

	SALARY POLICY OF FERREYCORP S.A.A.	CODE	VERSION
		GEN-GCRH-NG-002	02
		INITIAL EFFECTIVE DATE	FINAL EFFECTIVE DATE
		01/01/2024	31/12/2025
PREPARING MANAGEMENT	HUMAN RESOURCES MANAGEMENT – FERREYCORP S.A.A.		
PREPARED BY	REVIEWED BY	APPROVED BY	
Ana Hirakawa Shirakawa / Bárbara Pita	María Teresa Merino	Mariela García	
DEPUTY MANAGER OF TALENT AND COMPENSATION / MANAGER OF LABOR RELATIONS AND SSMA	GERENTE CORPORATIVO DE RECURSOS HUMANOS	GERENTE GENERAL	

1. OBJECTIVE

At Ferreycorp, we firmly believe in pay equity as a fundamental component of our organizational culture. The main objective of this policy is to ensure that the company's employees are compensated equitably, regardless of gender, through a compensation management system based on meritocracy and equity, with objective criteria, in line with labor compensation and benefits regulations. This aims to attract and retain talent to fulfill Ferreycorp S.A.A.'s purpose (hereinafter, "the Company"), in accordance with corporate salary guidelines and Law No. 30709 on Equal Pay and its regulations.

2. SCOPE OF THE POLICY

This general rule applies to all employees of the Company.

3. GENERAL PRINCIPLES

- **Meritocracy:** Performance is the central axis for the integral development of employees within the organization.
- **Equality and non-discrimination:** All employees, without any distinction, have the right to equality and non-discrimination. Discriminatory treatment is not permitted in any aspect of the employment relationship, including the compensation and benefits structure. Differences may only be based on objective criteria. Any distinction, exclusion, or preference based on race, sex, religion, opinion, social origin, economic status, marital status, age, or any other factor that nullifies or alters equality of opportunity or treatment in employment is prohibited.
- **Equity and Competitiveness:** We aim to grant equivalent compensation and benefits for positions with similar value within the Company (internal equity) and consider relevant external labor market references (salary market studies).
- **Performance Evaluation:** The Company has an internal performance evaluation model adapted to the nature of the functions and objectives of employees, aimed at measuring and managing performance, promoting continuous improvement, and fostering a culture of constant feedback. The competencies to be evaluated are communicated in a timely manner.
- **Bias Elimination:** The Company will implement measures to eliminate bias in setting pay, ensuring that factors such as race, sex, religion, opinion, social origin, economic status, marital status, age, or any other reason that could nullify or alter equality of opportunity or treatment in employment do not influence salary decisions.

4. DEFINITIONS

Employee: A natural person who, regardless of sex, race, religion, sexual preference, or any condition, performs paid, subordinate work for the Company under an employment contract.

Remuneration: Compensation received by an employee for the performance of their services, either monetary or in kind.

Total Compensation: Includes fixed and variable pay (if applicable), plus other monetary and non-monetary benefits offered to the employee.

Salary Grade: Resulting from job evaluation based on the relative importance of positions to the organization.

Compensation and Benefits System: The Company's strategy for rewarding employees through total compensation aligned with corporate objectives.

5. COMPENSATION AND BENEFITS SYSTEM

5.1. Elements of Compensation and Benefits Management

The main elements of compensation and benefits management are:

- Salary policy
- Job evaluation methodology
- Objective criteria
- Internal equity and external competitiveness
- Fixed and variable remuneration
- Complementary benefits
- Market surveys

5.2. Objective Criteria to Determine Pay

As per Law No. 30709, the Company applies the following criteria individually or jointly, depending on the position:

- i) Company budget and financial statements
- ii) Seniority in the Company or years of service in the position
- iii) Performance management
- iv) Collective bargaining agreements
- v) Scarcity of labor and/or specialization
- vi) Work experience
- vii) Academic or educational profile
- viii) Talent attraction and/or retention
- ix) Working conditions
- x) Others

5.3. Internal Equity

Positions with the same value must have the same salary grade:

- Clear job evaluation methodology from a recognized consultant
- Classification of positions into salary levels forming the Company's pay structure
- Remuneration must correspond to the established salary level

- Job evaluations must be updated according to the organizational structure

5.4. External Competitiveness

The compensation and benefits system may take external competitiveness or the market as a reference.

To this end, the Company will have access to or participate in compensation surveys with specialists in the field to obtain information that allows assessing the Company's position in the market.

5.5. Fixed Remuneration:

This is the base compensation granted to the employee for performing the services of the assigned position.

5.6. Variable Remuneration

Commercial positions may be subject to a variable compensation system based on the achievement of certain objectives and goals established by the company. This system is evaluated continuously and is subject to the Company's budget, market conditions, sales, salary levels, and the characteristics and definitions of the business.

5.7. Complementary Benefits

Complementary and occasional items granted conditionally in special situations related to the position, such as work location, retention due to working conditions, productivity, and others.

5.8. Determination of Remuneration

The pay structure of each employee is set by the Company, based on the nature of their duties and the corresponding level.

Employees belonging to the same level and relative value of the position (grade) may receive different remuneration according to the criteria set forth in section 5.2 of this document.

It will be applied in the current Processes and/or Programs that require a salary analysis.

