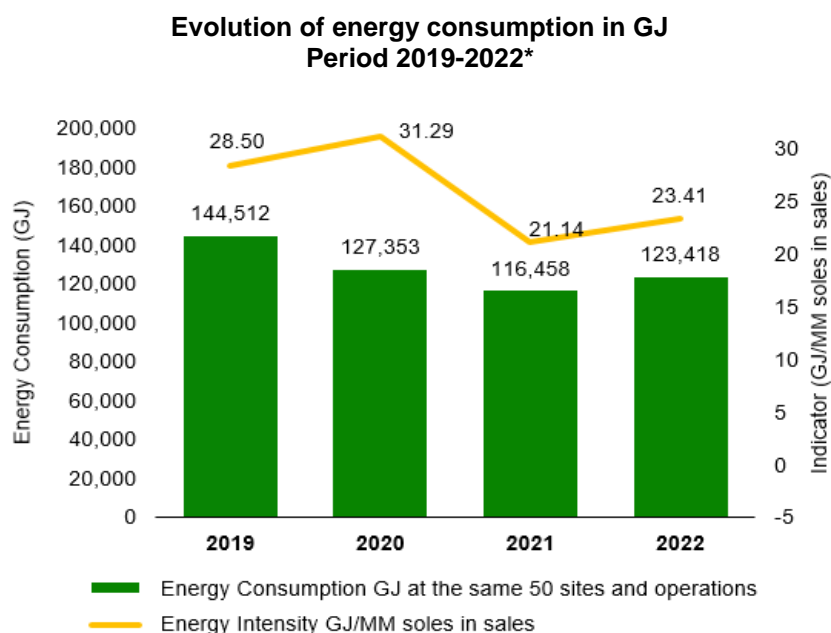


energy instead of energy from the National Interconnected Electricity System (SEIN), which provides a mixed energy mix with 43.7% fossil fuels.

Overall, 76.9% of renewable electricity purchased as free users has been achieved by 2022.

### Evolution of energy consumption and energy intensity

The graph shows the evolution of energy consumption in the four recent years, considering the same 50 sites and operations of the aforementioned companies, showing an increase in energy consumption of 6.0% in 2022 compared to 2021.



*The information in this graph differs from that shown in the 2021 Report, since different sites are being considered for the calculation of energy consumption, due to the removal of closed sites and the addition of mining operations. However, the same sites and operations have been included for the four recent years to make the data comparable.*

In addition, a graph has been plotted for energy intensity (yellow line), where greater inefficiency is observed in 2020 due to the impact of the pandemic on sales; however, with the resumption of operations this indicator shows greater efficiency. Between 2021 and 2022, energy intensity grows slightly, so it can be concluded that its increase is caused by the growth of activities in the corporation's different operations.

## 2.3.3. Preserving resources: Water use and effluent management

### **Water consumption at Ferreycorp's sites**

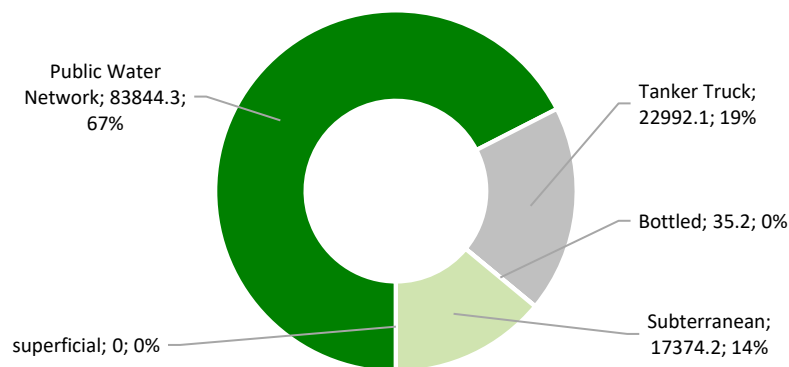
GRI 303-3 a, 303-5 a (2018)

In the service processes of the corporation's companies, water is used mainly for washing machinery in the workshops and for cooling; it is also used for domestic purposes, such as hygiene of the corporation's employees and food preparation.

The water used by 52 sites analyzed, representing 89.7% of the corporation's sales, mainly comes from public supply systems (68.2%), while 13.6% comes from an extracted subway source and 18.2% is acquired through tanker trucks.



**Water consumption by type of source - year 2022 (m3)**



\*Data taken for this graph are shown at the end of the section, in numeral 2.3.5.

### **Management and practices adopted to reduce water consumption.**

Since 2017, the corporation has been adopting different measures to reduce water consumption. Each of the subsidiary companies has implemented different actions that lead to that goal, such as the installation of flow regulators in faucets to save water, which in 2022 was implemented at the headquarters of Ferreyros (Industrial and Chimbote), Soltrak (Callao) and Unimaq (Lurín); water treatment plants have also been improved and installed that allow reuse in production processes for irrigation, development of awareness campaigns and constant monitoring for the timely repair of leaks.

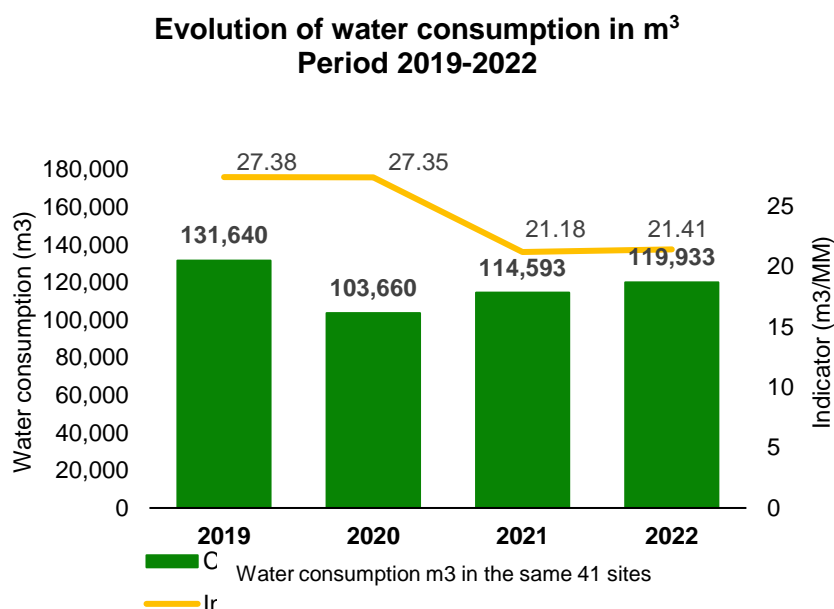
In 2022, Ferreycorp received its first Blue Certificate from the National Water Authority, a recognition granted to water-responsible companies that implement a social project to measure and reduce water consumption at one of their facilities. Thus, the corporation selected the Ferreyros Parts Distribution Center (CDR), located in Callao, which supplies more than 30 warehouses of this flagship company throughout Peru, as the site where the project would be implemented, achieving a reduction of more than 30% in water consumption, equivalent to 6,135 m<sup>3</sup> of water. Likewise, through the mechanism of

Works for Taxes, the corporation executed the social impact project called Expansion and Improvement of the Drinking Water System and Treatment Plant of the capital of the district of Colquepata, province of Paucartambo Cusco, which benefited more than 2,000 people who experienced an increase in the availability of drinking water of more than 126,000 m<sup>3</sup> per year.

