

SUSTAINABILITY REPORT 2023



TOGETHER WE CREATE DEVELOPMENT



ASSURANCE STATEMENT

SGS del PERU S.A.C. REPORT ON SUSTAINABILITY ACTIVITIES IN THE “SUSTAINABILITY REPORT 2023” OF FERREYCORP S.A.A.

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 2023”

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all **FERREYCORP** 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** 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 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)	Limited
B	ISAE3000	Limited

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

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

2	GRI STANDARDS 2021
3	GRI (Reference)

SPECIFIED PERFORMANCE INFORMATION AND DISCLOSURES INCLUDED IN SCOPE

These are de specific KPIs taken in account in the “FERREYCORP SUSTAINABILITY REPORT 2023”

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

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

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

ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research, interviews with relevant employees, strategic partners, documentation and records review and evaluation of the report for alignment with GRI protocols, the audit was performance 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 assignment, and comprised 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 **FERREYCORP** that we detail below:

- FERREYCORP S.A.A have independently audited Management Systems such as ISO 37001 on Anti-Bribery Management and ISO 14064-1 on Carbon Footprint Inventories for the organization.
- FERREYCORP S.A.A have a fairly robust Environmental Management system implemented.
- FERREYCORP S.A.A has published GRI Sustainability Reports consistently for 10 consecutive years.
- FERREYCORP S.A.A has been included for the seventh consecutive year in the Dow Jones MILA-Pacific Alliance Sustainability Index, which recognizes leading companies in sustainability in the Pacific Alliance region.

Some opportunities for improvement were identified to consider in future Sustainability Reports.

- Evaluate the convenience of incorporating additional GRI indicators to the material topics resulting from the consultation with interest groups in line with the Sustainability Context principle.
- The Double Materiality Report issued in July 2024, which was worked on throughout 2024, was reviewed, but the information in the Ferreycorp Sustainability Report is from 2023. Consider the recommendations for the Report to be produced in 2024. Likewise, they are asked to align the material issues identified in this Report with the GRI Indicators and, since they are material issues, evaluate their importance and report the complete indicators. Take into account that this report includes 9 companies to measure the participation of stakeholders per company.

In relation to the following GRI indicators, the following was presented:

- GRI 2-8 Workers who are not employees, professional and pre-professional interns are being reported, but this indicator also includes contractors, sub-contractors, among others.
- GRI 2-19 Remuneration Policies; No information has been presented on this indicator, an exception has been presented due to confidentiality.
- GRI 403-9 In addition to the Indicators and ratios presented, the Industrial accident rate with major consequences must be considered here (accidents that had a break for more than 60 days)

Audit Team:

Lead Auditor: Pamela Castillo Rubiños

Technical Reviewer: Fanny Valencia

Signed:



Julio Ubarnes Pinto

August 08th, 2024

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Content

- 1. We are Ferreycorp**
- 2. Sustainability Management**
 - 2.1 Corporate Governance and Economic Dimension**
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 - 2.3 Environmental Dimension**
- 3. GRI Content Index**

1. About Ferreycorp

1.1 Presentation



Established 101 years ago, Ferreycorp is the leading Peruvian corporation dedicated to the provision of capital goods and related services. It operates both in Peru, where it generates close to 90% of its revenues, and in other Central and South American countries through highly specialized subsidiaries focused on their respective businesses.

In its history, it stands out the bond built with Caterpillar, an exceptional partner of the corporation for 81 years. In addition to marketing and supporting the products of the world leader in machinery, it distributes other prestigious brands. Currently, Ferreycorp's companies have a complete portfolio of solutions for its customers that enhances its market coverage. Thus, the corporation stands out for the quality of the machinery it offers and especially for the services related to capital goods (maintenance, repairs, condition monitoring, consulting in the use of equipment, training and financing, among others).

Human resource management and talent development practices, evidenced by an excellent organizational climate, together with the strength of its culture, rooted for more than a century, play a fundamental role in the commitment and sense of pride of its more than 7,000 employees.

Ferreycorp listed its shares on the Lima Stock Exchange (BVL) in 1962. With 61 years in the stock market, this widespread shareholding company has local institutional investors (pension funds, mutual funds and insurance companies, among others) and foreign investors. In addition, it attracts a large number of individuals who choose to invest their savings in the capital market, finding in the corporation an attractive investment alternative. Recognized in the capital markets, Ferreycorp is a reference for its good corporate governance practices and responsible management in the interest of sustainability.

To be one of the leading companies in the Peruvian market is possible due to a management based on values, supported by good business practices and strong financial management. From this position, the corporation participates in different business groups and initiatives, contributing to the development of the country with concrete actions, in line with its purpose: "Together we create development".

1.1.1 Mission and vision

MISSION

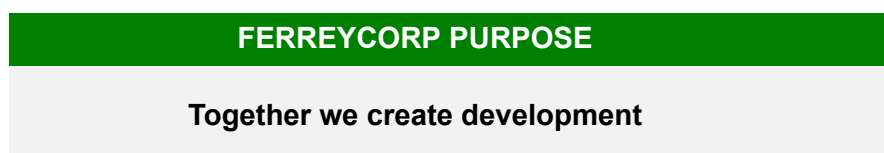
To operate, through its subsidiaries with focus and high degree of specialization, businesses of distribution of capital goods and supplies and services and support, for prestigious global brands with high standards, efficiency and profitability, achieving at the same time the development of its employees and being a reference 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, which contributes to increase productivity and profitability in the economic sectors in which it participates. Moreover, it promotes the development of the countries and their different interest groups and is recognized by global brands as a 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 Ferreycorp Purpose

In order to put its purpose into words, Ferreycorp developed a collaborative and inclusive exercise of reflection, in which a unanimous consensus was reached among the participants: the corporation has been leaving its mark on all its stakeholders over the years, making a difference. In this context, something that has been tacitly guiding the actions of all employees for decades was put in writing:



Ferreycorp's purpose reflects its vocation to generate development in the places where it operates through its activities, by providing services, capital goods and inputs, achieving a positive impact among all its stakeholders.

The vision and essence of Ferreycorp, intimately present in the corporation and its subsidiaries since its inception, have endured 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”.*

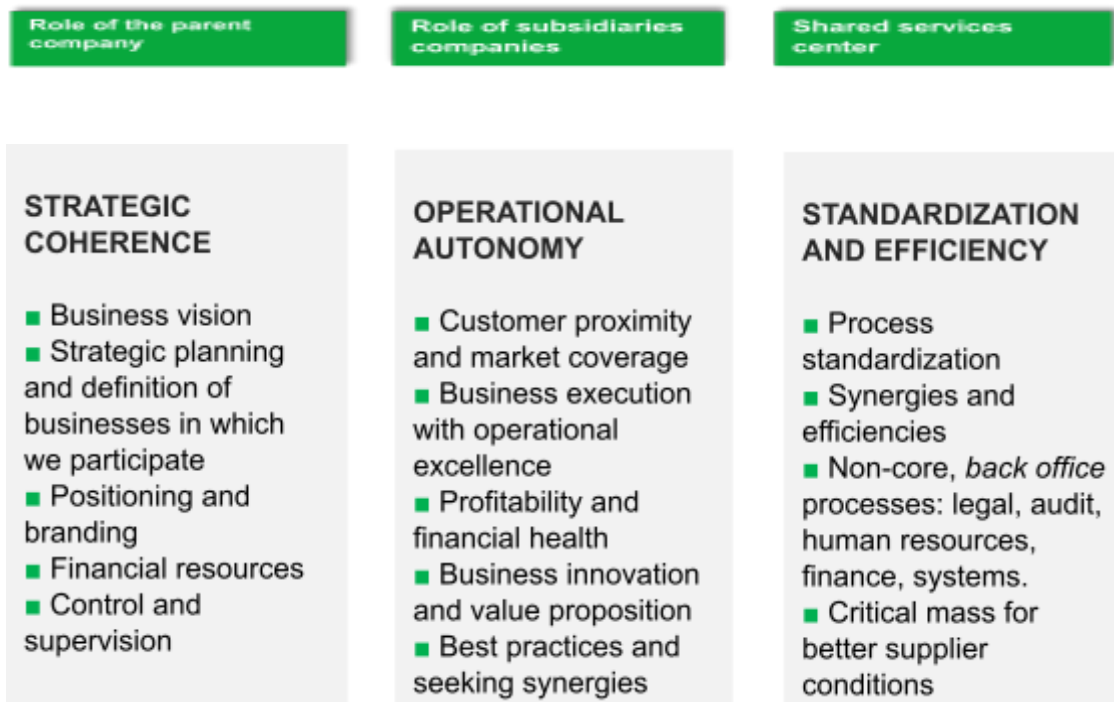
Corporate values

Ferreycorp's values represent the pillars that guide the daily actions of the corporation's employees, maintain the ethical conduct of the organization and contribute to the sustainability of the business.



1.1.3 The corporation's operating model

The corporation has established a model characterized by operational autonomy with strategic coherence and the use of synergies. For its deployment, three types of roles have been defined in the organization: the holding of the economic group, which provides strategic coherence and guidelines; the subsidiaries, responsible for managing their business with operational autonomy within the corporate guidelines; and the shared services, which promotes efficiencies and synergies among the subsidiaries, as shown below:



Within these established roles, the parent company allocates resources to support the growth and investment of the corporation's companies, defines guidelines to standardize management with time-tested practices, and promotes spaces where subsidiaries can share best practices and strengthen their value propositions. At the same time, the subsidiaries contribute to the productivity and efficiency of their customers 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.

The subsidiaries, which generate revenues and profits for the economic group, deploy a broad market coverage and enrich the organization's solutions offering. In addition, they complement each other's critical capabilities, such as national coverage and logistical deployment, generating synergies in favor of clients.

Thus, the corporation maximizes the possibilities of meeting the different needs of its customers with its vast portfolio of products and services, operating as a one-stop shop or single point of service. As a result, many customers of the flagship company Ferreyros receive goods and services from other subsidiaries of the group.

In turn, the Shared Services Center serves the organization's different subsidiaries by helping to add efficiencies and encourage synergies in processes and activities in various areas of specialization.

From this strategic perspective, the objective is to promote the dynamism and growth of the corporation, generating positive transversal impacts on its different stakeholders.

1.1.4 Companies of the corporation

Ferreycorp is integrated by the following subsidiaries and/or businesses:

Representatives of Caterpillar and allied brands in Peru

 <p>UNA EMPRESA FERREYCORP</p> <p>CAT heavy machinery and allies</p>		
 <p>UNA EMPRESA FERREYCORP</p> <p>CAT light machinery and allies</p>	<p>CAT</p>  <p>UNA EMPRESA FERREYCORP</p> <p>machinery and allies in the jungle region</p>	 <p>Assembly and operation of power generation plants</p>

Representatives of Caterpillar and allied brands in Central America

 <p>UNA EMPRESA FERREYCORP</p> <p>CAT</p> <p>Machinery (Guatemala and Belize)</p>	<p>CAT</p>  <p>UNA EMPRESA FERREYCORP</p> <p>Machinery (El Salvador)</p>	 <p>UNA EMPRESA FERREYCORP</p> <p>Spare parts for heavy transport (El Salvador and Honduras)</p>
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Complementary businesses in Peru and other countries in South America

 <p>UNA EMPRESA FERREYCORP</p> <p>Consumables</p>	 <p>UNA EMPRESA FERREYCORP</p> <p>Cranes, platforms, port equipment (Chile, Ecuador and Colombia)</p>	
 <p>UNA EMPRESA FERREYCORP</p> <p>Temporary warehousing, bonded and simple, transportation and distribution</p>	 <p>UNA EMPRESA FERREYCORP</p> <p>Freight forwarder</p>	 <p>Technological solutions</p>




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, commerce and transportation.

(GRI 2-1, GRI 2-2, GRI 2-6) Below is more information on each of Ferreycorp's subsidiaries:






Representatives of Caterpillar and allied brands in Peru

Name	Year of incorporation	Sectors served	Product / Service	Country / Region	Number of sites	Number of employees
Ferreyros  <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.	Peru North: Piura, Tumbes, Lambayeque, Cajamarca, Trujillo, Chimbote Central: Cerro de Pasco, Huancayo, Ica, Ayacucho, Huaraz, Lima. South: Arequipa, Cusco, Moquegua and Puno.	44	4,677
Ferrenergy 	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.	Peru Lima Brasil Recife Ecuador Francisco de Orellana – El Coca Guatemala Ciudad de Guatemala Costa Rica Puntarenas Its presence in the countries of the region is on a temporary basis to attend to the projects it serves.	2	55
Unimaq  <small>UNA EMPRESA FERREYCORP</small>	1999	Construction, mining, hydrocarbons, agriculture, government, trade, industry and services.	Commercialization and rental of light equipment, after sales support.	Peru North: Cajamarca, Chiclayo, Piura, Trujillo Central: Cerro de Pasco, Huancayo, Lima, Huaraz South: Ica, Arequipa, Ayacucho, Cusco, Ilo, Moquegua, Puno.	18	731
Orvisa  <small>UNA EMPRESA FERREYCORP</small>	1973	Construction, forestry, agriculture, government, river transportation, hydrocarbons and energy.	Commercialization of equipment, spare parts, services and consumables.	Peru North: Bagua, Iquitos, Tarapoto. Central: Pucallpa, Huanuco. South: Puerto Maldonado.	8	141

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
Gentrac 	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.	Guatemala Ciudad de Guatemala, Quetzaltenango, Teculután, Escuintla, Morales, Retalhuleu, Huehuetenango, Cobán and Peten Belice Ladyville	12	341
General de Equipos 	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.	El Salvador San Salvador, Sonsonate, San Miguel	3	183
Motored 	2015	Construction, freight and passenger transportation, government, trade and services.	Supply of spare parts for trucks and buses; consumables; trucks and buses.	El Salvador San Salvador, Santa Ana, Sonsonate, San Miguel, Metapán, Lourdes, Santa Rosa de Lima, Soyapango, Zacatecoluca, Aguilares and Usulután. Honduras Tegucigalpa, San Pedro Sula.	13	178

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
Soltrak  <small>UNA EMPRESA FERREYCORP</small>	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.	Peru North: Piura, La Libertad Central: Lima South: Arequipa	13	441
Trex  <small>UNA EMPRESA FERREYCORP</small>	2014	Mining, port industry, commerce, services and construction, among others.	Cranes and other lifting solutions.	Chile Santiago, Antofagasta, Calama Colombia Barranquilla, Bogota Ecuador Quito, Guayaquil	8	194
Fargoline  <small>UNA EMPRESA FERREYCORP</small>	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.	Peru Callao and Arequipa	2	199
Forbis Logistics  <small>UNA EMPRESA FERREYCORP</small>	2010	Automotive, mass consumption, mining, energy, retail, industry.	International air and ocean freight transportation for import and export, integral logistic service and cargo consolidation, inspection and processing services.	Peru Lima EE.UU. Miami Chile Santiago	3	124
Soluciones Sitech Peru 	2013	Mining, construction and hydrocarbons.	Integration of technologies to create solutions that enhance customer productivity	Peru Lima	3	52

1.1.5 Representations

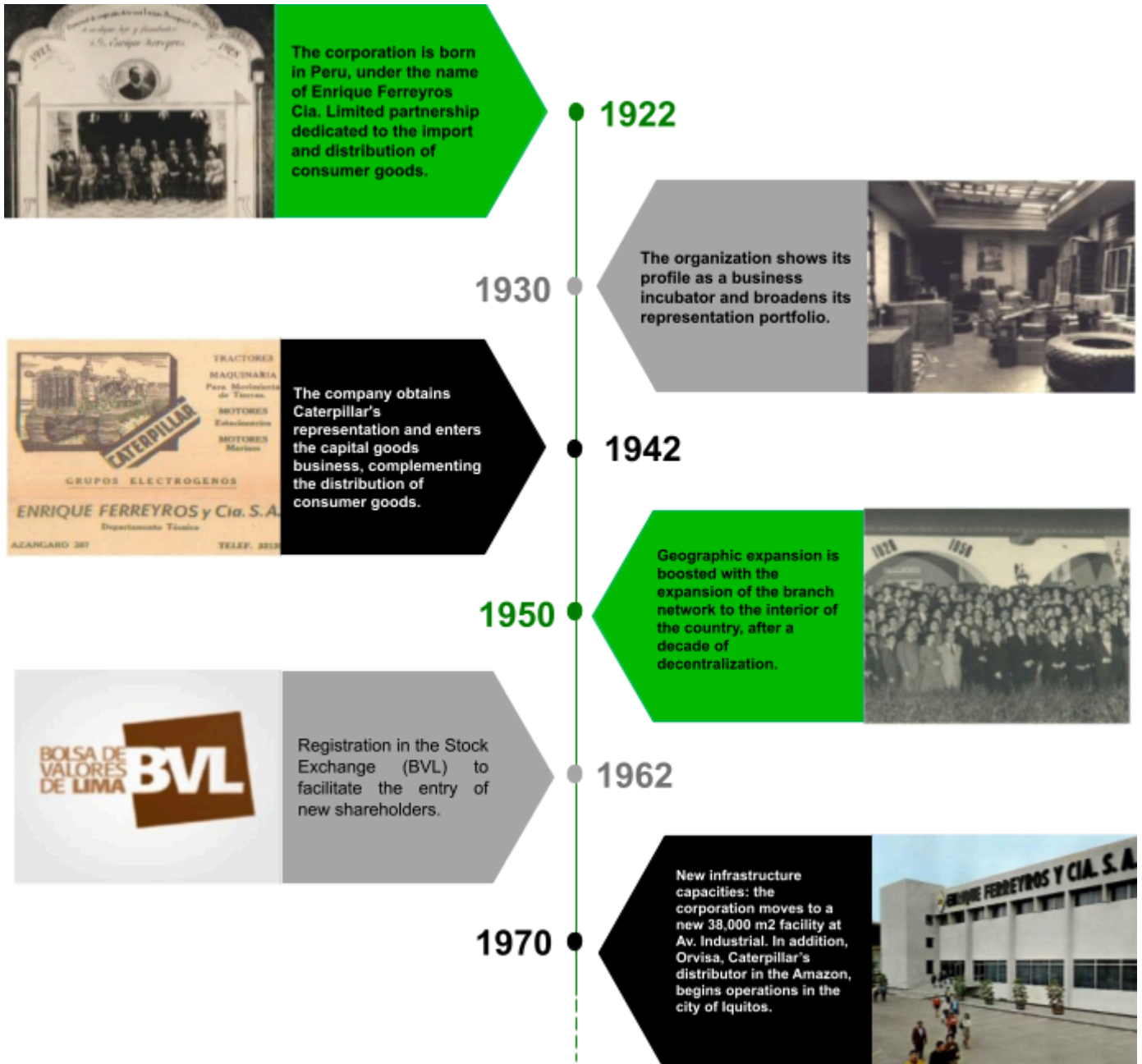
The first steps of the organization, which was founded in 1922, were oriented to the commercialization of consumer products. However, a key milestone changed its history two decades later: the beginning of its relationship with Caterpillar in Peru in 1942. Over the years, this relationship has grown and strengthened, gaining wide recognition from the distinguished global brand, as evidenced by several awards received. In addition, the Caterpillar representation contract in Central America, since 2010, is a clear indicator of this relationship of trust.

Over the course of its history, the corporation and its subsidiaries expanded their presence, operating both in Peru and in other Latin American countries, as well as taking on the distribution of other prestigious brands, aspects that allowed them to extend the scope of their service to customers in various industries. In this context, they deployed capabilities and knowledge already developed, together with a solid relationship with the represented companies, to implement local initiatives aligned with the global strategies of the manufacturers. This approach allowed the company to consolidate a prestigious portfolio of represented brands and build strong long-term ties with all of them, establishing itself as the unquestionable leader in its sector.



2.1.6 History

The following are the main milestones in the corporation's history. For further information, please refer to the Historical Review in Annex 2, section 2.2.3.1.





1980

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

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.



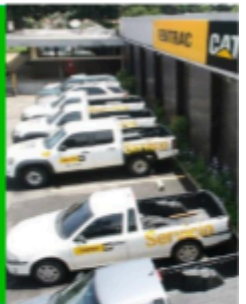
1990



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 million.

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 Ferreyrcorp, as holding company and owner of the corporation's companies, and Ferreyros, as the group's flagship 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.



Ferreyrcorp and its flagship company Ferreyros are celebrating 100 years in Peru and 80 years as Caterpillar distributors. Total revenues: US\$1.7 billion. Commissioning of 100% of the first fleet of autonomous trucks in Peru, a decade after introducing the first 400-ton trucks.

2022

2023

With more than 7,000 employees, Ferreyrcorp is the only Peruvian company to be included in all editions of the Dow Jones Sustainability Index for the MILA-Pacific Alliance region, for the seventh consecutive year. The corporation is part of the S&P/BVL Peru General ESG Index.



1.2 Looking to the future

1.2.1 Strategy 2022- 2026

In the five-year period 2022- 2026, the corporation is moving forward with solid growth targets in sales, profits and return on invested capital, while maintaining its commitment to generate positive impacts among its stakeholders.

To ensure the corporation's value over time, Ferreycorp's strategy is based on promoting profitable growth, driving customer-centric digital transformation, and strengthening a corporate organization with greater synergies, among other relevant and necessary approaches.

