

Lima, February 28th, 2024

## **Proxy Statement Virtual Mandatory Annual Meeting of Ferreycorp S.A.A. March 27<sup>th</sup>, 2024**

**Ferreycorp S.A.A.'s shareholders**  
(ISIN **PEP736001004**; SEDOL **2320126**)

Dear Madam / Sir:

We are pleased to provide you, as shareholders of Ferreycorp S.A.A. ("Ferreycorp"), detailed information regarding our forthcoming Virtual Mandatory Annual Shareholders Meeting that will be held in the month of March according to corporate Bylaws and articles 113 and 258 of the Corporations General Law (Ley General de Sociedades). The purpose of this communication is to provide information on the agenda and the board proposals.

We are fully available to answer any questions related to your participation in the meeting and, if necessary, to provide you with supplementary information or documents you might require.

For any additional information, please refer to the contact below:

**Corporate Treasurer and Head of Investor Relations**  
**Ms Jimena De Vinatea**  
**Jr. Cristóbal de Peralta Norte 820, Santiago de Surco, Lima, Perú**  
**E-mail: [junta2024@ferreycorp.com.pe](mailto:junta2024@ferreycorp.com.pe)**  
**Cell: (51) 943 693 426**

**Date of the Meeting:** March 27<sup>th</sup>, 2024, at 11:00 am, in first summons. In case one meeting cannot be held on the date indicated before, for not having reached the statutory quorum, the second summons will be held on April 1<sup>st</sup>, 2024, and the third summons on April 8<sup>th</sup>, 2024, at the same time.

**Celebration of the Meeting:** The Shareholders' Meeting will be a virtual meeting held through IQUORUM platform. The "Information Document on the Procedure for Virtual Mandatory Annual Shareholders' Meeting" contains, among others, the procedures for registration of said Shareholders and accessing the virtual meeting, participating therein and exercising voting rights, as well as other technical details on the use of the platform.

**Agenda:** The items of the agenda were published on February 28th, 2024, as "Important Matters" (Hechos de Importancia) in the Securities Exchange Market Portal of the Peruvian Securities and Exchange Commission (SMV), and on Ferreycorp's website (in the section Annual Shareholders Meeting 2024), and are described in this document.

**Record date:** The shareholders entitled to participate in the Mandatory Annual Shareholders Meeting will be those whose shares are recorded as of March 18th, 2024.

**Documentation:** The following additional documents are available on Ferreycorp's website and at the "Superintendencia del Mercado de Valores-SMV": Agenda, Audited financial statements, Annual report and other documents.

**Voting representation in the Shareholders Meeting:** Shareholders entitled to attend the Shareholders Meeting may be represented through a power of attorney. According to law and Regulations of Shareholders Meetings, the voting representation must be granted in writing, for which we attach a proxy form. This proxy form is addressed to Ferreycorp S.A.A. and is signed by the shareholder, indicating the number of shares held by the shareholder, the name and identity of both the shareholder and its appointed representative, and the voting instructions for each item of Agenda.

The proxys must be registered in the company with an anticipation of not less than 24 hours before the Annual Meeting (March 26th, 2024 at 11:00 a.m. Lima time). For that purpose, Shareholders must send a power of attorney together with a copy of their National ID or Foreigners credential to the following e-mail address: junta2024@ferreycorp.com.pe. We strongly recommend sending the proxys earlier to receive the ID and password for the platform and assure the correct operation of the system.

When the representation and delegation of votes is conferred to the Chairman of the Board of Directors, to a director or to the general management of the company, a limit will be applied in accordance with good corporate governance practices. The limitation has been set at 20%. This means that it will only be assigned to the Chairman, directors and general manager the first powers of attorney receive up to 20% of the capital. In order to be able to compute this cap, the allocation of powers will be made according to the date and time of entry of the letters sent to the company. The power of attorneys received once the 20% cap has been reached, will be assigned to a second representative; for this reason, we request to include a second representative in the document. Otherwise, the company will assign it.

**Good Corporate Governance Practices:** Ferreycorp is committed with its shareholders and in maximizing the value of the company in the long term. Therefore, it is constantly studying the incorporation and / or adaptation of practices that allow it to remain at the forefront of corporate governance, in line with its conviction of maintaining excellent relations with its shareholders and creating more value for them.

This commitment has led Ferreycorp to integrate the S&P/ BVL Peru General ESG Index. This index was launched in 2021 by the S&P Dow Jones Indexes and the Lima Stock Exchange, as the first sustainability index in the Peruvian market, aiming to provide an ESG benchmark that follows the "best in class" approach for the Peruvian stock market. Thanks to those practices, we make our best efforts to disseminate information about the company, its operations and the markets in which it operates in a timely and effective manner.