### Evolution of water consumption and water intensity

In 2022, the measurement coverage of the water consumption indicator has been modified to include Ferreycorp, Ferreyros, Fargoline, Trex Peru, Orvisa (and its related companies Motomaq and Servitec), Soltrak, Unimaq, Forbis Logistics, Soluciones Sitech Peru, Ferrenergy, in Peru and Trex in Chile. The water consumption of the 52 locations of these subsidiaries was 124,245.8 m<sup>3</sup>, not including mining operations.

The graph shows the evolution of water consumption in the four recent years, considering the same 41 sites of the aforementioned companies, showing an increase in water consumption of 4.7% in 2022 with respect to 2021.



*The information in this graph differs from that shown in the 2021 Report, since different sites are being considered for the calculation of energy consumption, due to the removal of closed sites and the addition of mining operations. However, the same sites and operations have been included for the four recent years to make the data comparable.*

The increase in water consumption in 2022 is due to the resumption of operations at the sites analyzed, as a result of the economic reactivation generated after the confinement of the COVID 19 sanitary emergency, as well as the increased activities in workshops and offices compared to those in 2021, among other factors.

However, we have graphed the water intensity (yellow line), as an indicator of efficiency, which shows a sustained decrease in the amount of water consumed per million soles in sales during the four years reported. It can also be observed that water consumption is more efficient in the post-pandemic years, supported by both the increase in sales and the water saving measures taken during that period (installation of flow regulators and repair of leaks).

## Water Footprint Measurement

With the commitment to reduce water consumption, in 2019 the 2018 water footprint measurement of the Ferreyros Operations Complex in La Joya, in Arequipa, the second largest operational headquarters nationwide, was carried out. In 2021, the 2020 water footprint of the Rentafer headquarters, where rental and sale of used equipment services are provided, was measured, and in 2022 the water footprint of the Fargoline company at the Callao headquarters was measured for the year 2021.

These results constitute a tool for monitoring the quantity, quality and impact of direct and indirect water consumption throughout the production process over a period of one year.

### Water Footprint (m<sup>3</sup>)

Site	Direct water usage	Indirect use – Supply Chain	Indirect Use – Energy and Transport	Total
CDR (2017)	3,487.50	1,912.54	19,413.58	24,813.62
La Joya (2018)	4,004.37	712.32	23,325.64	28,042.33
Rentafer (2020)	913.68	23,388.89	11,479.55	35,782.12
Fargoline Callao (2021)	785.30	739.74	79,229.62	80,755.66

## Water consumption in water-stressed areas

Water stress occurs when the demand for water is higher than the quantity available during a given period or when its use is restricted due to low quality.

To better understand the risks associated with water consumption and its impact on the environment as well as on processes and services, it is necessary to visualize the availability of the resource at the operating sites. In this way, it is possible to plan and take action for a better management of this resource.

To this end, Ferreycorp has conducted an analysis of its locations in Peru using the "Aqueduct" platform of the World Resources Institute (WRI). This analysis allows us to make better decisions regarding the implementation of projects related to the best use of water considering the environment in which it operates, as well as to foresee future changes in the availability of this resource.

### Water consumption by water stress zone

Water stress category	Water Consumption by category of water stress (m3)	Water Consumption by category of water stress %
Low (<10% de water stress)	86049.4	69.26%
Low-medium (10%-20% water stress)	4020.4	3.24%
High (40% - 80% water stress)	1410.4	1.14%
Extremely high (>80% of water stress)	32765.6	26.37%
<b>TOTAL</b>	<b>124,245.78</b>	<b>100%</b>

The water stress categories at each site location were obtained from the platform <https://www.wri.org/aqueduct>

## Industrial and domestic wastewater management

Ferreycorp, by using water both for domestic use and for its machinery repair service processes, generates both domestic wastewater (from human consumption and use) and non-domestic or industrial wastewater (from washing machinery, some cooling processes and canteens).

In order to prevent any type of negative environmental impact associated with the management of this wastewater and seeking to improve its quality and allow its reuse in washing processes, most of the workshops have primary treatment systems for industrial wastewater (machinery washing).

On the other hand, at sites where greater treatment is required, either because of the quality of the effluent or the characteristics of the receiving body, there are secondary treatment plants (physicochemical, aeration, etc.) for both domestic and industrial wastewater.

In 2022, two new wastewater treatment plants (WWTP) were built at the Lambayeque branch, for both domestic wastewater and wash water, in order to reuse the treated water in washing processes and for irrigating green areas.

Likewise, in 2022, the environmental monitoring service continued, in compliance with the corporate effluent monitoring program in most of the corporation's facilities, through the service of accredited laboratories.

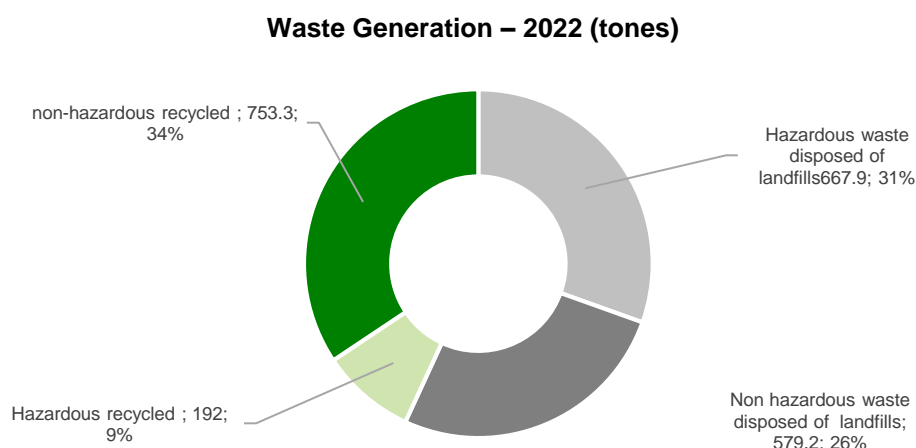
## 5.3.5 Responsible waste management

### Waste generated and its management

GRI 306-3, GRI 306-4, GRI 306-5 (2020)

In 2022, the measurement coverage of this indicator has also been modified to include Ferreycorp, Ferreyros, Fargoline, Trex Peru, Orvisa (and its related companies Motomaq and Servitec), Soltrak, Unimaq, Forbis Logistics, Soluciones Sitech Peru, Ferrenergy, in Peru and Trex in Chile.

Waste generation in 2022 in the companies evaluated (52 sites) was equal to 2,192.5 metric tons.



\* Data taken for this graph is shown at the end of the section, in numeral 2.3.5.

During the year 2022, the percentage of recycled waste in the corporation reached 43% of the total waste generated, which shows an improvement of 3.6% over the previous year.