Two main components define this strategy:

- a. **Strategic pillars**, which support the purpose of growing in businesses and markets that ensure the expected profitability and value of the corporation over time, with a focus on the development of solutions and services, as well as on understanding the customers' needs. These strategic pillars are:
 - **Business optimization**, which seeks to intensify efforts to add efficiencies in the business model, the organization, the use of assets and the composition of the portfolio of products and services, in addition to carefully managing capabilities and resources. The objective is to ensure an adequate balance with profitability and maintain a high-value offer for customers.
 - **Protect and transform**, which emphasizes the maximum use of the corporation's current capabilities and the continuity in the construction of new capabilities. The aim is to ensure the sustainability of the business, expand its value offering and provide comprehensive solutions to customers, with the support of technology and best practices in operations.
 - **New business**, which promotes the growth of the corporation through the development of new lines or businesses. Opportunities and spaces are identified as having an adequate strategic fit with the current portfolio of brands and that present the opportunity to obtain significant synergies with it. In this way, we serve markets in which Ferreycorp already operates, because they are based on capabilities that are already mastered or because they generate economies of scale with the current structure of the corporation.
- b. **Enablers**, which will facilitate and enhance the achievement of the strategic pillars. They are:
 - **Analytics, digital and agility**, which considers the development of capabilities for data management and analytical models that can be replicated or deployed transversely in all subsidiaries, with the possibility of generating new services to customers.
 - **Synergies**, which focuses on preserving and continuing to promote commercial synergies, as well as shared services among subsidiaries, with high levels of service. Collaboration between subsidiaries is

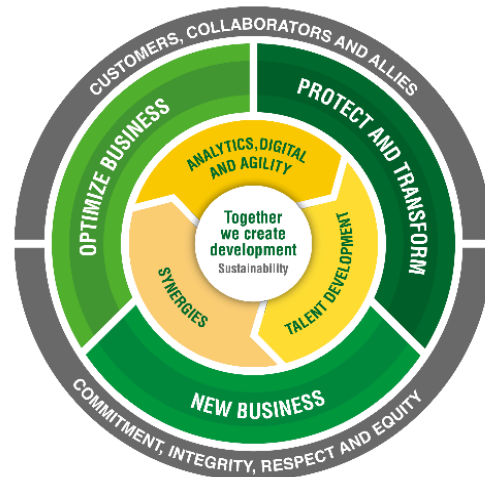
encouraged in processes linked to the core business, provided that it is feasible to add value without losing segmentation and specialization.

- **Talent development**, which is based on continuous training and development to strengthen competencies, supported by a leadership development program. Also in the inclusion of new talent and the enhancement of existing talent to have digital, analytics and agility capabilities among employees. Ensuring the definition of objectives and performance evaluation aligned with the strategy, as well as maintaining a good working environment focused on the preservation of health, safety, favorable working conditions and development opportunities, strengthen the conditions for the development of talent in the corporation.

To ensure the successful execution of this corporate strategy, the governance model incorporates the oversight of the Board of Directors and, at the management level, of a Strategic Planning Committee, with the facilitation of the Corporate Strategy and Development Management.

Likewise, in order to communicate in a simple and clear manner the way in which the expected achievements will be obtained, the visual identity of the corporate strategy highlights Ferreycorp's purpose - **Together we create development** - at the center of the strategy, surrounded by employees, customers, represented brands and suppliers, among other stakeholders.

Finally, the corporation's purpose is complemented by its four values: commitment, integrity, respect and equity, which form the basis of the sustainability commitments that Ferreycorp assumes with society and the management of the impacts it generates on its stakeholders, in harmony with the environment.



1.3 Main awards

Ferreycorp is constantly dedicated to improving its operational performance and corporate management. This commitment has led the company to receive several awards in different aspects of its management, either from the global companies it represents, or from business associations and entities.



Caterpillar 2023 Excellence Programs

Gold: Ferreyros, Unimaq and Orvisa (Service, Spare Parts, Rental, Marketing and Sales, as well as Digital); Gentrac Guatemala (Service, Rental of Heavy Machinery, as well as Marketing and Sales); General de Equipos (Services, as well as Marketing and Sales).

Silver: Gentrac Guatemala (Rental of Light and Digital Machinery); General de Equipos (Spare Parts and Digital).

Bronze: Gentrac Guatemala (Spare Parts).

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



Caterpillar's Five Stars in Contamination Control

Fourteen workshops of Ferreyros (Arequipa; Cajamarca; Technical Development Center; Chimbote; CRC Lima; CRC La Joya; Cusco; Huancayo; Lambayeque; Piura; Rentafer; Machine Shop Lima; Taller Hidraulico; Trujillo) have this distinction by the end of 2023.

Likewise, Ferreyros' Spare Parts Distribution Center (CDR), as well as Orvisa's workshop in Tarapoto, have this certification.



Caterpillar Certification: World Class Workshops

Ferreyros keeps this important certification, granted by the main represented Caterpillar to its two Component Repair Centers (CRC), located in Lima and La Joya (Arequipa), as world class workshops.



Dow Jones Sustainability Index | MILA- Pacific Alliance

Ferreycorp, the only Peruvian firm to be included for the seventh 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 is once again part of the S&P Dow Jones and Stock Market of Lima index, which provides an ESG benchmark for the Peruvian stock market.



Merco Corporate Responsibility and Governance Ranking

Ferreycorp ranks among the top companies with the best social responsibility and corporate governance in Peru. Year after year, it reaffirms its leadership in its sector.



Sustainable Management Company Distinction (EGS)

Formerly known as the Socially Responsible Company Distinction (ESR, for its acronym in Spanish), this Sustainable Peru seal was awarded to Ferreycorp and its subsidiaries Ferreyros, Unimaq, Orvisa, Fargoline and Soltrak.



Peru's Most Admired Companies Award (EMA)

Ferreycorp was once again distinguished among the ten most admired companies in Peru through the EMA 2023 Award, organized by PwC and G de Gestión magazine, reflecting the perception of the corporate community.



Ranking Merco Companies and Leaders

Since the launch of this important list, for twelve consecutive years, Ferreyros has been recognized among the ten companies with the best corporate reputation in Peru. It remains in sixth place and at the head of the industrial sector.



Ranking PAR

Ferreycorp is among the leading companies in terms of gender equity, diversity and social inclusion in the PAR 2022 ranking, by the consulting firm Aequales, in the category of companies with up to 200 employees. It is among the top ten in the ranking, which evaluated more than 700 companies from 18 countries.



Ranking Merco Talento

Ferreyros celebrates a decade of recognition among the top ten companies for attracting and retaining talent in Peru and the leading company in its sector. It continues to rank eighth in the national ranking and first in its category.

2. Sustainable Management

(GRI 2-29)

For Ferreycorp and its companies, business management must seek the sustainability of the organization and the environment in which it operates. In this sense, the corporation understands sustainability as an integral part of its way of operating: it is key to its corporate strategy and is closely related to its purpose, "Together we create development". Therefore, it applies environmental, social and governance (ESG) practices in its sustainable management model, taking care to generate positive impacts on its customers, shareholders, suppliers, employees and other groups in society and, in turn, mitigating and controlling the effects on the environment. Likewise, it endorses the United Nations Sustainable Development Goals (SDGs), and they guide the definition of its strategy, programs and actions, also gathering the opinions and expectations of its stakeholders.

Ferreycorp believes that the company must be an agent of change in society, taking advantage of its resources and capabilities, and the broad spectrum of audiences it addresses. This is possible thanks to a long-term commitment to generating value for its stakeholders (shareholders and investors, employees, customers, community, suppliers, the environment, government and society in general), within the framework of transparent and ethical behavior and an inclusive and responsible vision, and with the support of the highest levels of the corporation.

This conviction existed long before both the concepts of sustainability and social responsibility were widely disseminated.

As such, the organization applies best practices 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 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 1st to December 31st, 2023.

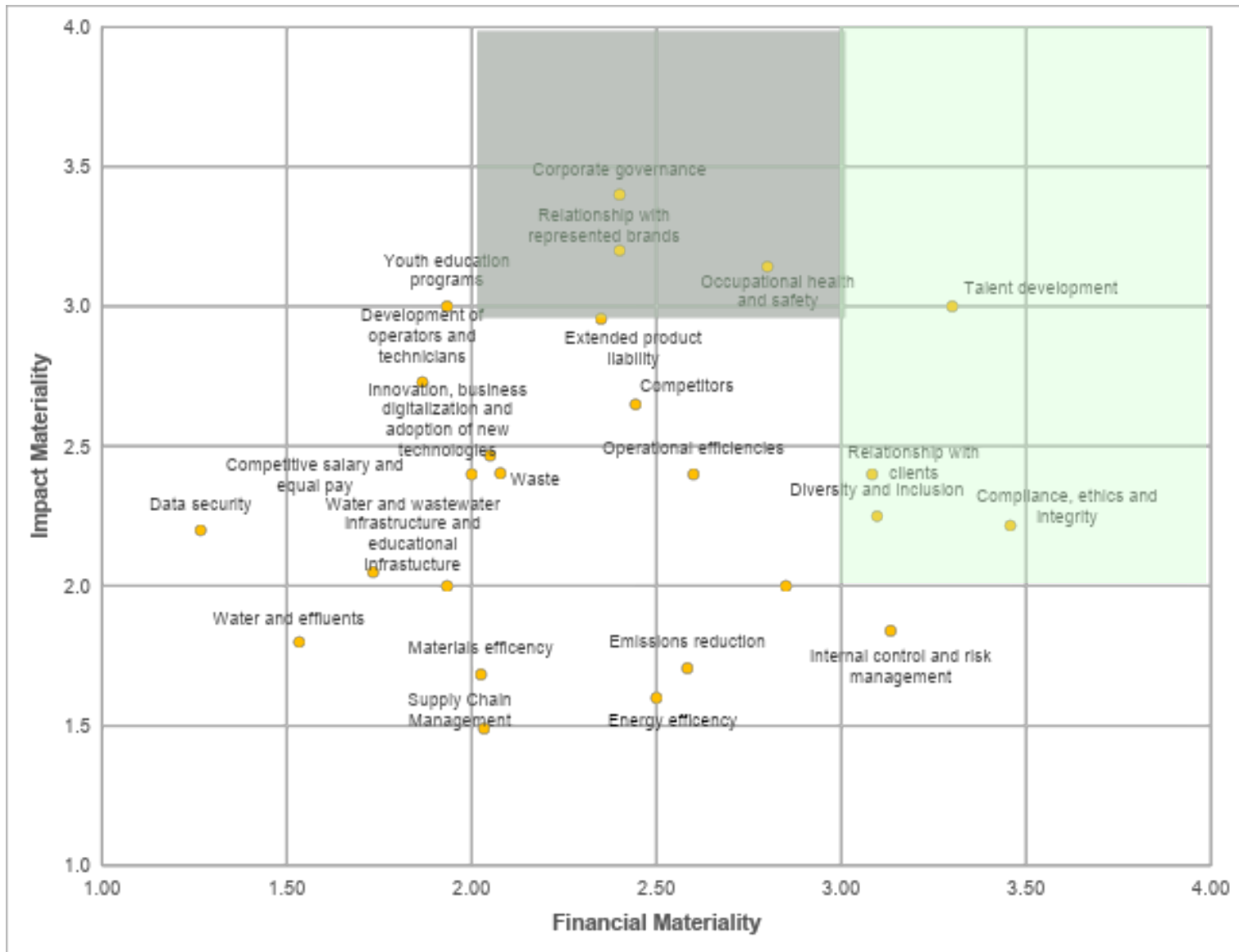
Ferreycorp reports in this document 18 specific contents of the GRI Standards, which were selected considering the following sustainability reporting criteria:

- 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 Sustainability Yearbook, to which Ferreycorp and its subsidiaries belong, were considered. Also, the IFRS S1 and IFRS S2 about sustainability and climate change related financial information.
- 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: A double materiality analysis was carried out. 7 topics were set as material. This was the process:

Stages of materiality analysis

1. Identification of impacts, risks and opportunities	2. Relevance assessment	3. Definition of material issues	4. Impact and financial KPIs
14 interviews were conducted with key positions in the organization to identify impacts: more than 30 environmental related impacts, more than 20 social related impacts and more than 25 governance related impacts were found.	It was held 10 interviews and 2 surveys to get direct information from the stakeholders.	The materiality threshold was set on ≥ 3 on each axis	The impact and financial indicators associated with the material topics were identified.

Materiality matrix of Ferreycorp corporation and its subsidiaries in Peru



Identification of specific GRI content and coverage

Identificación de contenidos específicos GRI y cobertura				
N°	Topic	Specific GRI related content	Coverage	Related stakeholders
1	Corporate governance and compliance	Anticorruption	Internal and external	Employees, customers, suppliers and government.
2	Employee development	Employment	Internal	Employees
		Training and education	Internal	Employees
3	Occupational health and safety	Occupational Health and Safety	Internal	Employees and suppliers
4	Diversity and inclusion	Diversity and Equal opportunities	Internal	Employees
		No discrimination		
5	Relationship with clients	Customer health and safety	External	Customers
		Marketing and labeling	External	Customers
		Customer privacy	External	Customers
6	Relationship with represented brands	Procurement practices	External	Customers, suppliers

Despite being outside the threshold of material topics, we also present the following topics of interest regarding our social, environmental, corporate and economic governance management.

7	Commitment to environmental management	Materials	External	Community and environment
		Energy	External	Clients
		Emissions	External	Community and environment
		Effluents and waste	External	Community and environment
		Water	External	Community and environment
8	Commitment to community	Impact	External	Community
9	Business Management	Economic performance	Internal	Shareholders

3.1 Economic Dimension and Corporate Governance

3.1.1 Corporate Governance

(GRI 3-3)

Ferreycorp's commitment to transparent governance and sustainability is based on elementary principles. These include: having clear policies of the Board of Directors; 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. To foster a climate of respect for the rights of shareholders and investors, the corporation adopts the best corporate governance practices, which contribute to the generation of value, soundness and efficiency.



The corporation has voluntarily adopted the principles of the Code of Good Corporate Governance for Peruvian Companies, updated in 2013, which is structured in five pillars organized in 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.**

Ferreycorp's shareholders and investors not only value aspects such as market leadership, the generation of expected profitability and the preservation of a healthy financial structure, but also dimensions such as the organization's commitment to its human resources, society and the environment.

Both its leadership and its high compliance standards have enabled the corporation to win a series of awards in Peru and abroad for its good environmental, social and corporate governance (ESG) practices.

The following is a summary of how the corporation treats the five areas of the Code of Good Corporate Governance. For more information on this pillar of corporate governance, please refer to Section A- Cover Letter of the Report on Compliance with the Code of Good Corporate Governance for Peruvian Companies.

3.1.1.1 Rights of Shareholders

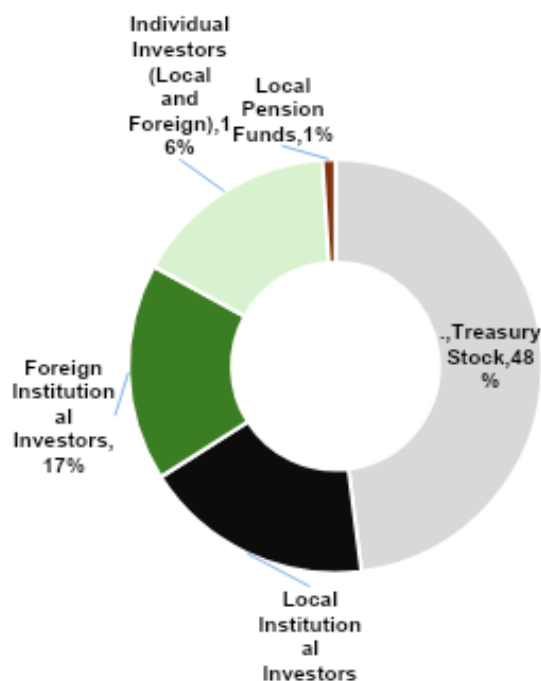
(GRI 3-3)

Ferreycorp ensures equal treatment of its 3,987 shareholders, protecting their rights. At the same time, it ensures appropriate and timely disclosure of all corporate matters considered relevant and is governed by strict insider information guidelines. Likewise, it ensures the strategic management of the organization, through the effective monitoring of the Board of Directors and the definition of its responsibilities towards the shareholders.

a) Ferreycorp shareholders

100% of the corporation's outstanding shareholding is distributed as follows:

Composition of Ferreycorp's shareholders as of December 31st, 2023



On the other hand, the free float of the corporation was 81.06% at the end of 2023. This percentage excludes shares held by members of the Board of Directors and Senior Management, including relatives; employees; Peruvian government entities; banks, finance companies, municipal savings banks under the supervision of the SBS; entities not included in the previous numerals; and shares in portfolio, as defined by the Superintendency of the Stock Market.

b) Shareholder profitability

For more than 20 years, the corporation has fully complied with its Dividend Policy, fulfilling one of the main rights of shareholders: to receive the profitability generated by their investment. Thus, 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 held in March 2023, it was approved to distribute dividends for a total of S/ 251,327,666.14 corresponding to fiscal year 2022. Since in September 2022, S/ 120,000,000.00 had been distributed on account of the 2022 profits, the remaining amount to be distributed was S/ 131,327,666.14. Shareholders received in May 2023 the equivalent of S/ 0.1390 per share, which represented a dividend yield of 5.6%.

A few months later, in October 2023, shareholders also received S/ 100,000,000.00 on account of the 2023 profits, equivalent to S/ 0.1068 per share, which represented a dividend yield of 4.3%. Considering the total dividend distribution in 2023, the dividend yield for the year was 9.9%.

Dividend yield* of Ferreycorp for the last 10 years

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Dividend yield	4.4%	5.2%	5.0%	5.3%	5.7%	10.4%	8.8%	9.6%	11.6%	9.9%

(*) **Profitability per dividend** indicates the return that has been achieved on the amount of the investment through the company's dividend payout alone. The calculation considers the year-end share price.

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.

Corporación Ferreycorp (\$/ miles)	Año 2022	Año 2023
Direct Economic Value Generated (DEV)	6,578,446	6,947,128
Sales (Net sales + share of subsidiaries)	6,577,298	6,944,472
Other income (Sales of fixed assets + other investments)	1,148	2,656
Economic Value Distributed (EVD)	-6,441,533	-6,769,340
Suppliers (Stocks and services)	-5,133,281	-5,328,086
Employees (Salaries and social benefits)	-785,098	-861,677
Government (Income tax + other taxes)	-214,113	-262,848
Shareholders (Dividends)	-245,577	-231,184
Community (Donations, work for taxes covid expenses)	-11,935	-7,501
Net financial expenses	-51,529	-78,044
Valor Económico Retenido (VER)	136,913	177,788

In 2023, 97% of the economic value of the Ferreycorp corporation was distributed (98% in 2022). Of the total economic value distributed, 77% corresponded in 2023 to payments to suppliers, mainly inventories and services (80% in 2022). The remaining 23% was distributed to government, community, employees and shareholders (20% in 2022).

2.1.1.2 Shareholders' Meeting

Among the key issues discussed at the **Shareholders' Meeting** are the evaluation and approval of strategic decisions for the corporation's operations. In this space, where the results of the previous year's management are reported, the dialogue and participation of the shareholders is promoted. In this context, Ferreycorp promotes that the motions on the agenda are disseminated and approved by the largest number of shareholders or represented through their proxies present at the meeting and seeks to increase the quorum at the annual meeting. The installation quorum of the Meeting held on March

29th, 2023 was 68.20%, reaching up to 85% during the session, with the direct participation or by proxy of 131 shareholders.

For more information, please visit the [Report on Compliance with the Principles of Good Corporate Governance](#), section A.

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

In its composition, the corporation seeks to ensure that the **Board of Directors** is made up of people with vast professional experience in different fields of economic activity, especially those linked to the company's strategy, and that they contribute diversity. It also promotes the participation of independent and non-independent members. The active participation of members with diverse and enriching experiences, training and backgrounds is valued in meetings and committees.

The Board of Directors, thanks to its current composition, has skills and experience in the mining, construction and agricultural sectors, knowledge of representations and distribution businesses, expertise in innovation and technology, experience in investment and portfolio management, talent management and sustainability issues, among others.

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](#). These criteria include the criteria for the selection of independent directors, as well as the commitments assumed by the directors, which include always looking after the interests of the company and its shareholders.

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 Río Jiménez

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	No independent	21	3	Industrial, Materials Consumption, Finance, Other	Hombre
Humberto Reynaldo Nadal del Carpio	Vice chairman	Non - executive	Independent	7	2	Industrial, Materials Finance	Hombre
Manuel Bustamante Olivares	Director	Non - executive	No independent	13	1	Financial services, services	Hombre
Thiago de Orlando e Albuquerque	Director	Non - executive	No independent	4	1	Finance	Hombre
Manuel Arturo del Rio Jimenez	Director	Non - executive	Independent	1	1	Finance, Consumer, Others	Hombre
Mariela García Figari de Fabbri	Director – General Manager	Executive	No independent	13	2	Finance, Industrial Consumption, Others	Mujer
Raúl José Ortiz de Zevallos Ferrand	Director	Non - executive	Independent	13	1	Industrial, Services Materials, Consumption Others	Hombre
Rodolfo Javier Otero Nosiglia	Director	Non - executive	Independent	7	1	Materials, Finance	Hombre
Alba Fiorella San Martin Piaggio	Director	Non - executive	Independent	4	1	Services	Mujer

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

Board Composition Index (GRI 405-1)

Indicator		N°
Executive Level	Executive Directors	1
	Other non-executive Directors	8
	Total board size	9
Independence	Independent Directors	5
	Non-independent Directors	4
Gender	Male directors	7
	Female directors	2
Industry experience	Independent or non-executive directors with industry experience (“Industrial” according to GICS Level 1 sector classification) 1) Andreas Wolfgang von Wedemeyer Knigge 2) Humberto Reynaldo Nadal del Carpio 3) Raúl José Ortiz de Zevallos Ferrand	3
Tenure	Average length of service in years	9.2
Other mandates	Non-executive/independent directors with 4 or less other mandates: 1) Andreas Wolfgang von Wedemeyer Knigge 2) Humberto Reynaldo Nadal del Carpio 3) Manuel Bustamante Olivares 4) Thiago de Orlando e Albuquerque 5) Manuel Arturo del Río Jimenez 6) Raúl José Ortiz de Zevallos Ferrand 7) Rodolfo Javier Otero Nosiglia 8) Alba Fiorella San Martin Piaggio	8

(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 organized. In addition, they are trained annually on issues related to the compliance system.

(GRI 2-15) The Report on Compliance with the Principles of Good Corporate Governance provides information 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. For more information, please visit the [Report on Compliance with the Principles of Good Corporate Governance](#) (pages 6-7)

(GRI 2-18) In 2023, the Board of Directors carried out a self-assessment of its performance, including the convening, agenda, meetings and their conduct. At the same time, during the year an external consultant evaluated its management for the 2023 fiscal year, a practice that is carried out annually.