#### **About 2023 Shareholders Meeting and its resolutions:**

The last Mandatory Annual Meeting was held virtually on March 29th, 2023, with an initial quorum of 68.2035% (and with an 85% quorum reached during the session), and with an absolute majority of votes in favor, approving all items of Agenda. The active participation of shareholders, either directly or through power of attorneys, offered a renewed stimulus for the corporate governance initiatives developed by the corporation.

During the Meeting in March 2023, the general manager - responsible for the follow-up of the resolutions adopted at the shareholders meetings - informed the shareholders the compliance of the agreements approved in the last Shareholders' Meetings held in 2022, which was previously informed to the Board and disclosed to the market. In the same way, the implementation of 2022 Shareholders' Meeting agreements, have been informed to the Board and the market and will be shown at the next Shareholders Meeting.

#### **Regarding the items of the Agenda for 2024 Shareholders Meeting:**

For your best participation in the next Shareholders Meeting, or for your decision via proxy representation, we are pleased to send you detailed information regarding each of the items of the

agenda, approved by the Board in the session celebrated on February 28th, 2024, as well as the proposals to the shareholders.

**1. Review and approval of the 2023 Annual Report, which includes the analysis and discussion of the financial statements as well as the sustainability program report.**

The audited financial statements were presented by the external auditors to the audit committee and approved by the company's board of directors on February 28, 2024. That same day, said statements were published through the portal of the securities regulator (SMV) as "Important Matter" (Hecho de Importancia) and through Ferreycorp's website. The financial statements, separated and consolidated, have been audited by EY audit firm. The Annual Report was approved at the same board meeting and also published that same afternoon. It has been prepared in accordance with the rules and standards of the securities regulator (SMV), and includes extensive reports on the sustainability program and the adoption of good corporate governance practices.

**2. Profits distribution.**

The company's dividend policy states that:

**"The cash dividend will be equal to 5% of the nominal value of the shares issued at the time the shareholders' meeting is called. The amount to be distributed may reach up to 60% of the free disposal profits of the fiscal year.**

**In the event that 5% of the nominal value of the shares issued at the time the shareholders' meeting is called is less than 60% of the free disposal profits obtained at the closing of the fiscal year, the shareholders meeting may distribute a larger cash dividend, up to the highest limit equal to 60% of the profits of the year.**

**Notwithstanding the aforementioned the general meeting, upon the recommendation of the Board, may approve a distribution of extraordinary dividends that exceeds the upper limit established by the dividend policy when extraordinary income is generated or there is a significant variation in the market circumstances or in the business that produce an excess of liquidity.**

**In addition, the Board may propose and agree to distribute advance dividends during the corresponding fiscal year, or upon closing the fiscal year up to the moment when dividends are determined. This decision is based on information from the financial statements that show the existence of distributable profits in the current fiscal year.**

**The payment of extraordinary dividends and the distribution of advance dividends will take place when not considered alternative uses to surpluses such as debt payment, working capital increase or new investments, among others. Likewise, the payment of extraordinary dividends or distribution of advanced dividends, must not result in a breach of obligations and failure to achieve financial ratios agreed upon with third parties or affect the company's financial capacity to pay its obligations, based on the report submitted by general management."**

The proposal of the Board of Directors is to deliver a cash dividend of S/ 260,310,832.94, amount that represents the 59% of the free disposal profits of the fiscal year. The board approved, in its September 27<sup>st</sup> 2023 session, an advance dividend of S/ 100,000,000.00 on account of fiscal year 2023's profits, amount equal to a cash dividend of S/0.106795037035 per share, which was paid on October 26<sup>th</sup>, 2023. Therefore, the remaining amount to be paid is S/ 160,310,832.94 and the proposal is that it is to be paid in 45 days.

The dividend per share to be paid will be determined at the Shareholders Meeting, taking into consideration the outstanding shares at that moment. As a reference, cash dividend should be equal to S/ 0.169450432092 per share and represents 16.9450432092% of the 946,063,288 issued shares nominal value, without removing the treasury shares from the calculation. Furthermore, if we discount the treasury shares to date, the dividend per share is S/ 0.170591264557 considering the 939,736,471 outstanding shares. As mentioned before, the final dividend per share will be agreed upon at the Shareholders' Meeting, taking into account the net outstanding shares at that moment.

Given that the Company has retained earnings of S/ 1,150,446,860.00 from previous years, the S/ S/ 160,310,832.94 proposed cash dividend will come from retained earnings from those years, according to a recent mechanism that establishes an order for the delivery of retained earnings, starting with the oldest ones. Thus, the proposed cash dividend will come from retained earnings from 2021.

After the delivery of cash dividends, the balance of retained earnings will amount to S/ 990,136,027.06. This will allow Ferreycorp to have adequate financial ratios and resources to finance the growth of the Company.