**Breakdown of waste by type of waste generated in 2022 (metric tons)**

Type of Operation	Type of Waste	Total Metric Tons	Percentage
Non Recycled	Bio contaminated	0.2	0.01%
	Demolition debris	0.0	0.00%
	General Black garbage can	577.0	26.32%
	Coolant liquids, solvents, oils	50.0	2.28%
	Organics sent to landfill	2.2	0.10%
	Hazardous solids	617.8	28.18%
<b>Non Recycled Total</b>		<b>1247.1</b>	<b>56.88%</b>
Recycled	Oil	183.1	8.35%
	Cooking oil	0.0	0.00%
	Batteries	7.6	0.35%
	Cardboard	95.1	4.34%
	Scrap	509.3	23.23%
	Wood	107.4	4.90%
	Composted organics	7.1	0.33%
	Paper	27.9	1.27%
	Plastic, PET, bottle caps	6.5	0.29%
	WEEE (electrical and electronic waste)	1.3	0.06%
	Solvent	0.0	0.00%
	Toners	0.0	0.00%
Glass	0.0	0.00%	
<b>Total Recycled</b>		<b>945.4</b>	<b>43.12%</b>
<b>Total waste generated in 2022</b>		<b>2192.5</b>	<b>100%</b>

**Management and practices adopted for proper waste management.**

Within the framework of good waste management and disposal practices adopted by Ferreycorp and its subsidiaries, during 2022 the corporation continued to work with specialized companies. Likewise, for the recycling of non-hazardous waste at branch offices, it was possible to initiate collection through formalized recyclers, as well as municipal source segregation programs.

All hazardous waste generated is transported by authorized companies and disposed of in secure landfills and/or authorized recycling systems within the country. The corporation tendered the waste transportation service on a nationwide basis through a route-based collection system, optimizing the use of resources and reducing the carbon footprint associated with transportation. There are also corporate contracts for recyclable oil and scrap metal.

Ferreycorp has ensured that these companies are socially responsible, that they comply with current environmental regulations, that they have qualified personnel for their functions, and that they ensure that waste is sent to recycling, treatment and/or authorized landfills.

We also continued with the corporate agreement with Asociación de Ayuda al Niño Quemado (Aniquem), thanks to which we have been able to donate 61,040 metric tons of waste to finance therapies for patients.

## Destination of recyclable wastes

Waste	Management
Waste oil	It is sent to the company WR Ingenieros, which recycles them through physical-chemical processes and the use of additives, prolonging their useful life and converting them into raw material (lubricating oils).
Metallic wastes	<ul style="list-style-type: none"> <li>▪ Casting of parts or spares that cannot be recovered and are categorized as non-reusable.</li> <li>▪ Return of new parts to Caterpillar.</li> <li>▪ Return to customers (some cases), when obtained during the process of repairing machinery.</li> </ul>
Waste electrical and electronic equipment  WEEE	<p>IT and telecommunications equipment is managed under a corporate agreement.</p> <p>This waste is sent to a WEEE operator who is responsible for transportation, dismantling, decontamination, sorting, segregation, shredding, pressing, compacting and reuse of recyclable parts.</p>
Batteries	They are marketed with authorized EO-RS who are in charge of recycling.
Paper, Cardboard, Plastic, Glass	<ul style="list-style-type: none"> <li>▪ There is a corporate agreement with the Asociación de Ayuda al Niño Quemado (Aniquem) which, through recycling, generates income for the benefit of children.</li> <li>▪ In cities where Aniquem does not have coverage, or in those cities that do not achieve the minimum collection, this waste is donated to associations of formalized recyclers or given to municipal recycling programs.</li> </ul>
Wood	As with paper, plastic cardboard and glass, reusable wood is donated to associations of formalized recyclers, carpentry for remanufacturing pallets and boxes, or given to municipal recycling programs. Ultimately, landfill disposal is considered.

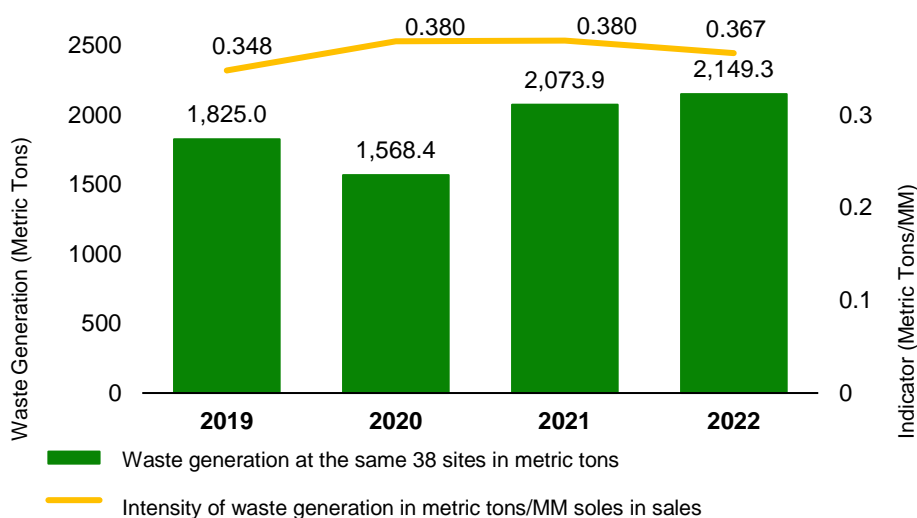
During 2022, awareness campaigns were carried out and improvements were made to the central warehouses. In addition, a Corporate Recyclathon was held, which collected 23.89 metric tons of paper, cardboard, plastic bottles and bottle caps, and included awareness-raising activities in different locations nationwide.

On the other hand, since the publication of the "Special Regime for the Management of End-of-Life Tires (ELT)" in 2021, which involves five companies (Ferreyros, Unimaq, Orvisa, Soltrak and Trex Peru), their management plans have been approved. The companies are currently evaluating the best alternative for the valorization of the ELT.

In 2022, Ferreyrcorp held its first "Sinbasura" (Withoutgarbage) event, in which it collected more than one ton of waste, mainly organic (991.4 kg) and inorganic waste (54.7 kg) such as bottles, cans, cardboard, bottle caps, etc. As a result, 1.4 tons of carbon were avoided, equivalent to the planting of 24 trees. On the other hand, it is worth mentioning that at the Surco site we have been working with the same specialized supplier for the recovery of organic waste, contributing to the reduction of the carbon footprint at this site.

An important milestone worked on in 2022 and materialized in early 2023 is the signing of a Clean Production Agreement with the Ministry of the Environment, whose purpose is to achieve goals related to the circular economy of the product (valorization), to have a more eco-efficient packaging and to train employees and support a local government in the management of its waste in Waste Management and Handling. The agreement will have a duration of one year.

### Evolution of waste generation in metric tons Period 2019-2022



*The information in this graph differs from that shown in the 2021 Report, since different sites are being considered for the calculation of energy consumption, due to the removal of closed sites and the addition of mining operations. However, the same sites and operations have been included for the four recent years to make the data comparable.*

The increase in waste generation in 2022 compared to the previous year was 1.3%, due to a higher level of activities in the operations at the analyzed sites. The growth of 18% compared to 2019 is due to the economic reactivation generated after the confinement due to the COVID 19 sanitary emergency, as well as increased activities in workshops and offices, among other factors.

However, we have also graphed the intensity of waste generation (yellow line), which is an indicator of efficiency; in the first three years there is an increase in the amount of waste generated per million soles in sales. Meanwhile, in 2022 this indicator is reversed and shows greater efficiency as a result of the increase in sales and the measures adopted (greater reuse of waste to extend its useful life; the reuse of wooden and cardboard boxes; the reutilization of solvents; and raising awareness among employees through the environmental course and activities such as the Corporate Recyclathon).