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 Alba San Martin Piaggio.
- **Investment Committee:** Chaired by Manuel Bustamante Olivares.

(GRI 2-12, GRI 2-13) For more information on the functions and attributions of the Board of Directors and each of the committees, please refer to the [Internal Regulations of the General Shareholders' Meeting, Board of Directors and Board Committees of Ferreycorp S.A.A.](#) (pages 35-40) and the [Report on Compliance with the Principles of Good Corporate Governance](#) (pages 44-49).

2.1.1.4 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 list of the main officers of Ferreycorp and its subsidiary companies in 2023, as well as the professional background of each of them is available in [Ferreycorp's Annual Report 2023](#) Appendix 2, section 2.4.1.

2.1.1.5 Transparency of information

Ferreycorp ensures **appropriate information disclosure and transparency**. All important issues for shareholders and investors are disseminated with accurate and regular information through communication channels, mainly virtual and easily accessible. In turn, the corporation has encouraged an increasing inclusion of public information required to support the results of sustainability initiatives and its environmental, social and corporate governance practices, making it available to all its stakeholders.

The corporation's Corporate Finance Management has an Investor Relations area, which maintains constant communication with current and potential shareholders. Thus, during 2023, 344 investors participated in conferences, meetings and telephone calls. In addition, Ferreycorp provides its shareholders and investors with a quarterly management report and a conference call in English, with the participation of the general manager, whose objective is to present and explain the financial results of the period, as well as the performance of the business and other topics of interest.

The corporation, it is important to note, contemplates regulations and guidelines on the handling of privileged and reserved information.

2.1.2 Risks and compliance

2.1.2.1. Corporate Control Environment

The Board of Directors of Ferreycorp, in its role of ensuring the integrity of the accounting systems and financial reporting as part of its fiduciary duty to the company and the shareholders, submits to the Shareholders' Meeting its proposal for the external auditing firm. It is the Board that assumes the responsibility each year of auditing the individual and consolidated financial statements of the corporation's companies.

It should be noted that the Internal Control environment integrates internal auditing, the Compliance System and Ferreycorp's corporate risk management. Therefore, it contributes to a corporate performance based on values and, at the same time, promotes the company's sustainability. By reaching all employees and managers of the organization, it is responsible for promoting socially responsible business, contributing to strengthen the confidence of stakeholders and promoting decision making based on risk analysis.

a) External audit

After evaluating the service received during 2022, at a meeting held on February 22nd, 2023, Management proposed to the Audit and Risk Committee of the Board of Directors to hire the firm EY to audit the financial statements for fiscal year 2023. For the past two years, EY has been responsible for the financial audit of the company and its subsidiaries, to the full satisfaction of the corporation. In this regard, the Board of Directors saw fit 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 2023.

b) Internal audit

At the December 19th, 2022 meeting, the Audit and Risk Committee of the Board of Directors approved an annual plan for 2023 consisting of 195 tasks for the year and ratified the appointment of the Corporate Audit Manager (internal auditor). This Management participated in the four sessions of the Committee during the year, in which it presented the progress of the execution of the 2023 Annual Plan, the results of the audit reviews and the implementation of the recommendations of the 2022 Annual Plan (97% of a total of 973 were implemented) and the 2023 Annual Plan (71% of the 1,507 recommendations issued in 2023 were implemented). Likewise, at the December 18th, 2023 session, the 2024 Annual Plan was approved, consisting of 270 projects for operational, process, regulatory and continuous audits, among others.

2.1.2.2. Risk management

(GRI 2-25)

Risk governance

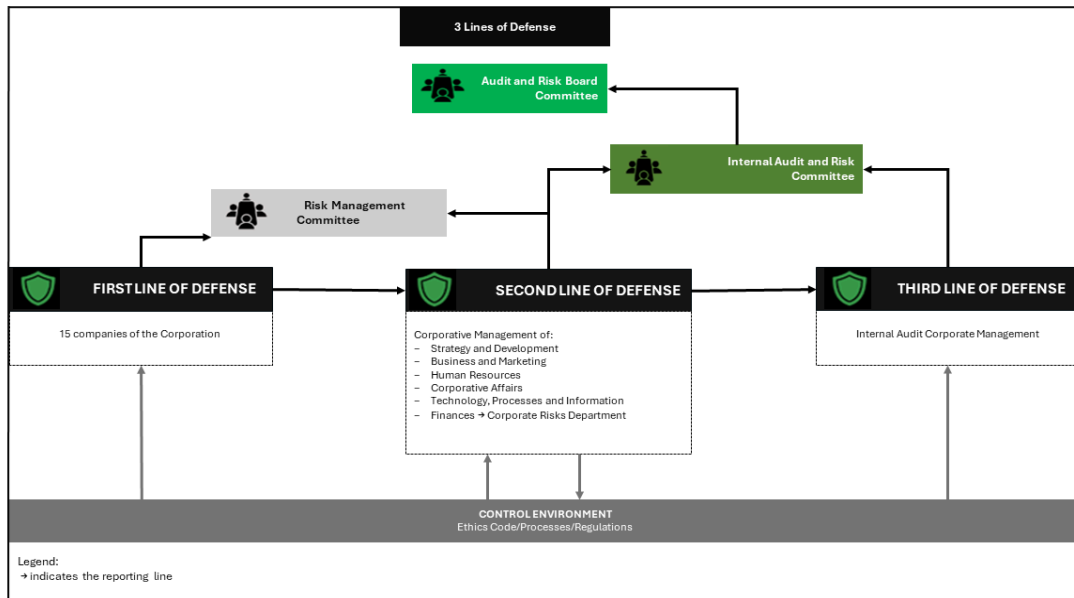
Ferreycorp has a solid risk governance framework. The Audit and Risk Board Committee oversees the risks in the Board of Directors. It holds a meeting 4 times a year and is composed of:

Directors	Position in the Audit and Risk Committee
Rodolfo Javier Otero Nosiglia	President
Manuel Arturo del Río Jiménez	Member
Humberto Reynaldo Nadal Del Carpio	Member
Raúl Ortiz de Zevallos Ferrand	Member
Andreas von Wedemeyer Knigge	Member

The management of operative and strategic risks is based on three lines of defense:

1. **Operational Risk Ownership:** In the first line, every company of the corporation is responsible for maintaining a risk management process in its domains, which must be consistent with its operations complexity and in line with the Risk Management Corporate Policy.
2. **Risk Management and Compliance Oversight:** In the second line, composed of Ferreycorp's Corporate Management, which oversees and leads risk management activities, assuring an effective and coherent coordination.
3. **Independent Audit Unit:** In the third line, Internal Audit Corporate Management is responsible for the independent assessment, providing an unbiased and critical perspective to guarantee the compliance of the policies and processes established in Ferreycorp.

This structure of three lines of defense reflects Ferreycorp's commitment to transparency, responsibility, and proactive risk management at all stages.



Risk management process

To achieve sustainability and create value for its interest groups through risk mitigation, Ferreycorp's guidelines are in accordance with the good corporate governance principles and its values. An organizational culture that promotes proactive risk management is fostered.

The corporation relies on a Risk Management Corporate Policy to carry out this process. This is based on several international standards and an internal methodology whose components are:

- **Internal Environment:** Includes corporate culture and values, technical and moral suitability of its employees, organizational structure, and conditions for delegation of powers and assignment of responsibilities.
- **Goals Setting:** Process by which the strategic goals that must align with the risk appetite and must be within risk capacity are established.
- **Risk Identification:** Process by which internal and external risks that impact the strategy and goals of the business are identified. Risks must be identified and prioritized to determine their impact on the compliance.

The risks of Ferreycorp and its companies are classified accordingly: Strategic, Operational, Financial, Compliance, Emergent.

- **Risks Assessment:** Process by which risks of a company, operation, project are assessed using qualitative or quantitative techniques or a mix of both. **Risk oversight includes the probability and impact assessment** in its inherent and residual state, and they are prioritized based on 4 severity levels: Severe, High, Moderate, Low.
- **Risk Treatment:** Process by which it's decided to accept the risk; mitigate the risk, that is, to reduce the probability of occurrence/frequency and/or to reduce the impact, transfer it totally or partially, avoid it or a combination of the

above-mentioned measures. **Depending on the risk appetite for the identified risks.**

- **Information and Communication:** Process by which the company's General Management and the Internal Audit and Risk Board Committee are informed in a timely manner and by an appropriate channel.
- **Monitoring:** Monitoring the identified risk treatment for main business risks.

Risk exposure in the Corporation's companies is carried out mandatorily on an annual basis or more if needed. In this exposure review the above-described risks process is implemented.

Company	CEO	Frequency	Year 2023
Ferreyros	Gonzalo Díaz Pró	Annual	Held
Unimaq	Alberto Parodi de la Cuadra	Annual	Held
Orvisa	César Vásquez	Annual	Held
Soltrak	Rodolfo Paredes	Annual	Held
Forbis Logistics	Jorge Devoto	Annual	Held
Fargoline	Raúl Neyra	Annual	Held
Trex	Víctor Otero	Annual	Held
Gentrac	Ricardo Ruiz	Annual	Held
Cogesa	Ricardo Ruiz	Annual	Held
Transpesa	Oscar Doñas	Annual	Held

In the annual review of the 2023 risk exposure, 15 Ferreycorp-related corporate strategy risks were identified. Nonetheless, in August 2023, the Multisector Commission of the National Research on El Niño Phenomenon (ENFEN, for its acronym in Spanish) in Peru issued a warning on the potential event of this climate phenomenon under a force majeure scenario, the first one in six years. Heavy rainfall, overflowing rivers and streams were expected, adding a significant risk to our strategic considerations. In response, we have implemented additional mitigation measures.

In this situation, besides an annual risks review, a second review of risks related to the potential climate impacts from the phenomenon was carried out. Activities like workshops, meetings and surveys were carried out with the members of the Top management of the Corporation companies.

Considering the **risk appetite**, 7 risks in the El Niño Phenomenon Contingence Plan of the Corporation were identified. Among them are the following the most relevant:

N°	Risk	Risk event	Probability	Impact	Inherent rating	Mitigation Actions
1	Credit-related	Uncollectible portfolio	High	Medium	Moderate	<p><u>Business as usual:</u></p> <ol style="list-style-type: none"> 1. Identify necessary mitigants and guaranties to reduce risk exposure, granting funding according to the rating granted to the client. 2. Define maximum exposure limits individually with customers in order to avoid a concentration of the no-payment risk. 3. The granting of indirect sureties and credits must take into account the credit profile analysis and must be approved by the Board of every company. 4. Establish the mechanism to suspend credit and when needed stop the provision of goods and services to the customer, including the equipment retrieval when delay on rental payment. <p><u>Reinforced measures before the El Niño Phenomenon (FEN onwards):</u></p> <ol style="list-style-type: none"> 1. Grant credit facilities to customers when there are payment difficulties (extension of payment periods for existing debt). 2. Customer proximity to define pertinent mechanisms if needed: <ol style="list-style-type: none"> a. Extension of payment term for existing debt. b. Voluntary refund of guaranties. 3. Verify the guaranties granted by customers have insurance in force and cover natural disasters. 4. Review internal funding programs and other DLLs. 5. Monitor the customer's status on risks platforms.
		Lack of credit sources for customers (banks, finance intermediary entities, etc. with more restrictive conditions)	High	Medium	Moderate	<p><u>Business as usual:</u></p> <ol style="list-style-type: none"> 1. Exhaust external funding alternatives in financial institutions (CLC, banks, finance companies, saving banks, etc.). 2. Implement risks platforms in the companies. 3. Assess credit insurance application. <p><u>Reinforced measures before the FEN:</u></p> <ol style="list-style-type: none"> 1. Define credit line according to payment behavior, guaranties and financial support of the customer.

N°	Risk	Risk event	Probability	Impact	Inherent rating	Mitigation Actions
2	Inventory management and supply	Stockout and/or overstocking	High	Medium	Moderate	<p>Business as usual:</p> <ol style="list-style-type: none"> 1. Strictly plan and control stock purchase. 2. Negotiate prices with represented factories. 3. Implement logistic efficiency tools like Autostore (storage system and Goodsto-Person orders preparation) 4. Negotiate/transfer stock through programs (Dealer to Dealer of the region and switch with CAT dealers) 5. Identify and manage overstocking levels.
		Material damage to equipment, rental fleet, etc.	High	High	High	<p>Business as usual:</p> <ol style="list-style-type: none"> 1. Insurance cover TREC [All risks contractors' equipment]
		High demand for inventory that cannot be met (events like FEN)	High	High	High	<p>Reinforced measures before the FEN:</p> <ol style="list-style-type: none"> 1. Prime: Increase the stock with higher demand for most used models for the reconstruction. 2. Prime: Coordinate with CAT to meet the high demand for machines because of the government's bids and meet the arranged deadlines (avoiding potential penalties). 3. Prepare GAMBETA Workshop with enough resources to have additional machinery ready due to the increased demand. 4. Parts: Raise Lead times from the factory in case of eventual road closures. 5. Parts: Field and CVA, assisting remotely, providing virtual technical support. 6. Implement alternative ground transportation roadmaps. 7. Provide for the implementation of an air bridge for destinations with a higher probability of road blockage. 8. Provide for the use of cabotage as an alternative type of dispatch.

N°	Risk	Risk event	Probability	Impact	Inherent rating	Mitigation Actions
3	Employees' Health and Safety	Impact on Health and Safety in work	High	High	High	<p>Business as usual:</p> <ol style="list-style-type: none"> 1. Ensure compliance with applicable OSH regulations in force and in accordance with the highest international HSEQ standards. 2. Implement occupational safety and health plan. 3. Generate collaboration among the subsidiaries that allow the optimization of resources used in prevention and employees' health and comprehensive wellbeing promotion actions. 4. ISO 45001 certification [Occupational health and safety management systems]
		Impact on Health and Safety in case of natural disasters	High	High	High	<p>Reinforced measures before of the FEN:</p> <p><u>Health:</u></p> <ol style="list-style-type: none"> 1. Inform in a preventive manner about gastrointestinal, infectious and skin diseases. 2. Provide a preventive kit: repellent, sunscreen and mosquito net (on demand). 3. Supply the Occupational Health team with Paracetamol, rehydration solutions and drinks. <p><u>Safety:</u></p> <ol style="list-style-type: none"> 1. Reinforce safety issues for employees that work onsite. 2. Visit in advance the sites with projected vulnerability: Piura, Trujillo and Chiclayo. 3. Awareness-raising talks and specialized training for HR teams on the impact of the FEN. 4. Access to a 24x7 monitoring center for weather conditions, routes, and natural disasters throughout Peru.

- Description of the company's specific risk exposure (considering probability and impact).
- Description of mitigation actions.

As part of the process of continuous improvement of our Risk Management system, **in the last two years an audit of the risk management process** was carried out by the Internal Audit Corporate Management in February 2024, having as a result a report with no observations. This assessment reflects our constant commitment to our customers, partners and stakeholders, strengthening therefore our capacity to manage risks effectively and to ensure our stakeholders' safety and trust.

Ferreycorp promotes an **effective risk culture**. **The corporation and its subsidiaries have focused training throughout the organization on risk management principles**. In 2023 trainings on risks were provided:

Training	Responsible Department	Company	Public	Participants	Frequency	Year 2023
1. Risk management	Corporate Risks	Ferreyros Unimaq Orvisa Soltrak Forbis Logistics Fargoline Trex Gentrac Cogesa Transpesa	CEO and Top Management team	+150	Annual	Held
2. CAT: Asian competition and Sustainability	Corporate Risks	Ferreyros Unimaq Orvisa Gentrac Cogesa	CEO, Managers and Business Leaders	+100	Ad Hoc	Held
3. Compliance System	Compliance	Ferreyros Unimaq Orvisa Soltrak Forbis Logistics Fargoline Trex Gentrac Cogesa Transpesa	All the company	+7,500	Annual	Held
4. Cibersecurity, information security	Information security	Ferreyros Unimaq Orvisa Soltrak Forbis Logistics Fargoline Trex Gentrac Cogesa Transpesa	All the company	+5,500	Annual	Held

Trends: Emerging risksAs part of the business sustainable development, trending risks that represent challenges at short or medium term for Ferreycorp and its companies are analyzed:

Emerging risk	Emerging Risk 1	Emerging Risk 2:
Name of the emerging risk	Environmental regulation oriented to eco-friendly and/or electric heavy machinery	Adverse results of the implementation of Generative AI
Category	Environmental	Technological
Description	<p><u>Antecedents:</u> As part of the UNESCO Global Covenant, the SDG 13 - Climate Action aims to manage the transition to a low-carbon global economy. The Paris Agreement approaches the vision of throughout accomplishment of development and transfer in order to improve resilience to climate change and reduce greenhouse gas emissions.</p> <p><u>Industry:</u> Worldwide, changes in environmental regulations have been initiated. Countries such as the United States, Canada, Australia and some EU countries are initiating a process of active promotion of the electrification of industrial machinery and vehicles. The heavy machinery industry is no stranger to this process and demand for battery-powered machinery is expected.</p>	<p>The adoption of AI entails a number of significant challenges, such as the leakage of confidential information or vulnerability to cyberattacks. In this regard, setting up these measures involves several critical steps:</p> <ul style="list-style-type: none"> - Rigorously validation of AI models: Before using any AI model, it is crucial to subject it to a thorough validation process. - Constantly monitoring: It must be designed to detect and correct any information security errors or biases. - Implementation of advanced security protocols: They must cover all stages of the AI model lifecycle, from data collection to its deployment and maintenance.
Impact	<p>Ferreycorp, as a machinery dealer, depends on manufacturers being able to respond in a timely manner to environmental strategies and development of machines that use cleaner energy sources. We consider the main impacts to be</p> <ul style="list-style-type: none"> - Loss of market share: decrease in their market participation if customers demand cleaner and with more efficient technology equipment that is not in their portfolio. - Reputation and brand perception: the absence of products with sustainable technology could negatively affect Ferreyros' reputation and brand perception, especially among customers concerned about environmental sustainability. 	<p>The AI implementation offers a transformative potential to optimize our operations. However, it is essential to address the impact of associated risks, such as:</p> <ul style="list-style-type: none"> - Vulnerability of Ferreycorp's confidential information: From different sources like represented factories, customers, suppliers, employees, among others. - Cyberattacks to the organization. - Loss of brand representation. - Legal and economic sanctions. - Damage to reputation and brand.
Mitigating Actions	<p>Additions to the equipment portfolio:</p> <ul style="list-style-type: none"> - During 2020 and 2021, Ferreyros delivered a fleet of 28 autonomous CAT 794 AC trucks to the Quellaveco project, improving the efficiency of each ton moved per gallon of fuel burned. - In 2022, Caterpillar introduced the prototype of the first 100% electric mining truck, the Electric CAT 793. Strategic alliances were established with its main customers through its Early Learner program, having as objective testing and approving the use of these units. Commercial production of this innovative model is expected to begin in 2027, joining the distribution portfolio of its dealers. - In 2021, Ferreycorp presented at MINExpo the CAT R1700 XE loader, a 100% electric and battery-powered model that produces zero exhaust emissions and generates significantly less heat compared to models with internal combustion engines. By 2025, it will be in the distribution portfolio of its dealers. 	<p>In establishing a comprehensive strategy with Caterpillar, we aligned ourselves with best practices for appropriate use of AI. Among them:</p> <ul style="list-style-type: none"> - Development of policies and/or regulations for the proper governance of AI in the corporation: it is critical to establish an internal regulatory framework that defines how AI should be managed and used within the corporation. - Creation of a multidisciplinary AI Committee: Building a multidisciplinary committee is essential to provide a comprehensive and balanced view in AI-related decision making. - Promotion of the non-use of public AI tools: Public tools often do not provide the same level of control and protection as solutions.

2.1.2.3 Compliance System

(GRI 3-3, GRI 2-24)

Ferreycorp has implemented the Compliance System for the prevention of crimes, especially corruption and money laundering, in order to ensure that the actions of all employees are carried out within the framework of a culture of integrity, in line with ethical values and principles, and respecting the legal framework applicable to all areas of business management.

The system is based on three pillars:



The **Corporate Code of Ethics** describes the corporate values that guide the behavior and decision-making of all Ferreycorp's employees, including officers and directors, without exception. At the same time, it defines the fundamental lines of action that govern the links with the different stakeholders, based on ethical principles.

In turn, the **Corporate Compliance Policy** reflects the corporation's commitment in its fight against bribery in any form; through an agent or a 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, contemplates the requirements established by the ISO 37001:2016 standard, as well as the laws and regulations in force in the field of compliance and crime prevention.

Likewise, specific corporate **standards** have been developed to guide the actions of employees, officers and directors in circumstances that potentially 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. Likewise, there are **procedures** focused on identifying and evaluating risks; managing communications; auditing the system, among others, promoting 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.

By the end of 2023, the Compliance System, which systematizes, organizes and implements different Ferreycorp initiatives in this area, is implemented and certified in nine of the corporation's companies: Ferreycorp, Ferreyros, Unimaq, Soltrak, Fargoline, Orvisa, Forbis Logistics, Soluciones Sitech Peru and Ferrenergy. Likewise, during 2023 the integration of the system into the processes of the companies located abroad began, an initiative that will continue during 2024.

(GRI 205-1) It is important to highlight that by the end of 2023, all Ferreycorp companies in Peru have an anti-corruption certification, demonstrating their commitment to the matter. Thus, the parent company Ferreycorp and all its companies in Peru have the Anti-Bribery Certification granted by the Businessmen for Integrity Association. The companies Sitech and Ferrenergy obtained it during the year, joining Ferreycorp, Ferreyros, Unimaq, Soltrak, Fargoline, Forbis and Orvisa, which received it previously.

Also in 2023, Ferreyros, Orvisa and Forbis achieved ISO 37001 Certification: Anti-Bribery Management System, after verification by the independent auditing company SGS. Thus, there are six Ferreycorp companies with this certification, considering also Unimaq, Soltrak and Fargoline, which achieved it in previous years.

These certifications 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 companies, with clear principles to promote ethical behavior based on values with all stakeholders.

