

	Corporate Purchasing and Supplier Management Policy	CODE	VERSION
		FIN-ADMIN-PC-003	02
		START DATE OF VALIDITY	END DATE OF VALIDITY
		18/07/2023	18/07/2027
PROCESSING MANAGEMENT	Corporate Finance Management		
ELABORATED BY	REVIEWED BY	APPROVED BY	
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Corporate Services and Environment Sub-Manager	Corporate Finance Manager	General Manager	

1. Objective:

The purpose of this policy is to establish the guidelines and principles that guide the process of acquiring goods and services at Ferreycorp Corporation and its subsidiaries. It establishes the values, objectives and standards that should govern the purchasing decisions and relationships with suppliers.

Among the main action plans are to establish supplier development programs and processes differentiated by type of supplier, and to promote a sustainable supply chain.

2. Reference or concordance

- GEN-GCAC-NC-001 - Corporate Standard on delivery and/or receipt of gifts, payments, favors and others.
- GEN-GCAC-NC-002 - Corporate Standard on conflict of interest.
- GEN-GCAC-NC-003 - Corporate Standard on business with government agencies and relationships with public officials.
- GEN-GCAC-NC-005 - Corporate Standard for controlling reputational and corruption risks in business with third parties.
- GEN-GCAC-NC-008 - Corporate Standard of Due Diligence on Customers, Suppliers and Collaborators.
- FIN-ADMIN-NC-016 - Corporate Standard for the Selection, Evaluation and Approval of Suppliers.
- FIN-ADMIN-PC-001 - Supplier Code of Conduct.
- FIN-ADMIN-MCO-001 - Non-commercial Purchasing Procedures Manual.
- FIN-ADMIN-NC-014 - Corporate Standard for the preparation of contracts with non-commercial suppliers.
- FIN-ADMIN-NG-001 - General Standard for Non-Commercial Purchasing and Supplier Management.

- GEN-GCRH-PC-010 - Corporate Policy on Integrated Safety, Health, and Environment.

3. Scope:

This corporate policy applies to all areas of logistics, purchasing and general services of the corporation's companies, and includes all employees involved in the process of acquisition. The executive area for the implementation of this policy is the Corporate Finance Management, through the Corporate Services and Environment Sub-Management.

4. Key Elements of the Purchasing Policy

The following are the key elements to be considered for supplier management within the process of supplying goods and services:

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4.1. Transparency and competition: The purchasing policy establishes an open and objective selection process, encouraging competition among suppliers. This implies establishing clear and fair mechanisms for the evaluation and selection of suppliers.

4.2. Quality and service: The policy establishes that priority must be given to the quality of the goods or services purchased, as well as to the supplier's ability to provide excellent customer service. There is clear criteria for rating and evaluating suppliers based on their quality and performance.

4.3. Cost and conditions: The policy seeks to obtain the best value for the money invested, seeking competitive prices without compromising quality. Guidelines are established for the negotiation of prices and contractual conditions, as well as for the evaluation of the total cost of property for goods or services acquired. The corporation is committed to establish fair payment conditions and delivery terms that allow our suppliers to comply with basic labor standards.

- 4.4. Sustainability (ESG variables): The policy promotes the acquisition of goods and services that meet sustainability standards, such as fair labor practices, respect for the environment and compliance with ethical standards. ESG variables are also taken into account in contracts with suppliers, approval questionnaires, training and others.
- 4.5. Preference may be given to local suppliers or those that support the development of communities or social projects. The aim is to increase the competitiveness of MYPES companies in the country through differentiated management such as shorter payment terms, training and differentiated approvals.
- 4.6. Supplier management: The policy includes criteria and processes for the selection, evaluation and management of suppliers, including conducting periodic supplier evaluations, establishing contracts and promoting long-term relationships with reliable and ethical suppliers.
- 4.7. Zero tolerance to corruption, money laundering and financing of terrorism. For which we only have supplier approvals, which have information and declarations from suppliers. that include ESG variables. Ferreycorp's suppliers are required to comply with current regulations: Supplier Code of Conduct and the Purchasing and Supplier Policy, which are based on ethical values and basic principles such as respect for human rights. This compliance is verified through approval questionnaires.

Ongoing collaboration with suppliers and promotion of good practices, support measures and improvement of their capabilities. The corporation's companies must encourage the continual improvement of their suppliers through training and development programs, in order to improve their competitiveness in the market. On the other hand, suppliers, from the moment of planning their activities, quotation and during the execution of their services, must take the necessary measures to avoid occupational health and safety risks, and in those risks that are considered unavoidable, adopt the necessary preventive and safety measures to prevent damage and deterioration of the health of the company's employees and of the suppliers and contractors themselves, for which they must strictly follow the Health and Safety guidelines of the companies where they will carry out the

service. Among the best practices of the corporation's companies are the periodic approvals that include ESG variables, which guarantee that suppliers are aligned with sustainable performance in addition to complying with our Code of Conduct.

5. Responsibilities

Ferreycorp is responsible for establishing the supplier strategy and therefore recommending corporate guidelines. However, each operating company is responsible for complying with current regulations and is independent to execute its own projects. The executive management for the implementation of this policy is the Corporate Finance Management through the Corporate Services and Environment Sub-Management.

6. Complaints in the event of non-compliance with this Policy

Suppliers who become aware of a possible non-compliance with this policy must notify Ferreycorp, making use of the complaints channel, a tool set up to facilitate the confidential and secure formulation of any non-compliance with this Policy and the Compliance rules.

- Website: https://www.ferreycorp.com.pe/canal_denuncias/
- E-mail: canaldedenuncias@ferreycorp.com.pe
- Telephone: 626-4110.
- Mailbox: Jr. Cristobal de Peralta Norte 820, Santiago de Surco.
- Personal interview with the Corporate Ethics and Compliance Officer.

These complaints will follow the same course of review and investigation as stipulated in the procedure mentioned in the previous paragraph.