## 3.3.5 Environmental Data

Energy consumption disaggregated by type and origin (GJ)

Year	Type	Origen	Ferreycorp	Ferreyros	Fargoline	Motored	Motriza	Orvisa	Soltrak	Unimaq	Trex Chile	Forbis	Ferrenergy	Sitech	Motomaq	TOTAL	Coverage	
2019	Renewable Energy	% SEIN* renewable	4540.3	18095.0	1812	1076.3	191.1	468.7	926.7	2198.7	NR	NR	NR	NR	NR	29309.2	86.9% sales 58 sites 18 mining op.	
		Solar photovoltaic generated	0	679.6	0	0	0	0	0	0	NR	NR	NR	NR	NR	NR		679.6
		<b>SUB - TOTAL</b>	<b>4540.3</b>	<b>18775</b>	<b>1812</b>	<b>1076.3</b>	<b>191.1</b>	<b>468.7</b>	<b>926.7</b>	<b>2198.7</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>		<b>29988.8</b>
	Non Renewable Energy	% SEIN nonrenewable Peru	2761.8	11007.3	1102.3	654.7	116.2	285.1	563.7	1337.4	NR	NR	NR	NR	NR	NR		17828.5
		Isolated electrical systems	0	0	0	0	0	838.5	0	0	NR	NR	NR	NR	NR	NR		838.5
		Diesel	0	59934.8	28835.3	599.2	400.2	2063.5	3815.1	4055.8	NR	NR	NR	NR	NR	NR		99703.9
		GLP	0	2943.5	0	19	5.3	0	177.7	0	NR	NR	NR	NR	NR	NR		3145.6
Gasoline	0	682.5	0	190.1	0	0	305.2	801.9	NR	NR	NR	NR	NR	NR	1979.8			
<b>SUB - TOTAL</b>	<b>2761.8</b>	<b>74568.2</b>	<b>29937.5</b>	<b>1463</b>	<b>531.8</b>	<b>3187.1</b>	<b>4861.8</b>	<b>6195.1</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>123496.2</b>			
<b>TOTAL 2019</b>		<b>7302.1</b>	<b>93343.1</b>	<b>31749.6</b>	<b>2539.3</b>	<b>712.9</b>	<b>3655.7</b>	<b>5788.4</b>	<b>8393.8</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>153485</b>		
2020	Renewable Energy	% SEIN renewable Peru	0	7239	31	873.9	171.6	310.4	40.8	1972.6	0	NR	NR	NR	NR	10639.3	90.21% sales 61 sites 19 mining op	
		% SEIN renewable Chile	0	0	0	0	0	0	0	0	112.3	NR	NR	NR	NR	NR		112.3
		Solar photovoltaic generated	0	905.7	0	0	0	0	0	0	0	NR	NR	NR	NR	NR		905.7
		Renewable purchased	4734.5	13024.1	3410.2	0	0	0	997	0	0	NR	NR	NR	NR	NR		22166.5
		<b>SUB - TOTAL</b>	<b>4734.5</b>	<b>21168.7</b>	<b>3441.2</b>	<b>873.9</b>	<b>171.6</b>	<b>310.4</b>	<b>1038.6</b>	<b>1972.6</b>	<b>112.3</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>		<b>33823.8</b>
	Non Renewable Energy	% SEIN renewable Peru	0	3817.8	16.4	460.9	90.5	163.7	21.5	1040.3	0	NR	NR	NR	NR	NR		5611.1
		Isolated electrical systems	0	0	0	0	0	472.4	0	0	0	NR	NR	NR	NR	NR		472.4
% SEN no renewable Chile		0	0	0	0	0	0	0	0	146.5	NR	NR	NR	NR	NR	146.5		
Diesel		46.5	51667.3	22643.3	615.3	660	1514.9	3394.6	4922.8	4133.4	NR	NR	NR	NR	NR	89598		
GLP	0	4213.7	0	228.2	0	0	184.2	581.8	0	NR	NR	NR	NR	NR	5207.9			
Gasoline	197.3	534.4	0	65.5	0	0	223	1224.6	0	NR	NR	NR	NR	NR	2244.8			
<b>SUB - TOTAL</b>	<b>243.8</b>	<b>60233.2</b>	<b>22659.6</b>	<b>1369.9</b>	<b>750.4</b>	<b>2151</b>	<b>3823.2</b>	<b>7769.5</b>	<b>4279.9</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>103280.7</b>			
<b>TOTAL 2020</b>		<b>4978.3</b>	<b>81401.9</b>	<b>26100.8</b>	<b>2243.8</b>	<b>922</b>	<b>2461.4</b>	<b>4861.8</b>	<b>9742.1</b>	<b>4392.2</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>137104.5</b>		
2021	Renewable Energy	% SEIN renewable Peru	21.9	9030.4	9.3	0	138	353.7	80.3	1728.9	0	52.3	0	0	NR	11414.7	87.07% sales 51 individual and shared sites 24 mining op	
		Solar photovoltaic generated	0	438.2	0	0	0	0	0	0	0	0	0	0	NR	438.2		
		Renewable purchased	408.7	19174.4	2398.5	0	0	0	1594.8	340.1	0	0	0	81.7	NR	23989.3		
		<b>SUB - TOTAL</b>	<b>430.6</b>	<b>28643</b>	<b>2398.8</b>	<b>0</b>	<b>138</b>	<b>353.7</b>	<b>1675.1</b>	<b>2069.1</b>	<b>0</b>	<b>52.3</b>	<b>0</b>	<b>81.8</b>	<b>NR</b>	<b>35842.3</b>		
	Non Renewable Energy	% SEIN renewable Peru	13.2	5471.1	5.6	0	83.6	214.3	48.6	1047.5	0	31.7	0	0	NR	6915.7		
		Isolated electrical systems	0	0	0	0	0	674.6	0	0	0	0	0	0	NR	674.6		
		Diesel	0	32643.3	23159.2	0	301.5	1938	3743.2	5076.6	0	0	0	0	NR	66861.6		
GLP		0	5022.4	0	0	0	0	283.9	1259.3	0	0	0	0	NR	6565.5			
Gasoline	231.2	1365.8	0	0	0	0	243.1	396.3	0	0	0	0	NR	2236.3				
<b>SUB - TOTAL</b>	<b>244.5</b>	<b>44502.6</b>	<b>23164.8</b>	<b>0</b>	<b>385.1</b>	<b>2826.8</b>	<b>4318.7</b>	<b>7779.5</b>	<b>0</b>	<b>31.7</b>	<b>0</b>	<b>0</b>	<b>NR</b>	<b>83253.6</b>				
<b>TOTAL 2021</b>		<b>675.1</b>	<b>73145.6</b>	<b>25563.5</b>	<b>0</b>	<b>523.1</b>	<b>3180.5</b>	<b>5993.8</b>	<b>9848.6</b>	<b>0</b>	<b>84</b>	<b>0</b>	<b>81.8</b>	<b>NR</b>	<b>119095.9</b>			
2022	Renewable Energy	% SEIN renewable Peru	70.9	2462.9	125.7	0	85.4	356.7	67.7	1430.7	232.3	52.8	0	0	0	4885.1	89.74% sales 52 individual and shared	
		Solar photovoltaic generated	0	1179.2	0	0	0	0	0	0	0	0	0	0	0	1179.2		
		Renewable purchased	817.8	29615.8	2676.8	0	0	0	1688	334.6	0	0	0	28.2	0	35161.1		
		<b>SUB - TOTAL</b>	<b>888.7</b>	<b>33257.9</b>	<b>2802.5</b>	<b>0</b>	<b>85.4</b>	<b>356.7</b>	<b>1755.7</b>	<b>1765.3</b>	<b>232.2</b>	<b>52.8</b>	<b>0</b>	<b>28.2</b>	<b>0</b>	<b>41225.4</b>		