(GRI 2-25, GRI 2-26) It should be noted that, as part of the main elements for the operation of the system, there is a Corporate Ethics and Compliance Officer, a whistleblower channel and training processes for employees and suppliers in these aspects.

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/
- Email: canaldedenuncias@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 2023
Corruption or Bribery	4
Discrimination or Harassment	18
Customer Privacy Data	0
Conflicts of Interest	1
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) (pages 4-5, 17-18).

Regarding training, in August 2023 a virtual training course on the Compliance System was given, in which a total of 7,574 employees from all the countries where the corporation and its subsidiaries operate participated, of which 95.93% 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 2023, suppliers of all the corporation's subsidiaries in Peru 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
	2022 (%)	2023 (%)	2022 (%)	2023 (%)	2022 (%)	2023(%)
New machinery	68	76	57	61	74	76
Services	75	77	68	75	57	75
Spare parts	69	72	64	72	62	71
Sale of used equipment	58	67	62	71	-	-
After-sales service of allied brands	-	-	50	59	-	-
Rent	95	59	63	73	-	-
Total %	71	74	62	69	63	74

Survey type	Soltrak	
	Satisfaction	Satisfaction
	2022 (%)	2023 (%)
Lubricants	79	57
Industrial safety	49	51
Tires	66	76
Total %	65	61

Survey type	Fargoline		Forbis	
	Satisfaction	Satisfaction	Satisfaction	Satisfaction
	2022 (%)	2023 (%)	2022 (%)	2023 (%)
Service	54	64	68	63
Total %	54	64	68	63

Survey Type	Gentrac		Cogesa		Trex Chile	
	Satisfaction	Satisfaction	Satisfaction	Satisfaction	Satisfaction	Satisfaction
	2022 (%)	2023 (%)	2022 (%)	2023 (%)	2022 (%)	2023 (%)
New machinery	77	91	89	85	55	61
Services	72	76	65	77	65	56
Spare parts	72	82	62	82	59	54
Rent	70	82	89	100	56	52
Total %	72	81	64	81	60	56

(*) It includes: Ferreyros, Unimaq, Orvisa, Forbis Logistics, Fargoline, Soltrak, Gentrac, Cogesa y 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 Ferreycorp 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
	2022 (%)	2023(%)	2022 (%)	2023 (%)	2022 (%)	2023 (%)
New machinery	64	74	45	53	72	72
Services	73	74	66	72	50	71
Spare parts	65	69	56	70	58	65
Sale of used equipment	48	54	50	64	-	-
After-sales service of allied brands	-	-	37	52	-	-
Rent	95	59	52	67	-	-
Total %	67	69	52	65	64	70

Survey type	Soltrak	
	NLS	NLS
	2022 (%)	2023 (%)
Lubricants	73	49
Industrial safety	45	49
Tires	59	76
Total %	56	56

Survey type	Fargoline		Forbis	
	NLS	NLS	NLS	NLS
	2022 (%)	2023 (%)	2022 (%)	2023 (%)
Services	51	64	68	63
Total %	51	64	68	63

Survey type	Gentrac		Cogesa		Trex Chile	
	NLS	NLS	NLS	NLS	NLS	NLS
	2022 (%)	2023 (%)	2022 (%)	2023 (%)	2022(%)	2023 (%)
New machinery	77	91	89	85	55	61
Services	72	76	65	77	65	56
Spare parts	72	82	62	82	59	54
Rent	70	82	89	100	56	52
Total %	72	81	64	81	60	56

(*) It includes: Ferreyros, Unimaq, Orvisa, Fargoline, Forbis Logistics, Soltrak, Gentrac, Cogesa y 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.

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
Origen	O K	O K	O K	O K	O K	O K	O K	-	O K	O K	O K	-	-	O K	-	-
Content: Presence of substances that may affect the environment	-	-	O K	O K	-	-	O K	O K	-	-	O K	O K	-	O K	-	O K
Safety instructions	O K	O K	O K	O K	O K	O K	O K	O K	O K	O K	O K	O K	-	O K	-	O K
Product disposal	-	-	O K	O K	-	-	O K	O K	-	-	O K	O K	-	O K	-	O K

(*) 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 Cadena de suministro

(GRI 2-6, GRI 3-3)



Ferreycorp's commitment to its supply chain is important to ensure a sustainable business model. In this sense, it maintains reliable and permanent relationships with its suppliers, under a perspective of mutual growth, fair, loyal and transparent treatment. The corporation and its subsidiaries seek that its 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 important stakeholder group.

The supply chain management strategy of Ferreycorp and its subsidiaries focuses on four pillars: strategic alliances and supplier management, differentiated processes for MSEs, supplier development and promotion of a sustainable supply chain. This strategy is led and monitored by the Finance Management, which is responsible for ensuring compliance.

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

Suppliers must provide high quality competitive products and services, in accordance with the requirements and technical specifications negotiated, in accordance with safety standards, and for no reason may they receive retribution that goes beyond the commercial relationship.

On the other hand, the corporation is committed to adopt measures with respect to its suppliers respecting the rules 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 or using it independently, as well as respecting trademarks and patents, ; avoid any situation that presents itself as a conflict of interest, 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, Corporación Ferreycorp 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 2023, the number of eligible suppliers that served all of the corporation's companies in Peru was 5,602, after filtering and removing the regulatory entity (National Superintendency of Customs and Tax Administration - SUNAT), financial entities, government companies, stockbrokers and stock market agents, suppliers with invoicing of less than S/.200, restaurants and hotels.

Supplier Screening	FY 2023
Total number of Tier-1 suppliers	5,602
Total number of significant suppliers in Tier-1 (> S/ 100 K)	1,181
% of total spend on significant suppliers in Tier-1 (> S/ 100 K)	99%
Total number of significant suppliers in non Tier-1	0
Total number of significant suppliers (Tier-1 and non Tier-1)	1,181

2.1.4.1 Type of suppliers

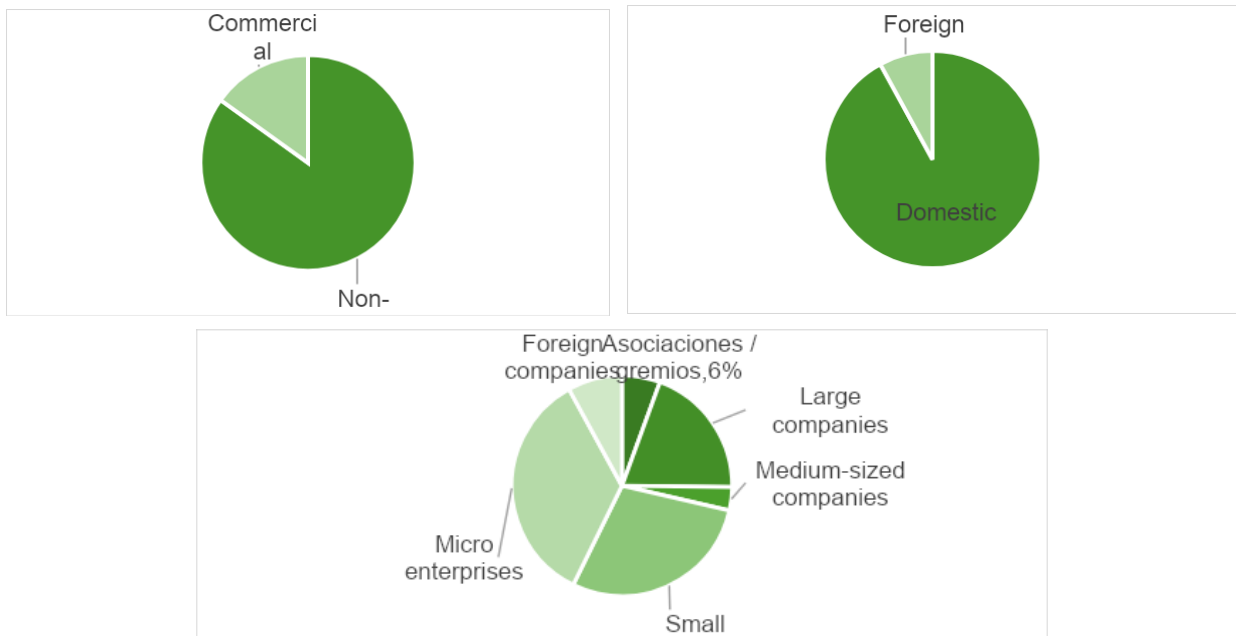
Ferreycorp and its subsidiaries classify their suppliers according to different characteristics and conditions. By type of relationship with the companies, they may be commercial or non-commercial; by location, domestic or foreign; by size of the company, micro, small, medium or large company; by level of invoicing; and by economic sector according to the CIIU issued by SUNAT.

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

Within this group, the relationship that has been maintained since 1942 with Caterpillar, the organization's flagship brand, stands out, in addition to 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. In addition, there are various commercial suppliers within the value chain of the subsidiaries dedicated to the sale of consumable products and other service companies.

On the other hand, non-commercial suppliers are those related to workshops, logistics and transportation, which are part of the value proposition of the companies, including telephone insurance companies; van fleet suppliers, travel agencies, customs and logistics; general services and cleaning companies; infrastructure, environmental and technology services; provision of stationery, uniforms and merchandising; consulting, advisory and IT services, among many others.



SAP classification	N°
Affiliates	12
Agroganadería	41
Food services, restaurant, lodging, concessionaires	327
Consulting and advisory services	391
Construction	67
Main foreign supplier	217
Education	7
Guilds	120
Printers	53
Administrative services	1513
Insurance companies	8
Supplies, factory	2157
IT	101
Transportation	569
Travel	19

2.1.4.2 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 supplier approval 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 2023, 2040 suppliers were homologated 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. These desk reviews are part of the approval process and, when required, on-site reviews are also performed. These approvals have been carried out during 2023 both internally by the purchasing teams of the corporation and its subsidiaries, as well as by specialized external auditors.

As part of the approval process, suppliers are given the opportunity to raise any observations during the audit to be considered eligible for a second review.

For both the acquisition of goods and the contracting of services, Ferreycorp and its subsidiaries must go through a competitive bidding process, either through a private bidding process or an administrative procedure, in which several suppliers are invited to participate. In a subsequent period, non-commercial purchases are expected to be made only with approved suppliers.

Supplier approvals by 2023

Company	Approvals					
	2021		2022		2023	
	Internal	External	Internal	External	Internal	External
Ferreyros	-	552	-	537	-	625
Unimaq	362	39	393	52	426	120
Orvisa	6	-	9	22	111	23
Soltrak	-	22	136	23	382	71
Fargoline	-	39	-	47	0	77
Sitech	2	-	11	5	43	9
Forbis	57	-	57	35	54	5
Ferrenergy	20	-	-	4	0	6
Matriz Ferreycorp	149	-	104	-	0	88
Total	596	653	710	729	1016	1024
	1249		1439		2040	

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

We have successfully passed the internal audit of the Compliance System and the Anti-Bribery Certification of EXI (Asociación Empresarios por la Integridad).

Buyer's Network

Since 2022, a Buyers' Network has been formed by those responsible of supplier management in the different subsidiaries nationwide. This network reviews strategic issues, initiatives offered by the market, good internal and external practices, among others.

KPIs for Supplier Assessment and Development

This section considers the universe of significant suppliers (with a turnover of more than S/. 100 K): 1,181 significant suppliers.

- **Coverage and progress of our supplier assessment program**

Supplier Assessment	2023
Total number of suppliers assessed via desk assessments/on-site assessments	398
% of unique significant suppliers assessed	33.7%
Number of suppliers assessed with substantial actual/potential negative impacts	379
% of suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	100%
Number of suppliers with substantial actual/potential negative impacts that were terminated	0

- **Coverage and progress of suppliers with corrective actions plans**

Corrective action plan support	2023
Total number of suppliers supported in corrective action plan implementation	379
% of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation	100%

- **Coverage and progress of suppliers in capacity building programs**

Capacity building programs	2023
Total number of suppliers in capacity building programs	800
% of unique significant suppliers in capacity building programs	67.73%

2.1.4.3. Investment amount in supply (GRI 204-1)

During 2023, Ferreycorp's main subsidiaries in Peru and the holding company itself have contracted with suppliers for an amount of more than S/. 6,117,889,242.

Under this consideration, domestic suppliers are those with local operations in Peru, accounting for 7.96% of the total number of eligible suppliers and 78.88% of the amount invoiced by suppliers in 2023.

Spending on suppliers 2023 by origin

	Domestic	Foreign	Total
Total number or Tier-1 suppliers	446	5,156	5,602
% Total number or Tier-1 suppliers	7.96%	92.04%	100%
Spending (S/)	4,825,973,847.75	1,291,915,395.10	6,117,889,242.85
% Spending (S/)	78.88%	21.12%	100%

Spending on significant suppliers 2023 by origin

	Domestic	Foreign	Total
Total number of significant Tier-1 suppliers	1,009	172	1,181
% Total number of significant Tier-1 suppliers	85.44%	14.56%	100%
Spending (S/)	1'242,216,698	4'819,834,891	6'062,051,589
% Spending (S/)	20.49%	79.51%	100%

Spending on significant suppliers 2023 by commercial / non-commercial

	Commercial	Non-commercial	Total
Total number of significant Tier-1 suppliers	381	800	1,181
% Total number of significant Tier-1 suppliers	32.26%	67.74%	100%
Spending (S/)	5,309,578,281	752,473,309	6,062,051,589
% Spending (S/)	87.59%	12.41%	100%

2.1.4.4. 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 suppliers, thus contributing to the growth of local economies.

In this regard, as part of its participation in external programs, as well as with internal training, Ferreycorp provided training in 2023 on topics such as diversity management and inclusion in companies, waste management and circular economy, compliance system, Ecodriving, value offer and customer experience, Sire - SUNAT obligations, health, safety, environment and sustainability. These trainings are also aimed at strengthening knowledge on these topics among the purchasing team of the corporation and its subsidiaries.

The external programs and/or trainings in 2023 have been the following:

- **Competitive Businesses** of the Global Reporting Initiative (GRI), achieving that 53 suppliers issued their Sustainability Report (35 companies did it for the first time).
- **Provee Pyme Platform**, an initiative of the ILO and Confiep that seeks to bring large corporations and small and medium-sized enterprises closer together and in which 27 suppliers were already registered by the end of 2023.
- **Score Program** provided by the Ministry of Labor and Employment Promotion, which seeks to increase productivity and improve MSME processes (delivery times, labor relations, etc.), 12 companies have completed the program.



Also, 3,457 suppliers were trained nationwide by Ferreycorp, which corresponds to 68% of the total eligible suppliers.

Company	Suppliers trained	Man hours of supplier training	Suppliers trained in health and safety	Suppliers trained in Ferreycorp Compliance System and due diligence	Suppliers trained in sustainability matters	Suppliers trained in other topics
Matriz Ferreycorp	1072	8	47	64	447	514
Ferreyros	1534	1767	633	284	583	34
Unimaq	529	1058	56	359	57	57
Orvisa	29	1	0	29	0	0
Soltrak	56	1	0	56	0	0
Fargoline	38	1	0	38	0	0
Sitech	150	3	50	25	25	50
Forbis	40	6	10	21	9	0
Ferrenergy	9	1	0	9	0	0
Total	3457	2846	796	885	1121	655

2.1.4.5. Supplier Risk Management

Potential risks

As part of its commitment to sustainability, the companies of the Ferreycorp corporation are 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 image, impact on legal compliance and impact on the continuity of operations. For this purpose, potential risks in the country and in the sector are considered.

Risks are evaluated in their inherent state (inherent to the activity without considering 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. critical, high, moderate or low.

Supplier safety

In the area of safety and health of suppliers' personnel, a risk assessment is carried out 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 supplier equipment that include safety issues, while for plant visits, guidelines have been established to ensure the integrity of visiting personnel, such as contractor induction, supplementary risk work insurance (SCTR), safe work analysis (ATS), 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 2024

- Certification of the sustainable procurement strategy based on the ISO 204000 Standard (Ferreyros / Unimaq / Orvisa).
- Achieve 10% qualification in SAP FIORI of Non-Commercial suppliers.
- Continue with supplier development.
- Continue to follow up with 40 selected companies to ensure that they issue their GRI sustainability report.
- Create a name and logo for the Supplier Management Program.
- Achieve 60% participation in the Supplier Animated Course.
- Continue with the external approval with ESG criteria of 564 suppliers.

2.1.4.6. 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 conditions 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.

On the other hand, Ferreycorp's parent company has a Supplier Portal, fully integrated with SAP, which allows 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 time efficiencies, 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 transportation of suppliers to the main office to physically leave their invoices.

In 2022, we developed the Digital Supplier File, where each supplier's information is recorded on a platform that serves as a document repository.

In 2023, the supplier classification of all the companies that use this tool has been digitalized. They are already classified by sector, customer relationship, location, company size, etc.

By 2024 we expect to carry out the FIORI supplier evaluation, which consists of analyzing the end user's satisfaction with the service provided by suppliers.

2.2 Social Dimension

2.2.1 Human capital management

2.2.1.1 Human capital management model (GRI 3-3)

Ferreycorp performs a dedicated human capital management in all its companies, being aware that more than **7,400 employees** in Peru and abroad are the most important and valuable resource of the corporation, allowing it to maintain its success and transcendence in 101 years of trajectory.

Thus, aligned with its purpose and values, and with the business strategy, Human Resources management is based on the following strategic focuses:

- Ensure a Value Proposition to the collaborator in which occupational health and safety is prioritized, and actions are carried out for their physical and mental well-being.
- Develop a solid culture that aligns employees with business objectives, as well as a work environment that motivates and provides the necessary conditions for them.
- Manage talent in our companies: attract, retain and develop it to reach its full potential.
- Generate efficiencies at the organizational level to optimize the structure in each company, create synergies among the companies of the corporation and foster a culture of high performance to achieve the best results.

In order to ensure optimal human capital management within Ferreycorp, the Corporate Human Resources Management provides a management framework to all its companies in the countries where it operates. The latter have their leaders as the main promoters of change from each of their specialized areas of human resources management.

This section describes relevant aspects of the corporation's human resources management.

2.2.1.2 Employment

a) Employment generation

Ferreycorp has developed a value proposition for all its employees, based on producing pride and purpose; providing them with quality of life and an excellent work environment; and encouraging their personal and professional growth, including a competitive compensation and benefits system.



At the end of 2023, the team of employees of the corporation and all its subsidiaries in Peru and abroad totaled 7,464 people, compared to 7,022 in 2022. In this way, the organization has continued to incorporate talent to its workforce, backed by solid values and commitment.

(GRI 2-7) Below you will find the distribution of the workforce of the entire corporation 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	Ferreycorp	Ferreyros	Ferrenergy	Unimaq	Orvisa	Soltrak	Fargoline	Forbis Perú	Sitech	Total
Permanent	Lima	Male	55	1,214	3	192		114	74	21	9	1,682
		Female	66	226	2	62	1	70	12	25	1	465
	Provincias	Male		1,135		137	108	45	6			1,431
		Female		80	1	21	11	9	1			123
Temporal	Lima	Male	14	619	23	45		83	66	22	26	898
		Female	13	201	2	46		41	31	27	6	367
	Provincias	Male		975	23	196	15	72	9		10	1,300
		Female		227	1	32	6	7				273
Total			148	4,677	55	731	141	441	199	95	52	6,539

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

Type of contract	Gender	Ferreycorp	Ferreyros	Ferrenergy	Unimaq	Orvisa	Soltrak	Fargoline	Forbis Perú	Sitech	Total
Full time	Male	69	3,943	49	570	123	314	155	43	45	5,311
	Female	78	733	6	161	18	127	44	52	7	1,226
Part time	Male										0
	Female	1	1								2
Total		4,298	148	4,677	55	731	141	441	199	95	52

*Considers Ferreycorp subsidiaries with operations in Peru in 2023

(GRI 2-8) It should be noted that at the end of 2023 there were 200 pre-professional interns, 48 professional interns which represents a total of 248 non-employees whose work is controlled by the organization. For this indicator we are only considering those who are working in one of these two training modalities, so contractors have not been considered.

- **Hiring and turnover**
(GRI 401-1)

During 2023, the following results were archived in terms of new hires in Ferreycorp S.A.A and its subsidiaries in Perú:

Hiring during 2023 (*)

		Ferreycorp	Ferreyros	Ferrenerg y	Unimaq	Orvisa	Soltrak	Fargoline	Forbis Perú	Sitech	Total
Hiring by region	Lima	26	446	12	113		79	80	33	38	827
	Provinces		417	8	106	16	56	2		2	607
Hiring by age range	Up to 30 years	14	584	2	110	8	56	24	27	23	848
	31 - 50 years	12	275	16	105	8	73	54	6	17	566
	51 years and older		4	2	4		6	4			20
Hiring by gender	Female	13	205	3	67	8	23	16	22	5	362
	Male	13	658	17	152	8	112	66	11	35	1,072
Hiring by type of employee	Executives		1				1				2
	Sales force		11		21		20	4	3		59
	Technicians		577	3	64	1				20	665
	Employees	26	274	17	134	15	114	78	30	20	708
Total		26	863	20	219	16	135	82	33	40	1,434

This represented an increase of 536 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 (*)

		Ferreycorp	Ferreyros	Ferrenergy	Unimaq	Orvisa	Soltrak	Fargoline	Forbis Perú	Sitech	Total
Hiring region	by Lima	13	195	3	65	0	3	-11	8	18	294
	by Provinces	0	185	6	28	1	22	-1	0	0	242
Hiring by age range	Up to 30 years	8	373	2	69	6	27	2	11	10	508
	31-years	9	27	5	27	-5	2	-6	-3	8	64
	51 years and older	-4	-19	2	-3	0	-4	-8	0	0	-36
Hiring gender	by Female	8	119	2	33	4	1	1	4	4	176
	by Male	5	262	7	60	-3	24	-13	4	14	360
Hiring type employee	by of Executive	-1	-1	0	-2	0	0	0	0	0	-4
	by of Sales Force	0	-8	0	2	0	-8	-2	3	0	-13
	by of Technicians	0	308	-2	24	-3	0	0	0	7	334
	by of Employees	14	82	11	69	4	33	-10	5	11	219
Total		13	381	9	93	1	25	-12	8	18	536

*Considers Ferreycorp subsidiaries with operations in Peru in 2023

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%.