- Hiring
- Specific Technical Training Program
- Salary Review Process

5.9. Criteria for Establishing Increases

The following guidelines will be considered when granting increases:

- In order to implement increases, the Company must conduct a financial analysis and prepare an annual budget for salary increases when developing its business plan.
- Prior to executing the salary increase, the Company must have the approval of the General Manager, who will take into account the financial results at that time.
- Internal promotions.
- Performance evaluations.
- Market variations.

6. JOB EVALUATION METHODOLOGY

To design its structure and salary policy, the Company relies on a factor-based point job evaluation

system, whose methodology consists of assigning points (dimensions of responsibility and influence on organizational impact). In this way, the salary structure is organized into levels and salary grades assigned to positions within the organization.

The Company reserves the right to modify the job evaluation method. In this regard, the method may be changed whenever the Company deems it appropriate, using objective factors for such modification.

Likewise, in exercising its management authority, the Company is entitled to define the scope of the employee's service delivery, within reasonable limits and respecting the principle of non-discrimination in pay.

6.1 Position Evaluation Methodology

The position evaluation methodology is a systematic process for classifying jobs logically and objectively, comparing them to each other or to a pre-established scale to determine their relative importance within an organization.

6.2. Criteria for Evaluating Positions

The criteria considered within the methodology are based on three main factors:

1. Know-how (Competence) – The total sum of skills, knowledge, and experience required for a position.
2. Problem Solving – The intensity and complexity of the analytical process required by the position when identifying and defining problems, drawing conclusions, and expressing them.
3. Responsibility for Results – Being accountable for an action and its consequences

6.3 Distribution of Salary Levels

As a result of applying the position evaluation methodology, groups of positions are defined according to the table of levels and functions, as follows:

Occupational Groups	Associated Positions
Level 1	Deputy Managers / Managers
Level 2	Heads / Officer / Executive
Level 3	Advisors / Auditors / Specialists / Coordinators / Supervisors
Level 4	Analysts
Level 5	Assistants
Level 6	Auxiliaries / Junior Assistants

For job evaluation purposes, the levels will be broken down into salary grades.

7. ROLES AND RESPONSIBILITIES

7.1. General Management:

Defines, together with the Human Resources Management, the vision for managing compensation and benefits, and ensures the necessary resources for its implementation, in accordance with

corporate guidelines.

7.2. Human Resources Management

- Administer the execution of the salary plan.
- Ensure that job evaluations reflect any changes in the functions and responsibilities of existing positions in the Company, the creation of new positions, among others.
- Ensure that managers inform the employee in advance when there is any modification to their compensation package, once authorized by the General Manager.

7.3 Management Positions

Managers, department heads, and supervisors will be responsible for ensuring that this salary policy is applied.

8. ADDITIONAL CONSIDERATIONS

8.1. Measures adopted by the Company to prevent temporary incapacity for work from having an adverse impact

Periods of temporary incapacity for work (pregnancy, maternity leave, paternity leave, adoption, or assumption of family responsibilities), breastfeeding leave, or leave for being a victim of violence (in accordance with Law 30364) are considered as effectively worked time, in line with current regulations.

8.1. Training

The Company has established, in accordance with its internal policies, training programs aimed at developing and/or enhancing the skills of our employees so they can perform adequately in their positions.

8.2 Promotions

The promotion of employees is an inherent right of the Company, exercised based on objective and reasonable criteria.

Under the general guidelines, job opportunities are open to any employee of the Company. Job opportunities include the position requirements and the profile that ensures good performance in the role.

8.3 Responsibilities

The Company's primary interest is the development of all activities necessary to achieve its goals and objectives, with special attention to the protection of its human resources as well as its material resources, and is therefore committed in all its activities to proper risk management.

The administration of employee remuneration is a fundamental component for achieving the Company's goals and objectives; therefore, any attempt to breach or undermine the guidelines established in this Policy will not be permitted.

8.5. Confidentiality

The compensation information of the Company's employees is strictly confidential and personal.

Each employee may only discuss their compensation with their direct supervisor, the next higher level, or the persons responsible for it within the Human Resources Management.

The disclosure of this information will be considered a serious offense and may result in disciplinary sanctions, including dismissal.

8.6. Exceptions

Any exception to the provisions established in this policy regarding job evaluations or re-evaluations and the determination of salaries or increases must be approved by the appropriate authorities.

Likewise, the Company has the authority to maintain an employee's remuneration in the event of organizational restructuring, reclassification, demotion, or reasonable adjustment.

8.7. Equal Pay Plan

The Company conducts a periodic review of discrepancies and/or gaps in compensation and benefits in accordance with the law, in order to resolve any distortions that may exist. Salary adjustments may be applied for individual or collective reasons, taking into account internal and external pay equity standards.

9. FINAL PROVISIONS

This policy is a dynamic instrument; therefore, the guidelines established herein may vary in response to internal changes within the Company, such as job and function reorganization, restructuring of areas, among others, or due to external changes, such as market variations.

Accordingly, the Company reserves the right to change, modify, and/or eliminate the criteria and guidelines of this policy at any time it deems appropriate, establishing that these are not fixed in any way, regardless of their repetition in subsequent periods.

Thus, it is established that the conditions of this Policy will be reviewed periodically, unless unforeseen economic or market events arise that make it essential to implement immediate changes or do so more frequently. Should changes occur, they will be communicated to employees. For this purpose, factors such as the budget, financial statements, sales levels and costs, commercial activity, or the Company's economic segment, among others, will be taken into account to meet corporate objectives.