Non Renewable Energy	% SEIN renewable Peru	55	1909.4	97.5	0	66.2	276.5	52.5	1109.2	180.1	40.9	0	0	0	<b>3787.2</b>	sites 27 mining op
	Isolated electrical systems	0	0	0	0	0	690.5	0	0	0	0	0	0	0	<b>690.5</b>	
	Diesel	35.4	34212.2	23594.2	0	344	2142.8	463.2	9393.2	9346.1	0	0	0	721.3	<b>80252.5</b>	
	GLP	0	5316.1	0	0	0	0	39	1464.8	0	0	0	0	0	<b>6819.9</b>	
	Gasoline	122	1058.9	0	0	0	0	38.2	1594.9	1049	0	0	0	0	<b>3862.9</b>	
	<b>SUB - TOTAL</b>	<b>212.4</b>	<b>42496.5</b>	<b>23691.7</b>	<b>0</b>	<b>410.2</b>	<b>3109.8</b>	<b>592.9</b>	<b>13562.1</b>	<b>10575.1</b>	<b>40.9</b>	<b>0</b>	<b>0</b>	<b>721.3</b>	<b>95413</b>	
<b>TOTAL 2022</b>	<b>1101.1</b>	<b>75754.4</b>	<b>26494.2</b>	<b>0</b>	<b>495.6</b>	<b>3466.5</b>	<b>2348.6</b>	<b>15327.4</b>	<b>10807.4</b>	<b>93.7</b>	<b>0</b>	<b>28.2</b>	<b>721.3</b>	<b>136638.4</b>		

\* SEIN: National Interconnected Electrical System (of Peru): Administered by COES. The % of renewable energy was downloaded from COES statistics of the annual accumulated to December 2022..

\*\* The conversion factors for the different types of energy and units correspond to those of Infocarbono <http://infocarbono.minam.gob.pe/wp-content/uploads/2016/06/Factores-por-defecto-Final-17-03-2016.xlsx>

\*\*\* The company Motriza shows a variation in energy consumption with respect to the previous year, this is due to the fact that they moved premises and reorganized the structure of the company.

\*\*\*\* The CDR headquarters in 2021 has been consolidated within the company Ferreyros as opposed to 2020 when it was consolidated within Ferreyrcorp, this is due to a change in the consolidation approach for this headquarters from shareholding to operational control.

\*\*\*\*\* (GRI 2-4) Variation with the 2020 Report: the accounting of headquarters in the 2020 report was done by counting all the headquarters individually; in 2021 the count is done by differentiating between individual and shared headquarters, counting the latter only once. For this reason, there are variations in the 2020 headquarter count in the 2020 Report.

### Water Consumption (m3)

Year	Water Source	Type	Ferreyrcorp	Ferreyros	Fargoline	Motored	Motriza	Orvisa	Soltrak	Unimaq	Trex Chile	Forbis	Ferreenergy	Sitech	Motomaq	TOTAL	Covergae	
2019	Third Party Water	Public Water Network	24789	50176.8	0	3913	1486.5	821	7093.8	14135.9	NR	NR	NR	NR	NR	102416	58 sites 86.9% sales	
		Tanker Truck	0	18291	1480.3	2141.8	0	0	0	0	0	NR	NR	NR	NR	NR		21913.1
		Bottled	0	20.2	3.2	9.6	0	0	0	0.3	0	NR	NR	NR	NR	NR		33.3
	Water Withdrawn	subterranean	0	9884.4	9884.4	0	0	5277.4	0	5017.5	NR	NR	NR	NR	NR	NR		23088.4
		superficial	0	0	0	0	0	0	0	0	0	NR	NR	NR	NR	NR		0
<b>TOTAL 2019</b>			<b>24789</b>	<b>78372.4</b>	<b>78372.4</b>	<b>6064.4</b>	<b>1486.5</b>	<b>6098.4</b>	<b>7093.8</b>	<b>19153.7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>147450.8</b>		
2020	Third Party Water	Public Water Network	15316.5	42909.7	0	2960	1564	836	4276	7377	2175	NR	NR	NR	NR	75239.2	61 sites 90.21% sales	
		Tanker Truck	0	16671.5	380.7	1302.2	0	0	0	1717.6	692	NR	NR	NR	NR	NR		20072
		Bottled	0	0	0	0	0	0	0	0	0	NR	NR	NR	NR	NR		0
	Water Withdrawn	subterranean	0	8523.2	3523.2	0	0	2487.8	0	7327.0	0	NR	NR	NR	NR	NR		21663.8
		superficial	0	0	0	0	0	0	0	0	0	NR	NR	NR	NR	NR		0
<b>TOTAL 2020</b>			<b>15316.5</b>	<b>68104.4</b>	<b>3706.5</b>	<b>4262.2</b>	<b>1564</b>	<b>3323.8</b>	<b>4276</b>	<b>16421.6</b>	<b>2867</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>119842</b>		
2021	Third Party Water	Public Water Network	2238.2	60544.9	0	NR	1139	712	3215.7	8650.4	NR	180.0	0	370.7	NR	77050.9	51 individual and shared sites 87.07% sales	
		Tanker Truck	0	18790	720.1	NR	65	0	22.9	851.9	NR	0	0	0	NR	20449.9		
		Bottled	0	46.86	0	NR	0	0	0	0	NR	0	0	0	NR	46.9		
	Water Withdrawn	subterranean	0	8045.4	3588	NR	0	4571.7	169.3	5420.3	NR	0	0	0	NR	21794.7		
		superficial	0	0	0	NR	0	0	0	0	NR	0	0	0	NR	0.0		
<b>TOTAL 2021</b>			<b>2238.2</b>	<b>87427.1</b>	<b>4308.1</b>	<b>0</b>	<b>1204</b>	<b>5283.7</b>	<b>3407.9</b>	<b>14922.6</b>	<b>0</b>	<b>180.0</b>	<b>0.0</b>	<b>370.7</b>	<b>0</b>	<b>119342.3</b>		
2022	Third Party Water	Public Water Network	5031.9	60745.4	0	NR	686.6	645	4642	8690.5	2659	636	0	108	0	83844.3	52 individual and shared sites 89,74% sales	
		Tanker Truck	0	18826.3	1161.9	NR	31	0	23.3	2469.7	480	0	0	0	0	22992.1		
		Bottled	0	35.2	0	NR	0	0	0	0	0	0	0	0	0	35.2		
	Water Withdrawn	subterranean	0	9736.4	3261.9	NR	0	2795.6	189.8	1390.6	0	0	0	0	0	17374.2		
		superficial	0	0	0	NR	0	0	0	0	0	0	0	0	0	0		
<b>TOTAL 2022</b>			<b>5031.9</b>	<b>89343.2</b>	<b>4423.7</b>	<b>0</b>	<b>717.6</b>	<b>3440.6</b>	<b>4855.1</b>	<b>12550.8</b>	<b>3139</b>	<b>636</b>	<b>0</b>	<b>108</b>	<b>0</b>	<b>124245.8</b>		