Staff turnover during 2023*

		Ferreycorp		Ferreyros		Ferrenergy		Unimaq		Orvisa		Soltrak		Fargoline		Forbis Perú		Sitech		Total	
		T	V	T	V	T	V	T	V	T	V	T	V	T	V	T	V	T	V	T	V
Region	Lima	13	8	251	134	9		48	18			76	37	91	44	25	23	20	14	533	278
	Provinces			231	143	2	1	78	38	15	5	34	19	3	1			2		365	207
Age range	Up to 30 years	6	6	211	104			41	19	2	1	29	14	22	14	16	15	13	9	340	182
	31 - 50 years	3	1	248	173	11	1	78	37	13	4	71	39	60	28	9	8	9	5	502	296
	51 years and older	4	1	23				7					10	3	12	3					56
Gender	Female	5	4	86	50	1		34	13	4	1	22	12	15	9	18	16	1		186	105
	Male	8	4	396	227	10	1	92	43	11	4	88	44	79	36	7	7	21	14	712	380
Employee Type	Executive	1		2				2				1								6	0
	Sales Force			19	12			19	11			28	13	6	13					72	49
	Technicians			269	148	5		40	20	4	2							13	9	331	179
	Employees	12	8	192	117	6	1	65	25	11	3	81	43	88	43	25	23	9	5	489	268
Total		13	8	482	277	11	1	126	56	15	5	110	56	94	45	25	23	22	14	898	485

Percentage of voluntary staff turnover during 2023*

		Ferreycorp		Ferreyros		Ferrenergy		Unimaq		Orvisa		Soltrak		Fargoline		Forbis Perú		Sitech		Total	
		T	V	T	V	T	V	T	V	T	V	T	V	T	V	T	V	T	V	T	V
Region	Lima	10%	6%	12%	6%	39%	0%	18%	7%	0%	0%	25%	12%	47%	23%	29%	26%	63%	44%	17%	9%
	Provinces			10%	6%	9%	5%	22%	11%	11%	4%	31%	17%	17%	6%						13%
Age Range	Up to 30 years	19%	15%	7%	0%	0%	21%	10%	10%	5%	27%	13%	42%	26%	46%	43%	93%	64%	18%	10%	
	31 - 50 years	4%	1%	10%	7%	28%	3%	20%	9%	12%	4%	26%	14%	46%	22%	19%	17%	53%	29%	14%	8%
	51 years and older	13%	3%	7%	0%	0%	0%	15%	0%	0%	0%	25%	8%	40%	10%	0%	0%	0%	0%	12%	1%
Gender	Female	7%	6%	14%	8%	25%	0%	27%	10%	29%	7%	17%	10%	34%	20%	38%	33%	50%	0%	18%	10%
	Male	13%	6%	11%	6%	24%	2%	18%	9%	9%	3%	30%	15%	47%	21%	18%	18%	70%	47%	14%	8%
Employee Type	Executive	4%	0%	4%	0%	0%	0%	18%	0%	0%	0%	14%	0%	0%	0%	0%	0%	0%	0%	6%	0%
	Sales Force			8%	5%			21%	12%	0%	0%	33%	15%	86%	186%	0%	0%			16%	11%
	Technicians			12%	6%	63%	0%	20%	10%	14%	7%							93%	64%	13%	7%
	Employees	11%	7%	11%	7%	17%	3%	20%	8%	12%	3%	25%	13%	43%	21%	32%	30%	53%	29%	17%	9%
Total		10%	6%	11%	6%	24%	2%	20%	9%	11%	4%	26%	13%	44%	21%	29%	26%	69%	44%	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 2023 ranking, for the ninth consecutive year, and remains in eighth place in the national ranking and in first place in its sector.

b) Employee relations
(GRI 2-30)

Respect for workers' freedom of association is essential for Ferreycorp and its subsidiaries in Peru and abroad. Therefore, it has no policies that affect their decisions to belong to unions or to sign collective bargaining agreements.

Since 1946, the Unitary Workers' Union has uninterruptedly represented the Ferreyros staff, the corporation's main company. This group of employees, with 650 members at the end of 2023, which represents 8% of Ferreycorp employees, maintains good relations with the company and contributes to improving policies that favor working conditions. It should be noted that it is in the process of collective bargaining for the 2023-2024 period. No other company in Peru has a labor union.

At the same time, the Trex subsidiary, in Chile, has a Unitary Union made up of 85 employees, which represents 1% of Ferreycorp employees, which also maintains a good relationship with the company. In 2023, a new collective bargaining agreement was agreed directly, maintaining the agreed benefits for three years.

The corporation, committed to ensuring compliance with legal labor standards, standardizing processes, and managing labor relations among employees, has continued to strengthen the advice it provides to its companies in Peru and abroad in this area. Likewise, it maintains respect for the principles of gender equity and equality and non-discrimination in employment. Likewise, it has reinforced the process of reporting labor harassment through the Ethics Channel and training.

c) Compensation and benefits (GRI 2-19, GRI 2-20, GRI 2-21)

The compensation system of Ferreycorp and its subsidiaries, both in Peru and abroad, is based on job evaluation using a methodology that considers factors such as the complexity of the function, the specialized knowledge required and the level of decision making. Using this information, salary scales are elaborated taking into consideration data from salary surveys in the labor market. The purpose of this system is to ensure internal equity and external competitiveness, under the framework of the Corporate Compensation and Benefits Standard applicable to the entire corporation. The Board of Directors is responsible for evaluating the compensation of employees and its members, supervising this process directly or delegating it to the Nomination and Compensation Committee of the Board of Directors. For more information on this point, please visit the [Internal Regulation of of the meeting of shareholders of Ferreycorp.](#)

It should be noted that, according to an analysis carried out in the companies in 2023, there is salary equity with equal average annual income between women and men.

In addition, there are short-term variable compensation schemes. An example of this is the performance bonus for Ferreycorp employees in Peru and abroad, which takes into account performance evaluation and the achievement of their objectives for the previous year. Incentives are also offered to the sales force and sales managers based on the fulfillment of certain objectives and goals established by each company.

2.2.1.3 Diversity and human rights (GRI 3-3)

a) Gender equity

In Peru and abroad, 1,439 women worked at Ferreycorp and its companies at the end of 2023, representing 19% of the total number of employees, compared to 18% in 2022.

In particular, the percentage of women in non-technical positions increased to 29% of total employees in 2023, compared to 28% in 2022.

It is important to note that Ferreycorp's General Management, Corporate Human Resources Management and Corporate Finance Management, among others, are headed by women. It is worth noting that 30% of the management positions in the parent company Ferreycorp and its subsidiaries in Peru were occupied by women at the end of 2023, compared to 25% in 2022. At the same time, the boards of directors of the corporation and its subsidiaries include female talent.

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

Ferreycorp has carried out several initiatives to promote the development of women in the labor market, including technical careers, where the market still has a limited supply. Among them, the offer of internships for women in technical positions and scholarships for technical careers in specialized institutes. In turn, Ferreyros' +Juntas program is focused on the emotional well-being of female technical personnel.

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

Type of employee	Gender	Age	FY 2023
Officers	Men	Up to 30 years old	0
		31 - 50 years old	35
		51 years and older	44
		Total	79
		Percentage	1.2%
	Women	Up to 30 years old	0
		31 - 50 years old	21
		51 years and older	12
		Total	33
		Percentage	0.5%
Sales force	Men	Up to 30 years old	53
		31 - 50 years old	273
		51 years and older	54
		Total	380
		Percentage	5.8%
	Women	Up to 30 years old	18
		31 - 50 years old	60
		51 years and older	3
		Total	81
		Percentage	1.2%
Technicians	Men	Up to 30 years old	976
		31 - 50 years old	1,559
		51 years and older	125
		Total	2,660
		Percentage	40.7%
	Women	Up to 30 years old	0
		31 - 50 years old	138
		51 years and older	28
		Total	166
		Percentage	2.5%
Employees	Men	Up to 30 years old	501
		31 - 50 years old	1,477
		51 years and older	214

	Women	Total	2,192
		Percentage	33.5%
		Up to 30 years old	426
		31 - 50 years old	457
		51 years and older	65
		Total	948
	Percentage	14.5%	
	Men	Up to 30 years old	1,530
		31 - 50 years old	3,344
		51 years and older	437
		Total	5,311
Percentage		81.2%	
Women		Up to 30 years old	444
	31 - 50 years old	676	
	51 years and older	108	
	Total	1,228	
	Percentage	18.8%	
	TOTAL OF EMPLOYEES		6,539

Labor force breakdown by gender *

Diversity Index	Percentage	Target
Share of women in total workforce (as % of total workforce)	19%	25%
Share of women in all management positions, including junior, middle and top management (as % of total management positions)	29%	-
Share of women in junior management positions, i.e. first level of management (as % of total junior management positions)	46%	-
Share of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions (as % of total top management positions)	21%	-
Share of women in management positions in revenue-generating functions (e.g. sales) as % of all such managers (i.e. excluding support functions such as HR, IT, Legal, etc.)	17%	-
Share of women in STEM-related positions (as % of total STEM positions)	18%	-

Labor force breakdown by nationality *

Breakdown based on nationality	Share in total workforce (as % of total workforce)	Share in all management positions, including junior, middle and senior management (as % of total management workforce)
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.*

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, LGBTQI+ community and generations.

As part of the program, the Peer Committee has been formed, composed of the corporation's General Management and representatives of the different corporate management and main subsidiaries. The committee aims to put on the agenda various issues that contribute to achieving the objectives by action front (different skills, ethnicities and cultures, LGBTQI+ 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 that sense, in 2023, Ferreycorp was distinguished within the Top 10 in its category in gender equity and diversity in Peru, according to the PAR ranking of the consulting firm Aequales. The evaluation considered four fundamental areas for gender equity: management of objectives, organizational culture, organizational structure and talent management.

Likewise, the Good Practices Contest of the Peruvian Ministry of Labor awarded Ferreyros first places in two categories for its support to its workers and their families during the pandemic: "Promotion of work-family balance" and "Employment, corporate solidarity and social participation in situations of force majeure". Also, the parent company Ferreycorp took first place for the program "Zero tolerance to sexual harassment and gender violence" in the category "Prevention of harassment or sexual harassment in the workplace".

Ferreycorp uses certain indicators to measure the participation of female personnel in training programs and promotions in relation to total personnel. 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 2023, activities were developed in spaces that promote diversity and inclusion, based on a segmented strategy distributed among events, workshops and talks, for different audiences and attended by close to one thousand employees at international level, with a satisfaction level of 99.8%. One such event was the VI Meeting of Women Leaders, which annually encourages reflection and networking among Ferreycorp's employees, with the participation of leaders who encourage practices related to diversity and inclusion.

At the subsidiary level, there have also been 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 the 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 98.24% of the total number of employees. In addition, 17 face-to-face and virtual workshops on sexual harassment and two workshops on the elimination of violence against women were given by the Peruvian Ministry of Women and Vulnerable Populations, with a total of approximately 521 participants, both leaders and a diverse public of the corporation.

b) Equal opportunity and inclusion

Ferreycorp is committed to fostering and maintaining a work environment free of discrimination, favoring equal opportunities based on the merits of each employee, without distinction of sex, ethnicity, origin, creed, sexual orientation, social status or in general any prohibited reason. It should be emphasized that the corporation's employees come from different geographic areas and socioeconomic strata.

In particular, to continue promoting diversity and inclusion, without distinction by sex, sexual orientation, gender identity and expression, a video was prepared and screened by a company employee (from the LGTBIQ+ community) addressed to all leaders in which she expressed her feelings and recommendations to have a diverse and inclusive environment.

c) Parent Leave (GRI 401-3)

In 2023, in Ferreycorp and its companies in Peru, 100% of the employees who became parents enjoyed parental leave. In total, 322 employees, including fathers and mothers, were able to be with their children and enjoy their first months. Of the employees whose reinstatement rate can be measured in 2023, 99.7% out of 309 rejoined the company after their leave (just 1 person did not come back). Of the employees whose retention rate can be measured, 93% out of 289 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	Ferreycorp	Ferreyros	Ferrenergy	Unimaq	Orvisa	Soltrak	Fargoline	Forbis Perú	Sitech	Total
Yes	M	2	203	2	30	6	18	7		1	269
	F	1	24		5		5	3	1		39
Subtotal "Yes"		3	227	2	35	6	23	10	1	1	308
No	M										
	F		1								1
Subtotal "No"			1								1
Total		3	228	2	35	6	23	10	1	1	309

*Considering employees who returned to work the day after the end of their leave of absence in Ferreycorp's companies with operations in Peru in 2023.

Employees and parental retention rate (*)

	Gender	Ferreycorp	Ferreyros	Ferrenergy	Unimaq	Orvisa	Soltrak	Fargoline	Forbis Perú	Sitech	Motriza	Total
Yes	M	1	197	2	21	6	6	5	1			239
	F		10		5	3	5	1	4	1		29
Subtotal "Yes"		1	207	2	26	9	11	6	5	1		268
No	M		9		3		1	2			3	18
	F		1		1						1	3
Subtotal "No"			10		4		1	2			4	21
Total		1	217	2	30	9	12	8	5	1	4	289

*Consider: Employees who have been retained in the company up to 12 months after having returned from parental leave from companies with operations in Peru in 2023

d) Respect for human rights

(GRI 2-23, GRI 2-25) 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 2023, 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.

2.2.1.4 Development of employees

a) Performance Management

(GRI 404-3)

Over the years, Ferreycorp has reinforced the Performance Management Program in its systematization processes, measurement parameters, and competency model: We have passion for our clients, We are agents of change, We generate knowledge and self-learning, We work as a team, and We achieve results with excellence.

In 2023, 99.9% of the employees of all the corporation's subsidiaries in Peru and abroad completed their performance evaluation, while 98.8% defined their objectives and incorporated them into the evaluation system, allowing better monitoring of the results achieved by each employee and their action plans. The percentages of compliance are considered as of the official closing date of the processes. The minimum percentage of people who could not comply is made up of employees who were on medical leave during the processes; however, these cases are regularized upon their return.

b) Succession and leadership development

During 2023, the corporation promoted the development of capabilities to successfully face the challenges of the business. To achieve this, it designed a new version of the For the Next 100 Years program, aimed at the main leaders of the organization, with the objective of strengthening their skills and knowledge aligned with the corporate strategy, focusing on three key topics: trends and challenges of the environment, strategy and leadership, and the impulse to innovation. The second version of the LiderazGO program, aimed at managers and supervisors, focused on team management skills and skills for the future, such as data-driven decision making. A total of 370 leaders participated in both programs, with high levels of satisfaction, from 90%. The corporation will continue to promote leadership initiatives and will focus on ensuring the succession of critical positions, and on fostering talent that will enhance its growth through assessments and development actions.

c) Training and job opportunities

In its effort to promote the development of its employees, Ferreycorp provides both internal and external training. Thus, in 2023, 8,199 employees of the corporation in Peru and abroad were trained; this figure includes personnel who are still working to date, as well as personnel who have already left the company. A total of 258,883 hours of training were provided, with an average ratio of 32 hours per employee. The knowledge provided at the corporate level can be grouped into seven main types: soft skills, leadership skills, skills specific to each role, digital skills, technical skills (Pro programs), and regulatory and safety, health and environmental (HSE) training.

The corporation maintained agreements with several institutions to offer its employees scholarships and discounts for studies at several levels of education. In Peru, 16 agreements were in force in 2023.

Likewise, employment opportunities led to movements between the group's subsidiaries, with 612 employees changing positions. Of the total, 189 were promoted, while 423 participated in horizontal movements in Peru during 2023.

Employees trained in 2022
(GRI 404-1)

		Ferreycorp	Ferreyros	Ferrenergy	Unimaq	Orvisa	Soltrak	Fargoline	Forbis Perú	Sitech	Total	Hours	Average per employee
Executives	Female	15	11		2		1	1	3		33	1,856	56.25
	Male	13	47	1	10	2	7	2	1	1	84	4,143	49.33
Sales Force	Female		39		18		24	4	6		91	2,756	30.29
	Male		229		93	26	72	4	2		426	17,415	40.88
Technicians	Female		180		2	1					183	6,855	37.46
	Male		2,623	15	248	31				23	2,940	110,045	37.43
Employees	Female	63	545	7	149	16	112	50	46	4	992	25,195	25.40
	Male	53	1,428	48	279	85	285	187	40	22	2,427	63,331	26.09
Total		144	5,102	71	801	161	501	248	98	50	7,176	231,596	32.27

*Considers Ferreycorp subsidiaries with operations in Peru in 2023

2.2.1.5 Health and Safety

a) Occupational health care, safety and working conditions (GRI 3-3, 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 2023 in the different workplaces, metabolic diseases associated with obesity and overweight should be mentioned.

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

The corporation's safety management handles three main indicators: fatalities, the lost-time injury frequency rate for employees and contractors, and the accident rate.

During 2023, there were no fatalities (number of events in which injuries result in the death of the employee or contractor), in the group's subsidiaries, both in Peru and abroad. The lost-time injury frequency rate was 1.24, and the severity rate was 1.10

Fatalities

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

Fatalities	2020	2021	2022	2023
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:
$$LTIFR = \frac{\text{Number of lost time injuries} * 1'000.000}{\text{Total Number of hours worked}}$$

LTIFR	2020	2021	2022	2023
Employees	3.00	3.20	1.66	1.24
Data coverage (as % of employees)	100%	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:
$$LTIFR = \frac{\text{Number of lost time injuries} * 1'000.000}{\text{Total Number of hours worked}}$$

LTIFR	2020	2021	2022	2023
Contractors	3,04	3,14	2.16	1.10
Data coverage (as % of contractors)	100%	100%	100%	100%

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

Type of injuries: Contusions in the feet, back and hands.

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 Rate is an indicator calculated by the frequency index and the severity index, reaching 0.08 in the corporation and its companies. The most frequent injuries that occurred due to occupational accidents in 2023 were entrapment or entrapment, fractures, cutting wounds, and contusions. The number of hours worked was 14,509,645.9

The following is the accident rate for the holding company Ferreycorp and the companies operating in Peru in 2023.

Formula:

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

• Employees

Indicators	Ferreyros	Unimaq	Orvisa	Fargoline	Soltrak	Sitech	Forbis Logistics	Ferreycorp S.A.A.	Total
N° de accidents	12	4	0	2	0	0	0	0	18
Rate	0.1	0.2	0	0.2	0	0	0	0	0.100

• Contractors

Indicators	Ferreyros	Unimaq	Orvisa	Fargoline	Soltrak	Sitech	Forbis Logistics	Ferreycorp S.A.A.	Total
N° de accidents	3	0	0	2	0	0	0	0	5
Rate	0.01	0	0	0,005	0	0	0	0	0,007

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

c) Safety and Occupational Health Circles

In 2023, 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, continued to operate. Its actions have been aimed at continuing with the biosafety measures established by the regulatory body from time to time, and defining and coordinating corporate activities in occupational health, such as medical surveillance plans and programs, mental health management and general health awareness plans. As a reminder, since the beginning of the gradual return to on-site work in all companies, Ferreycorp's health protocols have been adapted to the needs of the operations and the employees who participate in them.

In addition, the Workplace Safety Circle was created, in which all those responsible for occupational health and safety in all the group's companies participate. Through these circles, synergies are generated to carry out corporate activities that are part of the annual Safety, Health and Environment (HSE) program, such as occupational hygiene monitoring, HSE training, audits of the HSE Management System, review and analysis of safety indicators, activities of the integral HSE software, as well as sharing good practices in Safety and Health issues.

5.2.1.6 Social Well-being

In order to contribute to the well-being of each of its employees, the corporation developed 232 initiatives in all its subsidiaries inside and outside Peru in 2023, having as main axes: physical health (97), mental health (97), life balance (19), various benefits (15) and entrepreneurship (4), with an average satisfaction rate of 95%. These include the "Ninos de Hierro" (Iron Children) program, to prevent and combat anemia in employees' children between 6 months and 5 years of age, and "Pa Lante" ('Go Ahead'), which provides guidance to employees' family members who are developing enterprises. At the same time, psychological and nutritional counseling was provided to 216 and 434 employees, respectively.

Similarly, Ferreycorp's commitment to the mental health of its employees was strengthened by revitalizing the "Talking is Preventing" program, which consists of psycho-educational workshops aimed to prevent and promote mental health. Thus, the number of interventions and the reach of the group's companies was increased. Two new actions were also developed: Podcasts "Minutos de Bienestar" (Minutes of Well-being) and interventions in the workplace for administrative, technical and operating personnel "Activa tu Bienestar" (Activate your Well-being). We also carried out synergies in support of the programs of the different companies of the corporation, such as: Pa Lante, + Juntas - Ferreyros, Voceros - Soltrak, Sembrando mi Futuro - Unimaq, among others.

Health campaigns were developed in the different subsidiaries, reaching employees and their children; screening for diseases such as breast cancer, nutritional plans, activities for future parents and mothers. These initiatives are carried out in addition to the health benefits offered to employees, such as the opportunity to have a company-sponsored cancer insurance and a private health insurance (EPS) and to affiliate their children and spouses or partners, as well as a private insurance for family members (nephews, siblings, same-sex couples,

parents, etc.). It should be remembered that the Social Welfare area of each subsidiary provided personalized and permanent attention in areas such as health, education, housing, among others.

2.2.1.7 Climate and culture

a) Culture and internal communication

The corporation was able to evaluate employee satisfaction in various dimensions, such as relationship with the team, culture and work environment, among others, through the 2023 Work Climate survey.

The survey showed the following corporate results:

		99%				83%			88%
		Response rate				Work climate			Engagement
Employees engagement	Unit	2019	2020	2021	2022	2023	2023 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%	99%		

2.2.2 Community impact

(GRI 3-3)

5.2.2.1 Ferreycorp Association

The Ferreycorp Association, a non-profit civil organization was founded in 1997, within the framework of the company's 75th anniversary, and concentrates the corporation's social responsibility activities. Its objective is to contribute to the training of professionals with values and civic responsibility, as well as to create specialized technical skills that contribute to the development of people and, therefore, of their communities. For this purpose, it carries out training activities aimed at the stakeholders of its associates: Ferreycorp, Ferreyros, Unimaq, Orvisa, Fargoline and Soltrak.