### **3. Expansion of the corporate purpose of the subsidiary Ferreyros S.A. (Article 2 of the Social Bylaws).**

In accordance with Article 22, section i, subparagraph b) of the Social Bylaws of Ferreycorp S.A.A., its shareholders' meeting must approve any statutory amendment that is intended to be made to its subsidiary Ferreyros S.A. Given the restrictive criteria of public registries to define the scope of a company's corporate purpose, it is necessary to adjust the scope of the corporate purposes of the corporation's companies from time to time to the changing reality of their activities.

Ferreyros has seen an opportunity to venture into large-scale commercial projects, such as the execution of industrial plants and renewable energy generators, as evidenced by the recent award for the construction of a photovoltaic plant (solar energy) for a cement company in the southern part of the country.

However, currently the corporate purpose of Ferreyros S.A. states that the company can only engage in the following activities:

"Article 2: The company's purpose is the purchase and leasing of capital goods, machinery, spare parts, merchandise, and domestic and foreign products; the import and export of capital goods, machinery, spare parts, merchandise, and general items; the provision of services related to the goods it trades; the execution of investments and commissions related to the aforementioned sectors, and the marketing, import, and sale of radios, telecommunications equipment, and other satellite data transmission equipment.

The company may also engage in all acts and enter into all contracts permitted by law that contribute to achieving its objectives or in any way serve to better realize them or are in the interests of the company, including the establishment of companies and the acquisition of shares or stakes in companies either through purchase or other means, or by participating in capital increases."

Therefore, a request is made to the Board to expand the corporate scope of Ferreyros S.A., with the text of Article 2° as follows:

**"Article 2:** The company's scope encompasses the buying and leasing of capital goods, machinery, engines, and other equipment, spare parts, merchandise, various items, and domestic and foreign products, with the ability to import and export them; the provision of services related to the goods it trades; the execution of investments and commissions related to the aforementioned sectors,

including the possibility of delivering them along with other goods as part of an installation, plant, or infrastructure project, for which it may participate independently, jointly, or through third parties, in the design, construction, supply, operation, maintenance, and other activities related to such installations and plants, incorporating into them the goods it trades or those of third parties. Similarly, it may engage in the marketing, importation, and sale of radios, telecommunications equipment, and other satellite data transmission equipment.

Likewise, the company may engage in all acts, and enter into and/or execute all contracts and agreements permitted by law, and/or conducive to the realization of its corporate purpose and/or objectives, and/or that in any way contribute to their better realization and/or are in the best interest of the company; this includes engaging in investment, financing, and business services activities, among which are: (i) the establishment of companies; (ii) the acquisition, holding, and management of shares; (iii) investment in securities; and (iv) participation in companies and capital increases, in the national or international market."

#### **4. Appointment of external auditors for fiscal year 2024.**

The Board proposes to the Shareholders' Meeting to re-appoint the audit firm Tanaka, Valdivia & Asociados Sociedad Civil de Responsabilidad Limitada, member of Ernst & Young (EY) for external audit services in 2024, due to the strong combination of its technical and economic proposal; requesting to delegate to the Board and management the negotiation and contracting of the aforementioned services for Ferreycorp and its subsidiaries in Peru and its companies abroad.

This proposal is made within the approved policy regarding the hiring of external auditors by Ferreycorp, which states that the same audit firm could provide its services for 5 consecutive years, including the possibility of appointing them for an additional period, but always making sure the independence of opinions remains intact through appropriate rotations of the partner and auditor in charge, and also provided the Audit and Risk Committee's satisfaction is granted regarding the services delivered by the firm.

With this new appointment, the auditing company EY would complete its fourth year as external auditors of the corporation.

EY provided the external audit services in 2023 to the satisfaction of the management and the Audit and Risk Committee, including the review of affidavits of Income Tax; in addition to other services such as corporate training. These additional services accounted to 5.56% of the total amount invoiced by the audit company during 2023.

The Audit and Risk Committee is chaired by Mr. Javier Otero Nosiglia (independent director) and its members include Mr. Raúl Ortiz de Zevallos Ferrand, Mr. Humberto Nadal del Carpio (independent director) and Mr. Manuel del Río Jiménez (independent director). Mr. Andreas von Wedemeyer, Chairman of the Board, and Mrs. Mariela García as General Manager, also participate in the committee.

#### **5. Empowerment to sign public and/or private documents with respect to the resolutions adopted by this shareholders' meeting**

As in previous years, it will be asked to Shareholders to delegate powers to the executive chairman and to the general manager to sign public and/or private documents as may be required to execute the resolutions approved at the Meeting.

Having explained the Board's proposals to the shareholders, we thank you in advance for your attention and your participation in the 2024 Mandatory Annual Shareholders Meeting of Ferreycorp.



Best regards,

*Patricia*

**Patricia Gastelumendi Lukis**

**CFO**