\* During 2022, 99,634 m3 (80.2%) of fresh water (water whose total dissolved solids TDS <1000 ppm) and 24,612 m3 (19.8%) of water whose TDS >= 1,000 ppm were consumed

**Waste generation by type (metric tons)**

Year	Type of Management	Type of Waste	Ferreycorp	Ferreyros	Fargoline	Motored	Motriza	Orvisa	Soltrak	Unimaq	Trex	Forbis	Ferrenergy*	Sitech	Motomaq	TOTAL	Coverage		
2019	Recycled	Non hazardous	2.4	776.3	20.5	21.2	1	5.7	3.2	5.9	NR	NR	NR	NR	NR	836.1	86.9% sales 58 sites		
		Hazardous	0	189.8	13.1	37.5	4.6	0.2	5.6	35.5	NR	NR	NR	NR	NR	286.1			
		Electronic Waste	0	2.5	0	0	0	0	0	0.2	0	NR	NR	NR	NR	NR		2.6	
		<b>TOTAL RECYCLED</b>	<b>2.4</b>	<b>968.5</b>	<b>33.5</b>	<b>58.7</b>	<b>5.6</b>	<b>5.8</b>	<b>8.9</b>	<b>41.4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1124.9</b>			
	Disposal in landfill (sanitary/secure)	Non hazardous	62.6	298.5	137.5	8.7	5.1	6.9	13.1	0	NR	NR	NR	NR	NR	NR		532.3	
		Hazardous	0.5	172.6	11.9	1.9	0.4	0.4	4.1	25.6	NR	NR	NR	NR	NR	NR		217.4	
		<b>TOTAL DISPOSED</b>	<b>63.2</b>	<b>471</b>	<b>149.4</b>	<b>10.6</b>	<b>5.5</b>	<b>7.4</b>	<b>17.2</b>	<b>25.6</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>		<b>749.7</b>	
	<b>TOTAL 2019</b>		<b>65.5</b>	<b>1439.6</b>	<b>182.9</b>	<b>69.3</b>	<b>11.1</b>	<b>13.2</b>	<b>26.1</b>	<b>67</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1874.6</b>			
	2020	Recycled	Non hazardous	106.7	503.4	34.3	9.3	4.0	3.3	3.3	12.3	0	NR	NR	NR	NR		676.6	90.21% sales 61 individual and shared sites
			Hazardous	0	119.1	10.0	30.7	0.1	0	1.4	36.0	0	NR	NR	NR	NR		NR	
Electronic Waste			0	0.0	0	0	0	0	0	0.2	0.0	0	NR	NR	NR	NR	0.2		
<b>TOTAL RECYCLED</b>			<b>106.7</b>	<b>622.5</b>	<b>44.4</b>	<b>40.0</b>	<b>4.1</b>	<b>3.3</b>	<b>4.9</b>	<b>48.3</b>	<b>0</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>874.1</b>		
Disposal in landfill (sanitary/secure)		Non hazardous	41.1	166.0	145.8	10.7	0.6	3.6	9.3	59.6	0	NR	NR	NR	NR	NR	436.7		
		Hazardous	2.9	300.3	4.7	3.5	0.6	0.1	3.2	35.2	1.9	NR	NR	NR	NR	NR	352.2		
		<b>TOTAL DISPOSED</b>	<b>44.0</b>	<b>466.3</b>	<b>150.6</b>	<b>14.2</b>	<b>1.2</b>	<b>3.7</b>	<b>12.4</b>	<b>94.7</b>	<b>1.9</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>789.0</b>		
<b>TOTAL 2020</b>		<b>150.7</b>	<b>1088.7</b>	<b>194.9</b>	<b>54.2</b>	<b>5.2</b>	<b>7.0</b>	<b>17.3</b>	<b>143.1</b>	<b>1.9</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>NR</b>	<b>1663.1</b>			
2021	Recycled	Non-hazardous **	0.7	607.5	2.9	0	16.8	4.5	2.5	36.5	0.1	0.4	23.6	0	NR	695.4	87.07% sites 51 individual and shared sites		
		Hazardous	0	122.9	5.5	0	0.1	0.0	2.2	13.7	5.1	0.1	1.0	0	NR	150.5			
		Electronic Waste	0	0	0	0	0	0	0	0	0	0	0	0	NR	0.0			
		<b>TOTAL RECYCLED</b>	<b>0.7</b>	<b>730.4</b>	<b>8.4</b>	<b>0</b>	<b>16.9</b>	<b>4.5</b>	<b>4.7</b>	<b>50.2</b>	<b>5.2</b>	<b>0.5</b>	<b>24.6</b>	<b>0</b>	<b>NR</b>	<b>845.9</b>			
	Disposal in landfill (sanitary/secure)	Non-hazardous ***	6.7	481.9	124.8	0	2.0	14.7	14.0	57.5	4.9	0.5	10.2	0	NR	717.1			
		Hazardous	0.0	501.4	1.6	0	2.7	0.1	3.1	53.4	1.5	0	16.0	0	NR	579.8			
		<b>TOTAL DISPOSED</b>	<b>6.7</b>	<b>983.3</b>	<b>126.5</b>	<b>0</b>	<b>4.7</b>	<b>14.7</b>	<b>17.1</b>	<b>110.9</b>	<b>6.3</b>	<b>0.5</b>	<b>26.2</b>	<b>0</b>	<b>NR</b>	<b>1296.9</b>			
<b>TOTAL 2021</b>		<b>7.5</b>	<b>1713.7</b>	<b>134.9</b>	<b>0</b>	<b>21.5</b>	<b>19.2</b>	<b>21.8</b>	<b>161.1</b>	<b>11.5</b>	<b>1</b>	<b>50.7</b>	<b>0</b>	<b>NR</b>	<b>2142.8</b>				
2022	Recycled	Non-hazardous **	9	651.1	11.6	0	6.1	4.9	6.7	63.6	0.1	0.3	0	0	0	753.3	89.74% sales 52 individual and shared sites		
		Hazardous	0.2	147.4	6.7	0	0.1	1.3	3.7	21.9	10.5	0.2	0	0	0	192			
		<b>TOTAL RECYCLED</b>	<b>9.2</b>	<b>798.5</b>	<b>18.4</b>	<b>0</b>	<b>6.2</b>	<b>6.2</b>	<b>10.4</b>	<b>85.4</b>	<b>10.6</b>	<b>0.5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>945.3</b>			
	Disposal in landfill (sanitary/secure)	Non-hazardous ***	15.6	346.2	142.7	0	1.8	4.4	10.9	56.7	0.1	0.9	0	0	0	579.2			
		Hazardous	0	602.8	6	0	1	0.9	3.6	44.7	6.3	0	2.5	0	0	667.9			
		<b>TOTAL DISPOSED</b>	<b>15.6</b>	<b>949</b>	<b>148.7</b>	<b>0</b>	<b>2.8</b>	<b>5.3</b>	<b>14.5</b>	<b>101.4</b>	<b>6.4</b>	<b>0.9</b>	<b>2.5</b>	<b>0</b>	<b>0</b>	<b>1247.1</b>			
		<b>24.8</b>	<b>1747.5</b>	<b>167</b>	<b>0</b>	<b>9.1</b>	<b>11.5</b>	<b>25</b>	<b>186.8</b>	<b>16.9</b>	<b>1.5</b>	<b>2.5</b>	<b>0</b>	<b>0</b>	<b>2192.5</b>				

\* None of the waste generated at Ferreycorp is destined for incineration, whether with or without energy recovery. According to GRI 306-3, the waste reported here excludes effluents. Likewise, all waste reported has been managed off-site.