Since its founding to date, the Ferreycorp Association has achieved important milestones in its history: close to 50,000 students from higher education institutions nationwide have benefited from its soft skills, employability and, especially, promotion of values and civic responsibility programs. In addition, it has trained more than 6,000 operators in face-to-face events on the operation of Caterpillar machinery and has generated more than 25,000 connections in virtual chats for this specialized public, through social networks.

a) Training in ethics and civic responsibility for young people

During 2023, the Ferreycorp Association resumed its face-to-face activities, benefiting more than 4,200 students from universities and institutes throughout Peru with its Ferreycorp Employability Program. This result set a record in its annual scope of face-to-face programs. During the year, the Association carried out 100 free training programs, each one held over three days, in universities and institutes in the 25 regions of the country, to promote soft skills, ethical values and civic responsibility among its young participants.

At the same time, through its social networks and YouTube channel, the Ferreycorp Association shared valuable content, achieving more than 5,800 reproductions and over 1,200 live connections. In these virtual spaces, topics such as "Ethics for daily life", "Tools for well-being", "Citizen participation", "Empathy", "Ideas to take care of the environment", among others, were addressed.

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

The corporation contributes to the development and recognition of machinery operators through its Heavy Equipment Operators Club, launched in 2012, as part of the organization's 90th anniversary. This initiative of Ferreycorp and its companies Ferreyros, Unimaq, Orvisa and Gentrac, Caterpillar representatives in Peru and Central America, has 22,252 members to date. It also generates positive impacts on the professional development of maintenance technicians with the Technicians Club, launched in 2016, which has more than 6,517 members by the end of 2023.

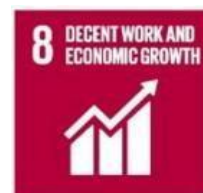


During 2023, we took up again the on-site seminars of the Operators' Club in various cities of the country, with six editions that gathered 472 attendees. In each city, the largest number of participants in the last seven years was reached. We also continued to provide virtual training through 44 one-and-a-half-hour talks, broadcast live on social networks, which reached 5,000 participants.

2.2.2.2 Technical skills training programs

a) ThinkBIG and DreamBIG Programs

Since 2002, Ferreyros and Tecsup have been successfully implementing in Peru the ThinkBIG program, a Caterpillar global initiative that seeks to train future technicians and technicians with specialization in Caterpillar products. In recent years, Unimaq and Orvisa have also joined this program.



During the year, 168 young people participated in the program, including 53 women. The latter are beneficiaries of *DreamBIG*, a scholarship program designed to encourage the entry of female talent into technical careers in heavy machinery, guaranteeing coverage of 50% of career expenses.

b) Dual Apprenticeship Programs

Under the sponsorship of Ferreyros, Unimaq and Soltrak, the Dual Apprenticeship Program of the National Training Service (Senati) integrated 55 heavy machinery maintenance students in 2023. The objective is to enrich their technical training through practical learning in the facilities of the corporation's companies, which belong to Senati's General Taxpayers' Register.

It is worth mentioning that Unimaq maintained its alliance with the Cerro Verde mining company, sponsoring 11 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.

Other companies of the corporation, such as Fargoline, contribute to similar dual learning models of institutions such as InLog (National Institute of Logistics).

c) Programs to promote technical careers aimed at women

Two of the corporation's programs have been providing female talent with the opportunity to develop university and technical careers. The first, the Ferreycorp Scholarship, has made it possible for two outstanding students to study Electronic Engineering and Mechatronics Engineering at the University of Engineering and Technology (UTEC) this year, thanks to an agreement established with this institution in 2019. The second, a similar program in alliance with Senati, has allowed twelve students, exclusively women, to be trained in fields such as Industrial Electricity, Automotive Mechanics and Machinery Maintenance, in the cities of Lima, Arequipa and Trujillo. Presented in 2020, this program fully covers studies and other expenses related to their academic training.



d) Specialization Program in Preventive Maintenance of Heavy Machinery

After three years, the specialization program in Preventive Maintenance of Heavy Machinery, carried out in collaboration between Ferreyros, its customer Anglo American Quellaveco and the Jose Carlos Mariategui Institute, was successfully completed. Thanks to this, 77 participants received this technical training free of charge, while five teachers were trained to give continuity to the program once it was completed.

Thus, the program had four graduates, young men and women from the city of Moquegua, whose training included face-to-face and virtual classes, with state-of-the-art equipment in the workshops, for approximately five months. This important initiative had the participation of Ferreyros' expert instructors in the training.

2.2.2.3 Corporate volunteer work

For more than 1,700 hours, 50 employees of Ferreycorp and its companies were dedicated to preparing and facilitating school reinforcement sessions for close to 3,400 students from public educational institutions nationwide. This work, carried out during the year, is part of the virtual corporate volunteering activities of the Kallpachay Educacion program, organized by Empresarios por la Educacion, Enseña Peru and Osmia.



Likewise, the annual corporate volunteering activity was resumed in order to contribute to the improvement of educational infrastructure in vulnerable areas. More than 110 volunteers from the corporation participated in the central activity held in Lima, at IE 7234 Las Palmeras- Villa El Salvador, benefiting more than 560 students.

5.2.2.4 Ferreycorp 4K

More than 3 thousand people registered to participate in the annual "Ferreycorp 4K" race, held simultaneously in 14 cities in Peru. This integration activity, which brings together the corporation's employees and their families, has been held for the past 14 years to raise funds for corporate volunteering.

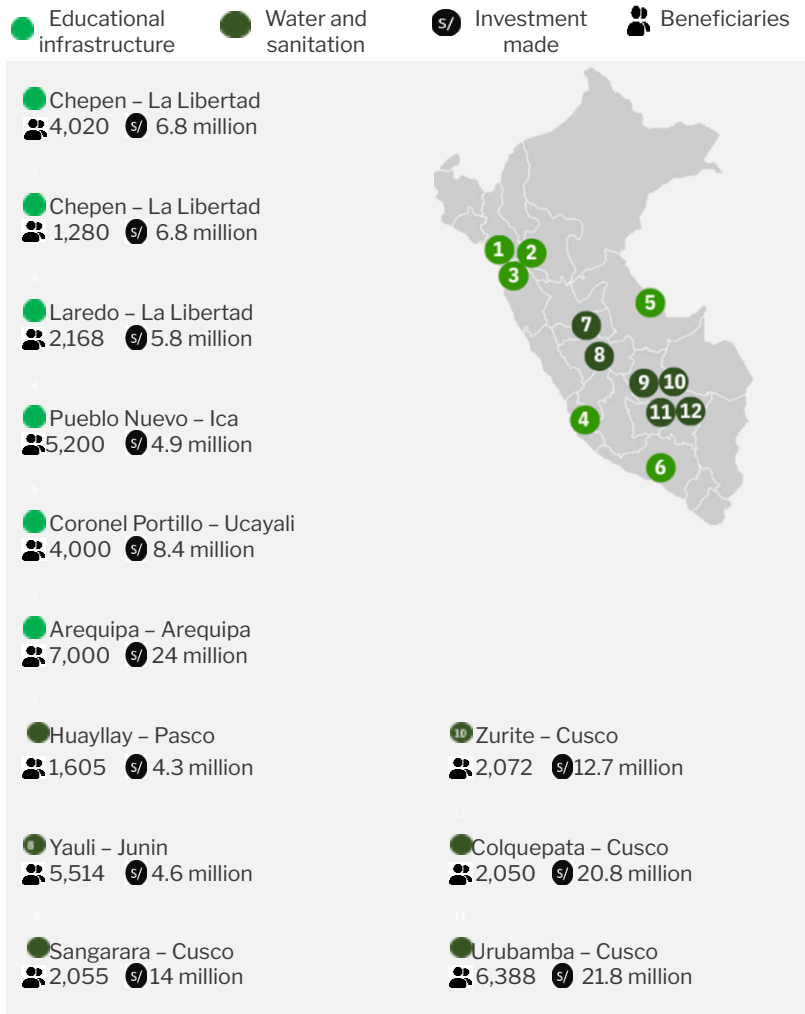
2.2.2.5 Works Projects for Taxes (GRI 203-1)

Under the Works for Taxes modality, the corporation has been financing and executing public investment projects that make possible the development of water, sanitation and education infrastructure throughout Peru. In this way, it seeks to contribute to reduce the infrastructure gap in a more expeditious manner and improve the quality of life of Peruvians in different regions.



Through this mechanism, this year Ferreycorp completed the improvement and expansion project of the Juana Alarco de Dammert No. 283 kindergarten in Pucallpa, with an investment of S/. 8.4 million, benefiting more than 400 children from a highly vulnerable population center. It also signed an agreement with the Regional Government of Arequipa for the improvement and expansion of the kindergarten, primary and secondary school No. 40220 "Heroes del Cenepa", in Paucarpata, with an investment of S/. 24 million, which will benefit more than 7 thousand students over a ten-year period.

To date, the corporation's companies have allocated more than S/ 130 million in 12 projects, benefiting more than 43,000 Peruvians in regions such as La Libertad, Ica, Ucayali, Pasco, Junin, Cusco and Arequipa.



2.2.2.6 Membership in associations (GRI 2-28)

In order to promote a culture of continuous improvement and good corporate practices, Ferreycorp and its subsidiaries actively participate and/or work with several associations related to the sectors that meet the guidelines, values and policies of the corporation.

The following table shows the associations of Ferreycorp and its subsidiaries with operations in Peru.



<p>Ferreycorp</p>	<ul style="list-style-type: none"> ● Asociacion de Empresas de Mercados de Capitales (Procapitales) ● Consejo Privado de Competitividad ● Instituto Peruano de Accion Empresarial (IPAE) ● Peru Sostenible ● Camara de Comercio Americana del Peru (Amcham) ● Camara de Comercio Peruano- China (Capechi) ● Camara Espanola de Comercio ● Asociacion Secretarios Corporativos Latinoamerica (Ascla) ● Asociacion de Buenos Empleadores (ABE) ● Empresarios por la Integridad ● Alianzas de Obras por Impuestos (Aloxi) ● Nexos+1
<p>Ferreyros</p>	<ul style="list-style-type: none"> ● Asociacion de Buenos Empleadores (ABE) ● Camara de Comercio de Lima ● Camara de Comercio Americana del Peru (Amcham) ● Camara de Comercio de Canada ● Camara de Comercio Alemana ● Camara de Comercio Peruano Mexicana ● Camara Peruana de la Construccion (Capeco) ● Sociedad Nacional de Minería, Petróleo y Energía (SNMPE) ● Sociedad Nacional de Industrias (SNI) ● Sociedad Nacional de Pesquería (SNP) ● Sociedad de Comercio Exterior del Peru (Comex Peru) ● Instituto Peruano de Economía (IPE)
<p>Unimaq</p>	<ul style="list-style-type: none"> ● Asociacion de Buenos Empleadores (ABE) ● Camara de Comercio de Lima ● Camara Peruana de la Construccion (Capeco)
<p>Orvisa</p>	<ul style="list-style-type: none"> ● Camara de Comercio, Industria y Turismo de Loreto ● Camara de Comercio, Produccion y Turismo de San Martin ● Camara de Comercio e Industria de Huanuco
<p>Soltrak</p>	<ul style="list-style-type: none"> ● Asociacion de Buenos Empleadores (ABE) ● Camara de Comercio de Lima (CCL) ● Camara de Comercio Peruano China (Capechi) ● Asociacion Automotriz del Peru (AAP) ● Camara de Comercio Americana del Peru (Amcham)
<p>Fargoline</p>	<ul style="list-style-type: none"> ● Asociacion de Buenos Empleadores (ABE) ● Asociacion Peruana de Operadores Portuarios (Asppor) ● Sociedad de Comercio Exterior del Peru (Comex) ● Camara de Comercio de Lima (CCL) ● Camara de Comercio de Arequipa ● Business Alliance for Secure Commerce (BASC)

Forbis Logistics	<ul style="list-style-type: none"> ● Asociacion de Buenos Empleadores (ABE) ● Business Alliance for Secure Commerce (BASC) ● Asociacion Peruana de Agentes de Carga Internacional (APACIT) ● The International Air Transport Association (IATA) ● Asociacion de Exportadores (ADEX) ● World Cargo Association (WCA)
Ferrenergy	<ul style="list-style-type: none"> ● Camara de Comercio de Lima ● Camara de Comercio de Canada ● Consejo Empresarial Colombiano

2.2.2.6.1 Contributions*

	2020	2021	2022	2023
Lobbying, interest representation or similar	S/ 324,393.86	S/ 348,094.83	S/ 345,937.00	S/ 552,445.70
Local, regional or national political campaigns / organizations / candidates	0	0	0	0
Trade associations or tax-exempt groups (e.g. think tanks)	S/ 94,393.38	S/ 98,040.42	S/ 136,413.06	S/ 216,806.85
Other (e.g. spending related to ballot measures or referendums)	0	0	0	0
Total	S/ 418,787.24	S/ 446,135.25	S/ 482,350.06	S/ 769,252.55

- **Largest contributions***

Name of the organization	Type of organization	Total amount paid FY 2023 (thousands S/)
Sociedad Nacional de Minería Petróleo y Energía	Interest representation 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.	S/ 78
Cámara de Comercio Exterior del Perú (Comex Perú)	Trade Association 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.	S/ 174

*Considers: Ferreycorp, Ferreyros, Unimaq, Orvisa, Soltrak, and Fargoline.

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.

	2020	2021	2022	2023
Charitable contributions (million S/)	S/ 1.2	S/ 1.6	S/ 2.1	S/ 2.6

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

5.3 Environmental Dimension

(GRI 3-3)

Through the Environmental Management Programs of each company, Ferreycorp and its subsidiaries execute, monitor and audit risk mitigation plans for their environmental impacts, in line with their corporate strategy. The corporation is also focused on managing environmental aspects to reduce the impacts of climate change in the 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 companies of the corporation. The Environmental Circle led by Ferreycorp is maintained as an initiative through which experiences and practices related to the strategy are shared among each company's environmental specialists.

During 2023, the subsidiaries Fargoline, Forbis Logistics, in Peru, and Trex, in Chile, continued with the ISO 14001 certification of their current environmental management system for their facilities in Callao, as well as in Antofagasta and Santiago, respectively. The Sitech subsidiary is in the final stage of the certification process, which will be completed in the first quarter of 2024.

On the other hand, during the year, Ferreycorp launched a course on Waste Management and Circular Economy for the employees of all its companies at the international level, with the result that more than 6,300 employees were trained in this area (approximately 84% of the total number of employees of the corporation).

The improvements implemented in the Ecodatos digital platform continued, incorporating the functionality to enter new information on the corporation's premises, such as environmental management instruments (EMI), urban habilitation (UH) and licenses, in addition to the record of water, electricity, waste and fuel consumption.

5.3.1 Environmental Impacts in the Value Chain





In order to identify the main areas where Ferreycorp's subsidiaries are generating environmental impacts among its stakeholders and at each stage of its value chain, it is necessary to analyze the process of importing capital goods and related products that it markets until they are delivered to the client:

- Ferreycorp's subsidiaries do not have factories in the countries where they operate; product **manufacturing** is carried out by its principals in various parts of the world, which have world-class environmental practices and an increasingly eco-efficient product development strategy.
- The **international transportation** of equipment and spare parts is carried out on ships and airplanes belonging to third party companies, which has 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.

- The **domestic transportation** is handled mainly by transportation companies and Fargoline, a company of the Fargoline Corporation, which is responsible for moving the 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 leased by the clients of the corporation's companies corresponds to the clients themselves, so the footprint generated at this stage is indirect.
- Most of Ferreycorp's branches provide **after-sales services**, which consist of repairing the machinery or its components and other related services such as failure assessment, oil analysis, and painting, so these are processes that generate a direct impact. At this stage, the **reconstruction of equipment and components** can extend the useful life of the machinery or its components by two or three opportunities, 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 importance for both the corporation 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. The identification of these areas allows Ferreycorp to focus its efforts on project management, as well as to take advantage of the opportunity to generate positive impacts and reverse negative ones, if any.

For each of these areas, objectives have been set for 2030, which are in the process of approval by the Board of Directors.

			
Climate, energy, and emissions	Water and effluents	Waste and materials	Product Sustainability
<ul style="list-style-type: none"> • Reduce energy consumption by 12% by 2030 compared to BAU (5.8% compared to 2022). • Replace 50% of our own or managed vehicle fleet currently using fossil fuels with more eco-efficient alternatives (such as CNG, hybrid, electric, etc.). 	<ul style="list-style-type: none"> • Reduce water consumption by 20% by 2030 compared to BAU (20% compared to 2022) • Implement water efficiency plans in all facilities located in water-stressed areas. 	<ul style="list-style-type: none"> • Reduce the proportion of waste sent to landfills to 45% (compared to 56.8% in 2022). • Achieve that 80% of main premises recycle organic waste from food preparation in dining areas, thereby preventing the generation of greenhouse gases. 	<ul style="list-style-type: none"> • Increase the % of purchase of next gen excavators, loaders and motor graders. • Achieve 15,000 tonnes accumulated from 2023 to 2030 of metal prevented from being discarded (certified reconstruction and overhaul programs). • Achieve the annual goal for end-of-life tire valorization (NFU)

A The following is a description of the environmental management focused on these areas during 2023, both in the parent company Ferreycorp and in the main locations of its subsidiaries.

5.3.2 Environmental commitment in products and services

a) Machinery design

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 Cat 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. Likewise, for several years, a wide range of Cat equipment in the country has had 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).

The main brand represented, Caterpillar, set sustainability targets for 2030, including further reducing absolute GHG emissions, in scopes 1 and 2, by 30% between 2018 and 2030. It also defined a target for 100% of new products to be more sustainable than the previous generation, achieving a 51% decrease in Scopes 1 and 2 between 2006 and 2020. In addition, it continues to invest in new products, technologies and services that help its customers on the rapidly evolving path to decarbonization.

Remanufacturing and rebuild options provide multiple sustainability benefits by returning components at the end of their initial service life to the same condition as when they were new, decreasing material waste and minimizing the need for raw materials, energy and water to produce new parts.

The proposal of CAT machines continues to promote fuel savings by optimizing the design of the machines and reducing the size of diesel engines, for which it is introducing new generation models in excavators, loaders and motor graders.

On the other hand, there is a guaranteed fuel program as a result of the launching of the new generation models (*Next Gen*). The parent company guarantees a fuel consumption limit; if an excess is generated, it will be compensated through a bonus in spare parts.

b) Extended product responsibility

In 2023, Ferreyros successfully rebuilt more than 40 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 three units of the largest model in the portfolio, the Cat 7945 shovel, a key production equipment for copper mining, over 20 meters high; a Cat 6060 hydraulic shovel, for use in mining; mining trucks of various capacities; low profile loaders for subway mining; auxiliary equipment for use in mining; and heavy construction equipment.

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

Likewise, the reconstruction carried out by Unimaq of the first Cat backhoe loader in the world under the CCR program, specifically the 420F model, was also highlighted.

Equipment	2023	2022
Cat Low Profile Loaders	11	16
Cat heavy construction equipment	13	29
Cat Mining Trucks	7	7
Other Cat mining machines	13	12
Cat light construction machines	1	0
Total	45	64

c) Pollution control standards

Fourteen Ferreyros workshops (Arequipa; Cajamarca; Technical Development Center; Chimbote; CRC Lima; CRC La Joya; Cusco; Huancayo; Lambayeque; Piura; Rentafar; Lima Machine Shop; Hydraulic Workshop; Trujillo), its Spare Parts Distribution Center (CDR), and the Orvisa workshop in Tarapoto have been awarded Five Star Certification in Pollution Control by Caterpillar, the highest rating in the field.

2.3.3 Greenhouse Gas Emissions and Energy Use

Aware of the impact of greenhouse gas (GHG) emissions on the environment, Ferreycorp measures its carbon footprint at 66 locations in Peru and at Trex Chile, works to reduce energy consumption in its operations, and seeks to increase the use of cleaner energy sources.



Disclosure of climate risks in alignment 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. Ferreycorp has a 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 on the types of information that companies should disclose to help investors adequately assess a specific set of climate change-related risks.

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 report on the results of the evaluation validates that Ferreycorp has carried out various environmental actions in line with the various recommendations of the TCFD, and that it is committed to disseminating this progress 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 with respect to the pillars of the TCFD recommendations are as follows:

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. 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 sites. In addition to defining climate, water, energy and waste indicators, we are updating science-based emission reduction targets, along with defining an internal carbon price and continuing to offset our emissions.

This first report, aligned with the TCFD recommendations, is published in full on Ferreycorp website for review in case further details are required.

Carbon footprint measurement and verification

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

Since 2016, Ferreycorp and its companies put on their agenda the need to measure the carbon footprint in their larger premises, gradually increasing the number of sites evaluated and verified by an independent third party, under the ISO 14064-1 standard. This standard is aligned with the principles of the Greenhouse Gas Protocol (GHG Protocol).

It is worth mentioning that the corporation and its subsidiaries have administrative offices, workshops, warehouses and exhibition areas. These so-called headquarters have different sizes depending on the activity and location. The objective is to measure 100% of the national headquarters and to include the premises of the companies abroad. Also included are the sites in mining operations.

In the year 2023, Ferreycorp has continued to report on the virtual platform Carbon Footprint Peru, a tool used to record and measure the inventory of greenhouse gases at the national level and manage their reduction. Likewise, reporting on this platform promotes responsible measurement and registration for other private companies.

In accordance with the update of ISO 14064-1 version 2018, which standardizes the measurement of the carbon footprint, it became necessary to expand the measurement coverage from categories 1 and 2 (footprint that the corporation manages or influences directly as, for example, the direct use of fuels or the consumption of electric power) to categories 3 and 4, which comprises the indirect footprint generated by transportation through third parties (waste, transportation of ground and air personnel paid by the company), in addition to the electricity used in remote work and water consumption. From 2023, we will also measure the footprint of cargo transportation, which includes maritime, air and land transportation.

The following table (table #2) contains the carbon footprint measurements taken from 2020 to 2023.

Carbon Footprint* (market based emissions) measurement results by year in tCO2e
Table # 2

Scope	Total, measured carbon footprint			
	2020**	2021**	2022**	2023**
Category/ Scope 1	1,262.14	1,611.59	6,362.08	6,320.31
Category/ Scope 2	468.55	746.18	634.44	763.11
Subtotal Scope 1 + 2	1,730.69	2,357.77	6,996.63	7,083.42
Categories 3 and 4/ Scope 3 (no cargo transport)*****			5,434.22	7,325.43
Categories 3 and 4/ Scope 3 (with cargo transport)*****				38,013.97
TOTAL ANNUAL	1,730.69	2,357.77	12,430.85	45,097.40
Number of evaluated sites***	11 locations	13 locations	66 locations	66 locations
Sales coverage	33.22%	37.6%	89.7%	90.84%

Notes:

* The gases included in the calculation of GHG emissions are CO₂, CH₄, N₂O and HFCs; our processes do not emit PFCs, SF₆ or NF₃.

** All emissions shown in the tables (years 2020, 2021, 2022 and 2023) 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.

*** The number of locations evaluated has been gradually increasing, with 11 locations in 2020 (33% sales coverage), 13 locations in 2021 (37% sales coverage), 66 locations in 2022 (89% sales coverage) and 66 in 2023 (90% sales coverage). This expansion of measurement coverage is due to the need for a more complete measurement of this indicator.

****In 2023, Sitech and Ferrenergy withdrew.

***** As of 2022, categories 3 and 4 are measured, comprising the indirect footprint (through third parties) for waste transportation, transportation of personnel in buses hired by the company and air transportation of personnel paid by the company, in addition to electricity used in remote work and water consumption.

***** since 2023, category 3 includes air, sea and land cargo transportation.

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

**Results of the Carbon Footprint* (location based emissions) measurement per year
in tCO₂e
Table # 2**

Scope	Total, measured carbon footprint			
	2020**	2021**	2022**	2023**
Category/ Scope 1	1,262.14	1,611.59	6,362.08	6,320.31
Category/ Scope 2	1,236.12	1,725.06	2,609.54	3,097.17
Subtotal Scope 1 + 2	2,498.26	3,336.65	8,971.62	9,417.48
Categories 3 and 4/ Scope 3 (no cargo transport)*****			5,434.22	7,325.43
Categories 3 and 4/ Scope 3 (with cargo transport)*****				38,013.97
TOTAL ANNUAL	2,498.26	3,336.65	14,405.84	47,431.45
Number of evaluated sites***	11 locations	13 locations	66 locations	66 locations
Sales coverage	33.22%	37.6%	89.7%	90.84%

KPI Emissions intensity

**Data for calculating GHG emissions intensity (market based emissions)
Table # 3**

Scope	2022	2023
category 1 / scope 1	6,362.08	6320.31
category 2 / scope 2	634.44	763.11
Annual total (categories/scope 1 + 2)	6,996.63	7083.42
Number of sites evaluated	79 locations	66 locations
Sales coverage	89.70%	90.84%
Total annual sales	6,591.95	6,995.16
covered sales	5,912.98	6,354.40
Emission intensity (category 1)	1.08	0.99
Emission intensity (category 2)	0.11	0.12
Emission intensity (category 1 and 2)	1.18	1.11

**Data for calculating GHG emissions intensity (location based emissions)
Table # 4**

Scope	2022	2023
category 1 / scope 1	6,362.08	6320.31
category 2 / scope 2	2,609.54	3,097.17
Total annual (categories/scope 1+2)	8,971.62	9417.48
Number of sites evaluated	79 locations	66 locations
Sales coverage	89.70%	90.84%
Total annual sales	6,591.95	6,995.16
covered sales	5,912.98	6,354.40
Emission intensity (category 1)	1.08	0.99
Emission intensity (category 2)	0.44	0.49
Emission intensity (category 1 and 2)	1.52	1.48

To measure the intensity of emissions, sales expressed in millions of soles are used as the denominator, considering the coverage of the premises measured each year. When analyzing the total intensity of emissions of categories 1 and 2 (market based emissions), a decrease of 5.75% is observed with respect to the previous year, this is due to the implementation of measures that have contributed to reduce the consumption of fossil fuels mainly.

Evolution of the Carbon Footprint

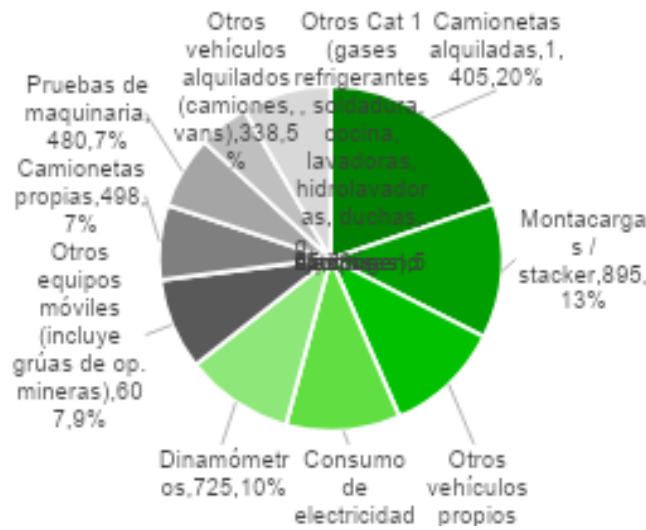
In the year 2023 Ferreycorp has had an increase in carbon footprint (market-based emissions) reaching 45,097.40 t CO2 e, this figure includes the complete categories 1,2,3 and 4.

The graphs below show the details of the carbon footprints level 1 and 2, and category 3 and 4 respectively, with their main components.

As can be seen in Table #4, the main footprint consumptions are: fuel for rented vans, fuel for forklifts and stackers, and vehicles, as well as electricity consumption.

Table # 5 shows that the main consumption is in imports, shipments and transportation of personnel by land and air.

**Carbon Footprint 2023 in Categories 1 and 2 (market-based emissions)
Table #4**



This graph considers the carbon footprint of market based emissions, i.e. the footprint generated by purchased clean energy is considered zero. This purchased clean energy represents 77% of the total electricity consumed.

In the Parts Distribution Center, LED lighting systems were installed to reduce energy consumption and thermo-insulating panels were incorporated to reduce the need for air conditioning.

Likewise, with respect to more sustainable mobility, the personnel transportation service was tendered in more eco-efficient buses for the Surco headquarters (two CNG buses); and the company Fargoline acquired its first electric van for last-mile distribution services.

Likewise, in 2023, incentives were provided to encourage employees to participate in company-organized campaigns. One such campaign was the 'recyclathon,' where prizes were awarded to employees who achieved the highest levels of recycling at their sites, thereby contributing to the reduction of indirect emissions through waste recycling. Another campaign organized by the corporation was 'Earth Hour' (a global initiative to raise awareness about climate change by turning off lights for one hour). Both workers and the most dedicated environmental supervisor were awarded for their commitment to the campaign. Additionally, managerial positions involved in environmental and climate management received bonuses for achieving goals, including targets for reducing environmental indicators, executing eco-efficiency projects, and expanding carbon footprint measurement coverage.

Since 2022, the savings generated by reducing carbon footprint offsets for avoided emissions (internal carbon pricing) have been included in the evaluations of environmental projects related to climate change.

Offsetting emissions

During 2023, nine companies of the corporation offset part of the footprint generated corresponding to 2022 emissions in categories 1, 2, 3 and 4 (without taking into account cargo transportation), through different projects, such as the REDD+ project Cordillera Azul National Park of the National Service of Natural Protected Areas (SERNANP), as well as offsetting the footprint generated by passenger air travel, through the Vuela Neutral program of LATAM Airlines. In the latter case, the offsetting of emissions was carried out in three projects: REDD+ project in Shipibo Conibo and Catacaibo indigenous communities in the Ucayali region, the Cururos Wind Farm project in Chile, and the Co2Bio project in Colombia.

In 2022, 9,549.4 tCO₂e were offset out of a total of 14,405.9 tCO₂e measured for this period. This is equivalent to 285% more than in the 2021 period. Likewise, we have managed to acquire carbon credits corresponding to the 2023 footprint, equivalent to 23,579.7 tCO₂e. This offset represents 246.9 % more than the offset for the 2022 period. Offsets since 2016 total 43,958.2 tCO₂e.

In all category offsets from 2016 to 2023, carbon credits are registered in official carbon markets, 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 carbon footprint offsets for the 2022 and 2023 periods have the additional CCB-Gold (Climate, Community and Biodiversity) certification.

Table # 6: GHG Emission Offsets in categories 1, 2, 3 and 4 (t CO2e)

Empresa	2016	2017	2018	2019	2020	2021	2022	2023
Ferreycorp	462.0	354.0	405.0	222.0	128.0	252.0	185.3	303.0
Ferreyros			195.0	1,439.0	1,962.0	2,549.0	6,474.2	11,196.4
Orvisa		360.0	310.0	286.0	181.0	273.0	518.2	973.7
Soltrak			125.0	136.0	74.0	107.0	589.1	2,652.1
Unimaq		271.0	229.0	190.0	157.0	155.0	1,603.6	3,342.4
Forbis						7.0	31.0	2,302.0
Motriza							112.5	
Fargoline							3.0	2,085.5
Ferrenergy							14.5	23.0
Sitech							18.0	11.6
Trex Chile								622.0
Servitec								67.0
Motomaq								1.0
Total Compensado	462.0	985.0	1,264.0	2,273.0	2,502.0	3,343.0	9,549.5	23,579.7
Total Huella	2,323.9	3,034.9	2,694.4	2,272.2	2,498.2	3,336.6	14,405.9	47,431.5

2.3.3 Climate Commitment: Energy Consumption

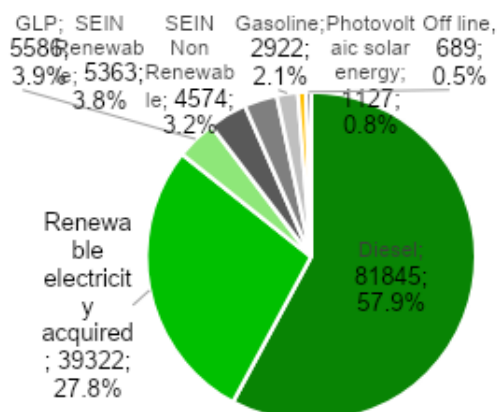
Power consumption

GRI 302-1 (2016)

During 2023, energy consumption measurements were performed at 66 locations (45 headquarters and 21 operations at customer facilities), in an effort to increase the number of corporate locations where measurements have been performed since 2016.

Energy consumption in 2023 at the 66 locations measured was **141,428 GJ** where 32.4% of the energy used came from renewable sources in 2023. 2023 with a distribution as follows: 27.8% of electricity purchased as free user for five main locations; 3.79% from the renewable fraction of energy purchased from SEIN (Peru); and 0.80% from solar energy, thanks to the use of photovoltaic panels at 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 sources (GJ) - year 2023
Graph # 7



**The data taken for this graph are shown at the end of the section, in paragraph 2.3.5.*

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

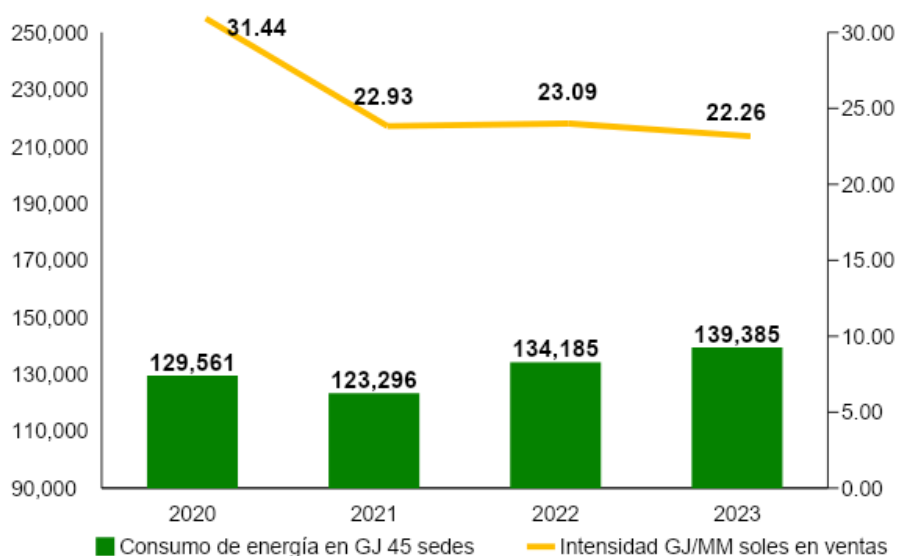
In addition to the measures described above to reduce the generation of GHG emissions, we are implementing measures to reduce the impact of energy use, including the implementation of energy efficiency projects and the purchase of renewable energy for five main locations starting in 2020 and in La Joya starting in 2022. These facilities use 100% renewable energy instead of energy from the National Interconnected Electrical System (SEIN), which provides mixed energy with 46.03% from fossil fuel sources.

Overall, 77% of renewable energy purchased as free users by 2023 has been achieved with respect to total electricity consumption.

Evolution of energy consumption and energy intensity

The graph shows the evolution of energy consumption in the four recent years, considering the same 45 headquarters and operations of the aforementioned companies, showing an increase in energy consumption of 3.88% in 2023 compared to 2022.

**Evolution of energy consumption in GJ - Period 2020-2023*.
Graph # 8**



Energy Consumption (GJ) 45 sites / Intensity GJ/MM soles on sales

**The information in this graph differs from that shown in the 2022 Sustainability Report, due to the fact that different sites are being considered for the calculation of energy consumption, as closed sites have been removed and mining operations have been added. However, the same sites and operations have been included for the four recent years to make the data comparable.*

The energy intensity (yellow line) has also been plotted, showing a greater inefficiency in 2020 due to the impact of the pandemic on sales, with the resumption of operations this indicator shows greater efficiency. It is noteworthy that between 2022 and 2023 energy intensity decreases slightly.

2.3.4. Conserving Resources: Water Use and Effluent Management



Water consumption at Ferreycorp sites

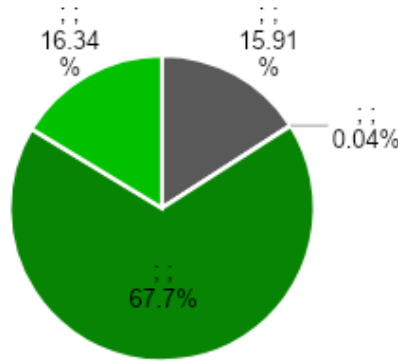
GRI 303-3 a, 303-5 a (2018)

In the service processes of the corporation's subsidiaries, 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 personnel and food preparation.

In 2023, the measurement coverage of the water consumption indicator has been modified to include Ferreycorp, Ferreyros, Fargoline, Orvisa (and its related companies Motomaq and Servitec), Soltrak, Unimaq, Forbis Logistics, Trex in Chile. The water consumption of the 45 locations of these companies -without considering mining operations- was 131,442 m³.

The water used by 45 sites analyzed representing 90.84% of the corporation's sales comes mainly from public supply systems (67.7%), while 15.9% comes from an extracted subway source and 16% is acquired through tanker trucks.

Water consumption by type of source - year 2023 (m3)
Graph # 9

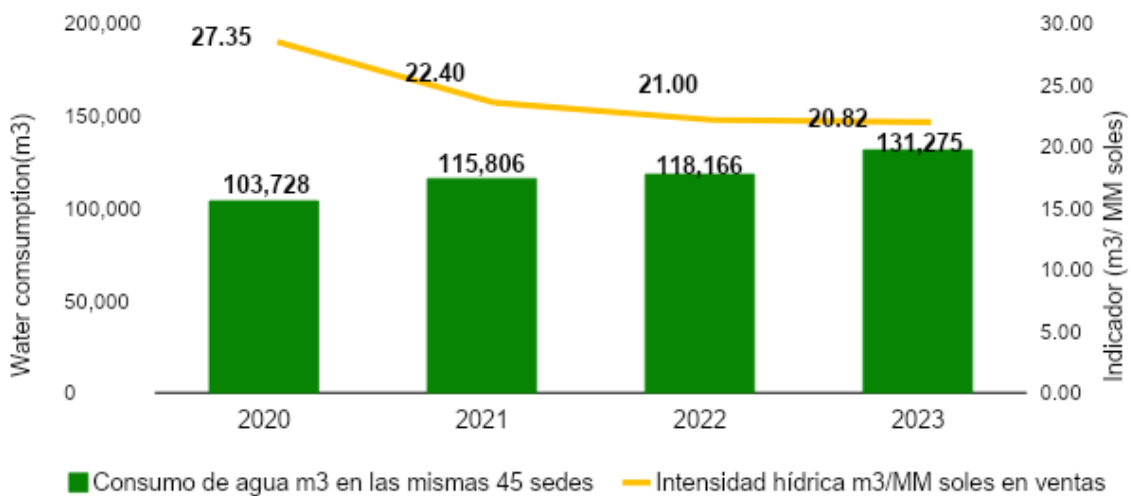


**The data taken for this graph are shown at the end of the section, in paragraph 2.3.5.*

Evolution of water consumption and water intensity

The graph shows the evolution of water consumption in the four recent years, considering the same 45 sites of the aforementioned companies, showing an increase in water consumption of 11.09% in 2023 with respect to 2022.

Evolution of water consumption in m³ - Period 2020-2023*.
Graph # 10



Water consumption (m3) in 45 sites (the same measured each year / Water consumption intensity m3/MM soles on sales

**The information in this graph differs from that shown in the 2022 Sustainability Report, due to the fact that different sites are being considered for the calculation of water consumption, as the headquarters have been removed. 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 2023 is attributable to increased activities in workshops and offices compared to 2022, among others.

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

Measures to reduce water consumption

Since 2017, the corporation has been adopting different measures to reduce water consumption. Each of the corporation's companies has implemented different actions that lead to that goal, such as the installation of technified irrigation for green areas in Trex Chile and also developed awareness campaigns and constant monitoring for the timely repair of leaks.

Water consumption in water-stressed zones

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 sites of operation. In this way, it is possible to plan and take action for 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 stressed zones

Water stress category	Water consumption by wáter-stressed zone m3	Water consumption by wáter-stressed zone %
Arid and Low Water Use	1524,0	1,15%
Low (<10%)	13046,3	9,86%
Low - Medium (10-20%)	0,0	0,00%
Medium - High (20-40%)	280,9	0,21%
High (40-80%)	0,0	0,00%
Extremely High (>80%)	117475,8	88,78%
TOTAL	132327,0	100,00%

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

The analysis shows that, compared to the previous year, there is a significant increase in areas with high water stress in the country due to the global El Niño phenomenon, as well as climate change causing large-scale climatic alterations.

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. This is the case at the Industrial Avenue, La Joya-Arequipa, Cusco, and Cajamarca sites. This type of treatment also makes it possible, in some cases, to reuse the water, for example for irrigation of green areas or washing.

Also, in 2023, 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.

2.3.5 Responsible waste management

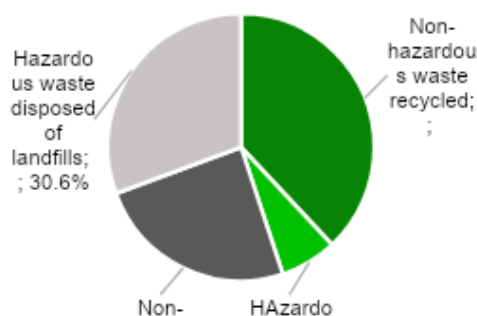
Waste generated at Ferreycorp's sites

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

In 2023, the measurement coverage of this indicator has also been modified to include Ferreycorp, Ferreyros, Fargoline, Orvisa (and its related companies Motomaq and Servitec), Soltrak, Unimaq, Forbis Logistics and Trex in Chile.

Waste generation in 2023 in the evaluated companies (45 locations) was equal to 2,735.35 tons.

Waste Generation (tons) Graph # 11

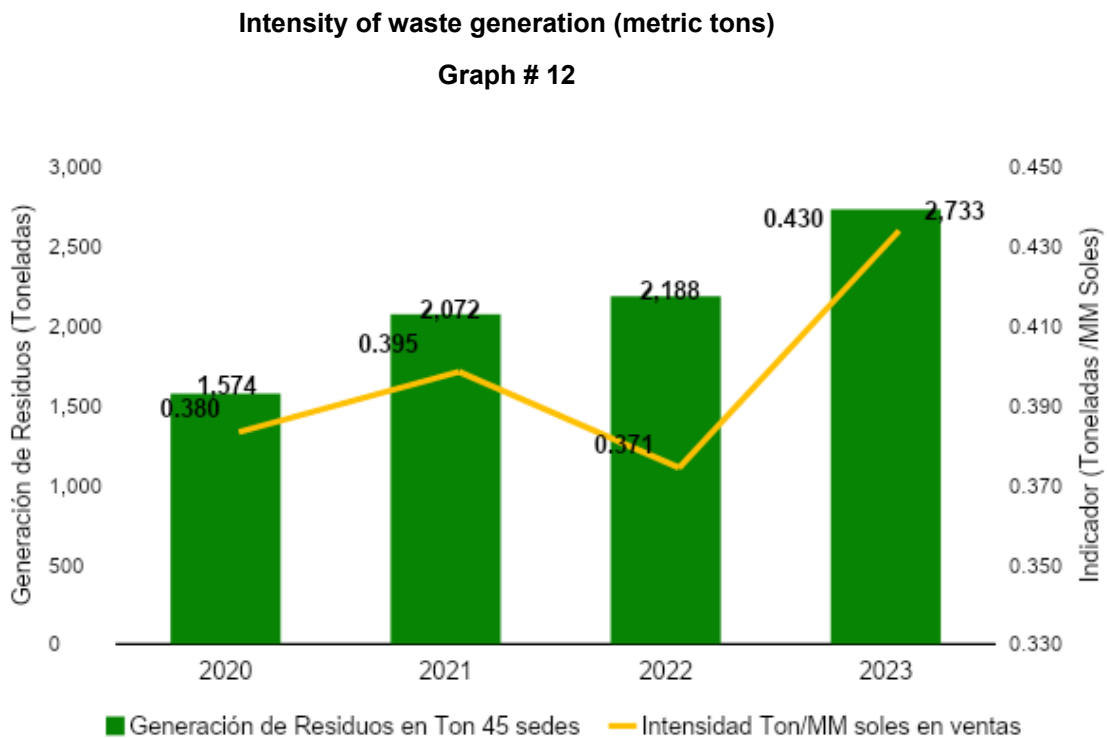


*The data taken for this graph are shown at the end of the section, in paragraph 2.3.5.