**Location Based Carbon Footprint (Location Based Emissions) of categories 1,2,3 and 4 of the corporation's subsidiaries located in Peru and Chile (met. ton. CO2e)**

Year	Category	Ferreycorp	Ferreyros	Fargoline	Motriza	Orvisa	Soltrak	Unimaq	Trex	Forbis	Ferrenergy	Sitech	Motomaq	Servitec	TOTAL	Coverage
2022	Category/Scope 1	20.07	2864.35	1602.53	23.38	191.28	32.78	848.16	709.76	14.39	0.12	0.00	55.26	0.00	<b>6362.08</b>	89.74% sales 52 individual and shared sites 27 operations
	Category/Scope 2	52.57	1885.35	161.55	8.44	172.01	117.93	159.19	47.28	5.22	0.00	1.57	0.00	0.00	<b>2611.11</b>	
	Category 3/Scope 3	111.03	3437.71	38.05	80.40	154.64	512.69	592.50	197.14	0.42	98.88	74.29	3.65	0.01	<b>5301.41</b>	
	Category 4/ Scope 3	1.67	27.04	137.55	0.31	0.21	1.67	3.77	1.07	10.98	22.81	0.08	0.04	0.00	<b>207.2</b>	
	<b>Total</b>	<b>185.34</b>	<b>8214.44</b>	<b>1939.69</b>	<b>112.52</b>	<b>518.15</b>	<b>665.06</b>	<b>1603.59</b>	<b>955.25</b>	<b>31.00</b>	<b>121.81</b>	<b>75.94</b>	<b>58.95</b>	<b>0.01</b>	<b>14481.75</b>	
	<b>Biogenic Emissions (CO2)</b>	0.58	76.07	47.69	0.70	4.39	0.72	25.13	23.91	0.00	0.00	0.00	1.60	0.00	<b>180.79</b>	

**Market Based Carbon Footprint (Market Based Emissions) of categories 1,2,3 and 4 of the corporation's subsidiaries located in Peru and Chile (met. ton. CO2e)**

Year	Category	Ferreycorp	Ferreyros	Fargoline	Motriza	Orvisa	Soltrak	Unimaq	Trex	Forbis	Ferrenergy	Sitech	Motomaq	Servitec	TOTAL	Coverage
2022	Category/Scope 1	20.07	2864.35	1602.53	23.38	191.28	32.78	848.16	709.76	14.39	0.12	0.00	55.26	0.00	<b>6362.08</b>	89.74% sales 52 individual and shared sites 27 operations
	Category/Scope 2	7.01	235.55	12.44	8.44	172.01	6.74	140.55	47.28	5.22	0.00	0.00	0.00	0.00	<b>635.24</b>	
	Category 3/Scope 3	111.03	3437.71	38.05	80.40	154.64	512.69	592.50	197.14	0.42	98.88	74.29	3.65	0.01	<b>5301.41</b>	
	Category 4/ Scope 3	1.67	27.04	137.55	0.31	0.21	1.67	3.77	1.07	10.98	22.81	0.08	0.04	0.00	<b>207.2</b>	
	<b>Total</b>	<b>139.78</b>	<b>6564.64</b>	<b>1790.58</b>	<b>112.52</b>	<b>518.15</b>	<b>553.88</b>	<b>1584.98</b>	<b>955.25</b>	<b>31.00</b>	<b>121.81</b>	<b>74.37</b>	<b>58.95</b>	<b>0.01</b>	<b>12505.92</b>	
	<b>Biogenic Emissions (CO2)</b>	0.58	76.07	47.69	0.70	4.39	0.72	25.13	23.91	0.00	0.00	0.00	1.60	0.00	<b>180.79</b>	

**Carbon Footprint breakdown of categories 3 and 4 / scope 3 (met. ton CO2e)**

CATEGORY	Source	Ferreycorp	Ferreyros	Fargoline	Motriza	Orvisa	Soltrak	Unimaq	Trex Chile	Forbis	Ferrenergy	Sitech	Motomaq	Servitec	TOTAL
CATEGORY 3	Personnel Transportation	2.54	114.59	9.61	7.08	NR	21.46	82.24	NR	0.42	NS	NS	NS	NS	<b>237.94</b>
	Home Office	6.52	6.16	15.09	0.22	0.02	0.43	0.15	0.58	NS	0.08	0.11	NS	0.01	<b>29.37</b>
	RRSS Transportation	0.27	197.79	0.52	0.08	0.07	0.28	10.06	0.44	NS	NS	NS	NS	NS	<b>209.51</b>
	Internal transportation	NS	NS	NS	NS	NS	0.59	NS	NS	NS	NS	NS	0.59	NS	<b>1.18</b>
	Air Travel	101.70	3119.17	12.83	73.02	154.55	489.93	500.05	196.12	0.00	98.80	73.59	3.65	NS	<b>4823.41</b>
	<b>TOTAL CAT. 3</b>	<b>111.03</b>	<b>3437.71</b>	<b>38.05</b>	<b>80.40</b>	<b>154.64</b>	<b>512.69</b>	<b>592.50</b>	<b>197.14</b>	<b>0.42</b>	<b>98.88</b>	<b>74.29</b>	<b>3.65</b>	<b>0.01</b>	<b>5301.41</b>
CATEGORY 4	Fixed assets	NS	NS	NS	NS	NS	NS	NS	NS	10.47	NS	NS	NS	NS	<b>10.47</b>
	Paper Purchase	NS	NS	NS	0.07	NS	0.04	NS	NS	0.29	0.06	0.04	0.04	NS	<b>0.54</b>
	Water Consumption	1.67	27.04	0.39	0.24	0.21	1.63	3.77	1.07	0.22	NS	0.04	NS	NS	<b>36.28</b>
	Materials and supplies	NS	NS	137.16	NS	NS	NS	NS	NR	NR	22.75	NS	NS	NS	<b>159.91</b>
	<b>TOTAL CAT. 4</b>	<b>1.67</b>	<b>27.04</b>	<b>137.55</b>	<b>0.31</b>	<b>0.21</b>	<b>1.67</b>	<b>3.77</b>	<b>1.07</b>	<b>10.98</b>	<b>22.81</b>	<b>0.08</b>	<b>0.04</b>	<b>0.00</b>	<b>207.2</b>

NS: Non significant  
NR: Non reported

### 3. GRI Content Index

<b>Statement of use</b>	Ferreycorp has reported in accordance with the GRI Standards for the period January 1th 2022 to December 31th 2022
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standard(s)</b>	N/A

<b>GRI Standard</b>	<b>Disclosure</b>	<b>Global Compact</b>	<b>SDG</b>	<b>Location / Detail</b>
<b>General disclosures</b>				
<b>GRI 2: General Disclosures 2021</b>	<b>2-1 Organizational details</b>			-Legal name: Ferreycorp S.A.A. -Nature of ownership and legal form: Sociedad Anónima Abierta -Headquarters: Jirón Cristóbal de Peralta Norte N° 820, Surco, Lima, Perú
	<b>2-2 Entities included in the organization's sustainability reporting</b>			The sustainability report includes the ESG results of Ferreycorp S.A.A. and its subsidiaries in Peru. The financial statements of Ferreycorp includes the holding, Ferreycorp S.A.A.; the subsidiaries under it; and the investments in joint ventures, as of December 31, 2022: Ferreyros S.A., Inti Inversiones Interamericanas Corp. y subsidiarias, Unimaq S.A., Trex Latinoamerica SpA y Subsidiarias, Motriza S.A., Fargoline S.A., Motored S.A., Orvisa S.A. y subsidiarias, Soltrak S.A., Cresko S.A., Soluciones Sitech Perú S.A., Forbis Logistics S.A. y Xpedite Procurement Services S.A.C.
	<b>2-3 Reporting period, frequency and contact point</b>			Frequency: Annual Reporting period: January 1, 2022 and December 31, 2022. Contact us for more information: -Email: <a href="mailto:responsabilidadsocial@ferreycorp.com.pe">responsabilidadsocial@ferreycorp.com.pe</a> -Telephone line 0-800-13372 -Website: <a href="http://www.ferreycorp.com.pe">www.ferreycorp.com.pe</a>
	<b>2-4 Restatements of information</b>			95

GRI Standard	Disclosure	Global Compact	SDG	Location / Detail
	<b>2-5 External assurance</b>			This document has been audited by SGS under the ISAE 3000 methodology. Details regarding this service can be found in the statement at the beginning of the report.
	<b>2-6 Activities, value chain and other business relationships</b>			Pgs. 9-12, 41
	<b>2-7 Employees</b>			Pg. 50
	<b>2-8 Workers who are not employees</b>			Pg. 50
	<b>2-9 Governance structure and composition</b>			Pgs. 24-25
	<b>2-10 Nomination and selection of the highest governance body</b>			Pgs. 24-25
	<b>2-11 Chair of the highest governance body</b>			Pg. 25
	<b>2-12 Role of the highest governance body in overseeing the management of impacts</b>			Pg. 26
	<b>2-13 Delegation of responsibility for managing impacts</b>			Pg. 26
	<b>2-14 Role of the highest governance body in sustainability reporting</b>			This document has been approved by the Corporate Finance Management and has been prepared based on the 2022 Annual Report, approved by the Board of Directors.
	<b>2-15 Conflicts of interest</b>			Pgs. 33-34
	<b>2-16 Communication of critical concerns</b>			Pgs. 35-36
	<b>2-17 Collective knowledge of the highest governance body</b>			Pgs. 29-30
	<b>2-18 Evaluation of the performance of the highest governance body</b>			Pg. 29
	<b>2-19 Remuneration policies</b>			Pg. 53
	<b>2-20 Process to determine remuneration</b>			Pg. 53
	<b>2-21 Annual total compensation ratio</b>			This information cannot be disclosed due to confidentiality constraints
	<b>2-22 Statement on sustainable development strategy</b>			Annual Report 2022 pg. 4-13 <a href="https://www.ferreycorp.com.pe/assets/uploads/archivos/391cc5c296c980a0c37b4bdaa377aeaa.pdf">https://www.ferreycorp.com.pe/assets/uploads/archivos/391cc5c296c980a0c37b4bdaa377aeaa.pdf</a>
	<b>2-23 Policy commitments</b>			Pg. 34 y 58

GRI Standard	Disclosure	Global Compact	SDG	Location / Detail
	2-24 Embedding policy commitments			Pgs. 33-35
	2-25 Processes to remediate negative impacts			Pg. 34-35
	2-26 Mechanisms for seeking advice and raising concerns			Pg. 34-35
	2-27 Compliance with laws and regulations			Pg. 35
	2-28 Membership associations			Pg. 71
	2-29 Approach to stakeholder engagement			Pg. 17
	2-30 Collective bargaining agreements			Pg. 53
GRI 3 Material Topics 2021	3-1 Process to determine material topics			Pgs. 17-19
	3-2 List of material topics			Pgs. 17-19
<b>Material Issues</b>				
<b>Corporate Governance and Compliance</b>				
GRI 3 Material Topics 2021	3-3 Management of material topics			Pgs. 33-36
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Principle 10	SDG 16	Pg. 34
<b>Employee development and welfare</b>				
GRI 3 Material Topics 2021	3-3 Management of material topics	Principles 1, 2, 3, 4, 5 y 6		Pg. 51
GRI 401: Employment 2016	401-1 New hires and staff turnover		SDG 1 y 10	Pgs. 51-53
	401-3 Parental leave		SDG 8	Pg. 58
GRI 403: Occupational Health and safety 2018	403-1 Occupational health and safety management system		SDG 3	Pgs. 60
	403-9 Work related injuries		SDG 3	Pgs. 61-63
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee		SDG 5 y 8	Pg. 61
	404-3 Percentage of employees receiving regular performance and career development reviews		SDG 5 y 8	Pg. 59-60
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees		SDG 5	Pg. 26 y 54-56
GRI 406: No discrimination 2016	406-1 Cases of discrimination and corrective actions taken	Principle 6	SDG 10	Pg. 59
<b>Commitment to the environmental management</b>				
GRI 3 Material Topics 2021	3-3 Management of material topics	Principles 7, 8 y 9		Pg. 72-73
GRI 302: Energy 2016	302-1 Energy consumption within the organization		ODS 13	Pgs. 85-86

GRI Standard	Disclosure	Global Compact	SDG	Location / Detail
GRI 303: Water 2018	303-3 Water withdrawal		ODS 6	Pgs. 87-90
	303-5 Water consumption			Pgs. 87-90
GRI 305: Emissions 2016	305-1 Direct GHG emissions (Scope 1)		ODS 9 Y 13	Pgs. 78-80
	305-2 Energy indirect GHG emissions (Scope 2)			Pgs. 78-80
	305-3 Other indirect (Scope 3) GHG emissions			Pgs. 78-80
	305-4 GHG emissions intensity			Pgs. 84-85
GRI 306: Waste 2020	306-3 Waste generated			Pgs. 90-93 y 96
	306-4 Waste diverted from disposal			Pgs. 90-93
	306-5 Waste directed to disposal			Pgs. 90-93
<b>Commitment to the community</b>				
GRI 3 Material Topics 2021	3-3 Management of material topics			Pg. 66-73
GRI 203: Indirect Economic Impacts	203-1 Infrastructure investments and services supported			Pg. 70-71
<b>Excellence in the services</b>				
GRI 3 Material Topics 2021	3-3 Management of material topics			Pg. 36, 41
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers			Pg. 45-46
GRI 417: Marketing and labeling 2016	417-1 Requirements for product and service information and labeling			Pg. 39
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data			Pg. 35
<b>Business management</b>				
GRI 3 Material Topics 2021	3-3 Management of material topics			Pg. 22
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed			Pg. 23