During 2023, the percentage of waste recycled in the corporation reached 44.91% of total waste generated, an improvement of 1.79% over the previous year.

The increase in waste generation in 2023 with respect to the previous year was 24.92%, attributable to a higher level of activities in the operations at the sites analyzed.

Below are the waste generation intensity graphs (yellow line), which is an indicator of efficiency.



Waste generation at the same 45 sites in metric tons / Waste generation intensity in metric tons on sales

The information in this graph differs from that shown in the 2022 Sustainability Report because different sites are being considered for the calculation of energy consumption, as the closed sites have been removed and mining operations have been added. However, the same sites and operations have been included for the four recent years to make the data comparable.

Management and practices adopted for the correct handling of wastes

Within the framework of good waste management and disposal practices adopted by Ferreycorp and its subsidiaries, during 2023 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 the hazardous waste generated is transported by authorized companies and disposed of in safety landfills and/or authorized recycling systems within the national territory. In 2023, the corporation tendered the waste transportation service in an integrated and decentralized manner nationwide, which reduces the distance to be traveled for each trip, optimizing the use of resources and reducing the carbon footprint associated with transportation. We also have corporate contracts for recyclable oil and scrap metal.

Ferreycorp has checked 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 67.5 tons of waste to finance therapies for patients.

During 2023, awareness campaigns were carried out and improvements were made to the central warehouses. In addition, a Corporate Recyclathon was held, which collected 23.89 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 Perú), their management plans have been approved. The companies are currently evaluating the best alternative for the valorization of the NFU.

It should be noted that in 2023, Ferreycorp and its companies maintained the good practice of reusing organic waste from the canteens of the Surco, Unimaq Lurín and Ate headquarters, through Sinba, a company specialized in the recovery of organic waste and recycling. Likewise, the end-of-year party was an event in which waste was managed to ensure its recovery. Overall, 30.5 tons of organic waste were collected and recovered, and 63 kg of inorganic waste, such as bottles, cans, cardboard, plastic caps, etc., were collected.

An important milestone worked on in 2023 was 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.

On the other hand, in 2023, Ferreycorp developed an animated course aimed at all its employees at the corporate level, on the topic "Integral waste management and circular economy", achieving a participation of 6,325 people approved, which makes an 84.2% compliance rate.

Destination of recyclable waste Table #13

Waste	Management
Residual oil	It is sent to authorized companies that recycle it through physical-chemical processes and the use of additives, prolonging its useful life and converting it into raw material (lubricating oils).
Metallic waste	Casting of parts or spare parts that cannot be recovered and are categorized as non-reusable. Return of new parts to Caterpillar. Return to customers (some cases), when obtained during the machinery repair process.
Waste electrical and electronic equipment WEEE	IT and telecommunications equipment is managed under a corporate agreement. This waste is sent to a WEEE operator who is in charge of transportation, dismantling, decontamination, sorting, segregation, shredding, pressing, compacting and reuse of recyclable parts.
Batteries	They are marketed with authorized EO-RS who are in charge of recycling.
Paper, Cardboard, Plastic, Glass	There is a corporate agreement with the Asociación de Ayuda al Niño Quemado (Aniquem) which, through recycling, generates income for the benefit of children. In cities where Aniquem does not have coverage, or where the minimum collection is not achieved, these wastes are donated to formalized waste pickers' associations or given to municipal recycling programs.
Timbers	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.

2.3.6 Environmental Compliance

Non-compliance with environmental legislation and regulations

GRI 307-1 (2016)

During 2023, 2 companies in the Ferreycorp group received a sanction for non-compliance with environmental regulations.

Sanction date	Sanctioned company	Description	Cost involved	Current situation
The notification of the sanction is received on March 15, 2023	Ferrenergy	Not having the approved Environmental Management Instrument (PAD) for the photovoltaic plant.	33.4 tax units Equivalent to 165,330 Peruvian Soles USD 44,088	The document was processed and approved, and the penalty fee was cancelled.
This sanction was notified in 2023 through the electronic box.	Soltrak	In 2021, OEFA declared the existence of administrative liability for 4 infractions related to the presentation of progress reports, monitoring and non-compliance with the Environmental Management Instrument.	6.135 tax units Equivalent to 30,368 Peruvian Soles USD 8,098	The administrative sanctioning process has already concluded, and the penalty fee has been assigned.

2.3.7 Environmental Data

Water Consumption (m3)

Year	Water Source	Type	Ferrey corp	Ferreyros	Fargoline	Motor ed	Motriz a	Orvisa	Soltrak	Unimaq	Trex Chile	Forbis	Ferr energy	Sitec h	Mot oma q	TOTAL	Cove rage
2020	Third party water	Public water network	15316.5	42909.7	0.0	2960.0	1564.0	836.0	4276.0	7377.0	2175.0	NR	NR	NR	NR	75239.2	90.21% sales 61 sites
		Tanker truck	0.0	16671.5	380.7	1302.2	0.0	0.0	0.0	1717.6	692.0	NR	NR	NR	NR	20072.0	
		Bottled	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NR	NR	NR	NR	0.0	
	Water withdrawal	Subterranean	0.0	8523.2	3523.2	0.0	0.0	2487.8	0.0	7327.0	0.0	NR	NR	NR	NR	21663.8	
		superficial	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NR	NR	NR	NR	0.0	
TOTAL 2020			15316.5	68104.4	3706.5	4262.2	1564.0	3323.8	4276.0	16421.6	2867.0	0.0	0.0	0.0	0.0	119842.0	
2021	Third party water	Public water network	2238.2	60544.9	0.0	NR	1139.0	712.0	3215.7	8650.4	NR	180.0	0.0	370.7	NR	77050.9	87.07% sales 51 individual and shared sites
		Tanker truck	0.0	18790.0	720.1	NR	65.0	0.0	22.9	851.9	NR	0.0	0.0	0.0	NR	20449.9	
		Bottled	0.0	46.9	0.0	NR	0.0	0.0	0.0	0.0	NR	0.0	0.0	0.0	NR	46.9	
	Water withdrawal	Subterranean	0.0	8045.4	3588.0	NR	0.0	4571.7	169.3	5420.3	NR	0.0	0.0	0.0	NR	21794.7	
		superficial	0.0	0.0	0.0	NR	0.0	0.0	0.0	0.0	NR	0.0	0.0	0.0	NR	0.0	
TOTAL 2021			2238.2	87427.1	4308.1	0.0	1204.0	5283.7	3407.9	14922.6	0.0	180.0	0.0	370.7	0.0	119342.3	
2022	Third party water	Public water network	5031.9	60745.4	0.0	NR	686.6	645.0	4642.0	8690.5	2659.0	636.0	0.0	108.0	0.0	83844.3	89.74% sales 45 individual and shared sites
		Tanker truck	0.0	18826.3	1161.9	NR	31.0	0.0	23.3	2469.7	480.0	0.0	0.0	0.0	0.0	22992.1	
		Bottled	0.0	35.2	0.0	NR	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	35.2	
	Water withdrawal	Subterranean	0.0	9736.4	3261.9	NR	0.0	2795.6	189.8	1390.6	0.0	0.0	0.0	0.0	0.0	17374.2	
		superficial	0.0	0.0	0.0	NR	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
TOTAL 2022			5031.9	89343.2	4423.7	NR	717.6	3440.6	4855.1	12550.8	3139.0	636.0	0.0	108.0	0.0	124245.8	
2023	Third party water	Public water network	5606.1	66455.4	0.0	NR	NR	695.0	4576.5	9522.9	2099.0	636.0	NR	NR	NR	89590.8	90.84% sales 45 individual and shared sites
		Tanker truck	0.0	14891.0	1242.7	NR	NR	0.0	19.9	4099.0	800.0	0.0	NR	NR	NR	21052.5	
		Bottled	0.0	55.3	0.0	NR	NR	0.0	0.0	0.0	0.0	0.0	NR	NR	NR	55.3	
	Water withdrawal	Subterranean	0.0	13416.2	4150.2	NR	NR	3051.7	149.5	860.7	0.0	0.0	NR	NR	NR	21628.3	
		superficial	0.0	0.0	0.0	NR	NR	0.0	0.0	0.0	0.0	0.0	NR	NR	NR	0.0	
TOTAL 2023			5606.1	94817.8	5392.8	NR	NR	3746.7	4745.9	14482.6	2899.0	636.0	NR	NR	NR	132327.0	

*During 2023, 103176.51 m3 (80.2%) of fresh water (water whose total dissolved solids TDS <1000 ppm) and 28265.75 m3 (21.50%) of water whose TDS >= 1000 ppm were consumed.

** The volume of wastewater, both domestic and industrial, has been estimated based on the water consumed, taking into account that the companies evaluated use water for domestic use and machinery washing. In accordance with the National Building Regulations, a factor of 80% was adopted for wastewater contribution: 105,861.59

Energy consumption by type and origin (GJ)

Year	Type	Origin	Ferrey corp	Ferreiros	Fargoline	Motored	Motriz a	Orvisa	Soltrak	Unimaq	Trex Chile	Forbis	Ferr energy	Sitech	Motomaq	TOTAL	Coverage
2020	Renewable Energy	% SEIN renewable Perú	0.0	7239.0	31.0	873.9	171.6	310.4	40.8	1972.6	0.0	NR	NR	NR	NR	10639.3	90.21% sales 61 sites 19 operations
		% SEN renewable Chile	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	112.3	NR	NR	NR	NR	112.3	
		Solar photovoltaic	0.0	905.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NR	NR	NR	NR	905.7	
		Renewable purchased	4734.5	13024.1	3410.2	0.0	0.0	0.0	997.0	0.0	0.0	NR	NR	NR	NR	22166.5	
		SUB - TOTAL	4734.5	21168.7	3441.2	873.9	171.6	310.4	1038.6	1972.6	112.3	NR	NR	NR	NR	33823.8	
	Non-renewable Energy	% SEIN renewable Perú	0.0	3817.8	16.4	460.9	90.5	163.7	21.5	1040.3	0.0	NR	NR	NR	NR	5611.1	
		Isolated electrical systems	0.0	0.0	0.0	0.0	0.0	472.4	0.0	0.0	0.0	NR	NR	NR	NR	472.4	
		% SEN renewable Chile	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	146.5	NR	NR	NR	NR	146.5	
		Diesel	46.5	51667.3	22643.3	615.3	660.0	1514.9	3394.6	4922.8	4133.4	NR	NR	NR	NR	89598.0	
		GLP	0.0	4213.7	0.0	228.2	0.0	0.0	184.2	581.8	0.0	NR	NR	NR	NR	5207.9	
		Gasoline	197.3	534.4	0.0	65.5	0.0	0.0	223.0	1224.6	0.0	NR	NR	NR	NR	2244.8	
	SUB - TOTAL	243.8	60233.2	22659.6	1369.9	750.4	2151.0	3823.2	7769.5	4279.9	NR	NR	NR	NR	103280.7		
	TOTAL 2020	4978.3	81401.9	26100.8	2243.8	922.0	2461.4	4861.8	9742.1	4392.2	NR	NR	NR	NR	137104.5		
2021	Renewable Energy	% SEIN renewable Perú	21.9	9030.4	9.3	0.0	138.0	353.7	80.3	1728.9	0.0	52.3	0.0	0.0	NR	11414.7	87.07% sales 51 individual and shared 24 operations
		Solar photovoltaic	0.0	438.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NR	438.2		
		Renewable purchased	408.7	19174.4	2398.5	0.0	0.0	0.0	1594.8	340.1	0.0	0.0	0.0	81.7	NR	23989.3	
		SUB - TOTAL	430.6	28643.0	2398.8	0.0	138.0	353.7	1675.1	2069.1	0.0	52.3	0.0	81.8	NR	35842.3	
	Non-renewable Energy	% SEIN renewable Perú	13.2	5471.1	5.6	0.0	83.6	214.3	48.6	1047.5	0.0	31.7	0.0	0.0	NR	6915.7	
		Isolated electrical systems	0.0	0.0	0.0	0.0	0.0	674.6	0.0	0.0	0.0	0.0	0.0	NR	674.6		
		Diesel	0.0	32643.3	23159.2	0.0	301.5	1938.0	3743.2	5076.6	0.0	0.0	0.0	NR	66861.6		
		GLP	0.0	5022.4	0.0	0.0	0.0	0.0	283.9	1259.3	0.0	0.0	0.0	NR	6565.5		
		Gasoline	231.2	1365.8	0.0	0.0	0.0	0.0	243.1	396.3	0.0	0.0	0.0	NR	2236.3		
		SUB - TOTAL	244.5	44502.6	23164.8	0.0	385.1	2826.8	4318.7	7779.5	0.0	31.7	0.0	0.0	NR	83253.6	
TOTAL 2021	675.1	73145.6	25563.5	0.0	523.1	3180.5	5993.8	9848.6	0.0	84.0	0.0	81.8	NR	119095.9			

2022	Renewable Energy	% SEIN renewable Perú	70.9	2462.9	125.7	0.0	85.4	356.7	67.7	1430.7	232.3	52.8	0.0	0.0	0.0	4885.1	89.7% sales individual and shared sites 21 operations	
		Solar photovoltaic	0.0	1179.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		1179.2
		Renewable purchased	817.8	29615.8	2676.8	0.0	0.0	0.0	1688.0	334.6	0.0	0.0	0.0	0.0	28.2	0.0		35161.1
		SUB - TOTAL	888.7	33257.9	2802.5	0.0	85.4	356.7	1755.7	1765.3	232.2	52.8	0.0	28.2	0.0	0.0		41225.4
		% SEIN renewable Perú	55.0	1909.4	97.5	0.0	66.2	276.5	52.5	1109.2	180.1	40.9	0.0	0.0	0.0	0.0		3787.2
		Isolated electrical systems	0.0	0.0	0.0	0.0	0.0	690.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		690.5
2022	Non-renewable Energy	Diesel	35.4	34212.2	23594.2	0.0	344.0	2142.8	463.2	9393.2	9346.1	0.0	0.0	0.0	721.3	80252.5		
		GLP	0.0	5316.1	0.0	0.0	0.0	0.0	39.0	1464.8	0.0	0.0	0.0	0.0	0.0	6819.9		
		Gasoline	122.0	1058.9	0.0	0.0	0.0	0.0	38.2	1594.9	1049.0	0.0	0.0	0.0	0.0	3862.9		
		SUB - TOTAL	212.4	42496.5	23691.7	0.0	410.2	3109.8	592.9	13562.1	10575.1	40.9	0.0	0.0	721.3	95413.0		
		TOTAL 2022	1101.1	75754.4	26494.2	0.0	495.6	3466.5	2348.6	15327.4	10807.4	93.7	0.0	28.2	721.3	136638.4		
		2023	Renewable Energy	% SEIN renewable Perú	14.1	2799.5	247.7	NR	NR	363.6	73.8	1574.2	229.6	60.3	NR	NR	0.0	5362.8
Solar photovoltaic	0.0			1127.4	0.0	NR	NR	0.0	0.0	0.0	0.0	0.0	NR	NR	0.0	1127.4		
Renewable purchased	1051.1			33459.8	2655.5	NR	NR	0.0	1989.5	166.0	0.0	0.0	NR	NR	0.0	39321.9		
SUB - TOTAL	1065.1			37386.7	2903.1	NR	NR	363.6	2063.3	1740.2	229.6	60.3	NR	NR	0.0	45812.0		
% SEIN renewable Perú	12.0			2387.7	211.2	NR	NR	310.1	62.9	1342.6	195.9	51.4	NR	NR	0.0	4573.8		
Isolated electrical systems	0.0			0.0	0.0	NR	NR	689.1	0.0	0.0	0.0	0.0	NR	NR	0.0	689.1		
2023	Non-renewable Energy	Diesel	0.0	44831.5	21064.5	NR	NR	2102.1	524.6	8989.4	3621.6	0.0	NR	NR	711.0	81844.6		
		GLP	68.1	834.3	745.5	NR	NR	0.0	57.9	827.9	388.2	0.0	NR	NR	0.0	2922.0		
		Gasoline	0.0	4503.0	0.0	NR	NR	0.0	201.4	784.7	97.3	0.0	NR	NR	0.0	5586.4		
		SUB - TOTAL	80.1	52556.4	22021.2	NR	NR	3101.3	846.9	11944.7	4302.9	51.4	NR	NR	711.0	95615.8		
		TOTAL 2023	1145.3	89943.1	24924.3	0.0	0.0	3464.9	2910.2	13684.8	4532.5	111.7	0.0	0.0	711.0	141427.9		

* SEIN: National Interconnected Electric System (of Peru): Administered by COES. The % of renewable energy was downloaded from COES statistics of the annual accumulated to December 2023.

**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>.

Waste generation by type (metric tons)

Year	Management	Type of waste	Ferrecorp	Ferros	Fargoline	Motored	Motriz	Orvisa	Soltak	Unimaq	Trex	Forbis	Ferreyrpg*	Sitech	Motomaq	TOTAL	Coverage
2020	Recycled	Non-hazardous	106.7	503.4	34.3	9.3	4.0	3.3	3.3	12.3	0.0	NR	NR	NR	NR	676.6	90.21% sales 61 sites
		Hazardous	0.0	119.1	10.0	30.7	0.1	0.0	1.4	36.0	0.0	NR	NR	NR	NR	197.3	
		Electronic waste	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0	NR	NR	NR	NR	0.2	
		TOTAL RECYCLED	106.7	622.5	44.4	40.0	4.1	3.3	4.9	48.3	0.0	NR	NR	NR	NR	874.1	
	Disposal in landfill (sanitary/secure)	Non-hazardous	41.1	166.0	145.8	10.7	0.6	3.6	9.3	59.6	0.0	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	352.2	
		TOTAL DISPOSED	44.0	466.3	150.6	14.2	1.2	3.7	12.4	94.7	1.9	NR	NR	NR	NR	789.0	
TOTAL 2020			150.7	1088.7	194.9	54.2	5.2	7.0	17.3	143.1	1.9	NR	NR	NR	NR	1663.1	
2021	Recycled	Non-hazardous**	0.7	607.5	2.9	0.0	16.8	4.5	2.5	36.5	0.1	0.4	23.6	0.0	NR	695.4	87.07% sales 51 individual and shared sites
		Hazardous	0.0	122.9	5.5	0.0	0.1	0.0	2.2	13.7	5.1	0.1	1.0	0.0	NR	150.5	
		Electronic waste	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NR	0.0	
		TOTAL RECYCLED	0.7	730.4	8.4	0.0	16.9	4.5	4.7	50.2	5.2	0.5	24.6	0.0	NR	845.9	
	Disposal in landfill (sanitary/secure)	Non-hazardous***	6.7	481.9	124.8	0.0	2.0	14.7	14.0	57.5	4.9	0.5	10.2	0.0	NR	717.1	
		Hazardous	0.0	501.4	1.6	0.0	2.7	0.1	3.1	53.4	1.5	0.0	16.0	0.0	NR	579.8	
		TOTAL DISPOSED	6.7	983.3	126.5	0.0	4.7	14.7	17.1	110.9	6.3	0.5	26.2	0.0	NR	1296.9	
TOTAL 2021			7.5	1713.7	134.9	0.0	21.5	19.2	21.8	161.1	11.5	1.0	50.7	0.0	NR	2142.8	
2022	Recycled	Non-hazardous**	9.0	651.1	11.6	0.0	6.1	4.9	6.7	63.6	0.1	0.3	0.0	0.0	0.0	753.3	89.74% sales 45 individual and shared sites
		Hazardous	0.2	147.4	6.7	0.0	0.1	1.3	3.7	21.9	10.5	0.2	0.0	0.0	0.0	192.0	
		TOTAL RECYCLED	9.2	798.5	18.4	0.0	6.2	6.2	10.4	85.4	10.6	0.5	0.0	0.0	0.0	945.3	
	Disposal in landfill (sanitary/secure)	Non-hazardous***	15.6	346.2	142.7	0.0	1.8	4.4	10.9	56.7	0.1	0.9	0.0	0.0	0.0	579.2	
		Hazardous	0.0	602.8	6.0	0.0	1.0	0.9	3.6	44.7	6.3	0.0	2.5	0.0	0.0	667.9	
		TOTAL DISPOSED	15.6	949.0	148.7	0.0	2.8	5.3	14.5	101.4	6.4	0.9	2.5	0.0	0.0	1247.1	
TOTAL 2022			24.8	1747.5	167.0	0.0	9.1	11.5	25.0	186.8	16.9	1.5	2.5	0.0	0.0	2192.5	
2023	Recycled	Non-hazardous**	22.0	938.4	10.0	NR	NR	4.0	5.6	55.5	3.7	0.4	NR	NR	0.0	1039.7	90.84% sales 45 individual and shared
		Hazardous	0.2	152.3	8.7	NR	NR	0.0	2.2	14.0	10.8	0.1	NR	NR	0.2	188.6	
		TOTAL RECYCLED	22.2	1090.7	18.7	NR	NR	4.0	7.9	69.6	14.5	0.5	NR	NR	0.2	1228.3	
	Disposal in landfill (sanitary/secure)	Non-hazardous***	24.1	425.0	139.0	NR	NR	3.9	10.8	65.6	0.0	1.1	NR	NR	0.0	669.5	
		Hazardous	0.0	769.0	4.2	NR	NR	0.0	1.8	54.2	8.2	0.0	NR	NR	0.0	837.5	
		TOTAL DISPOSED	24.1	1194.0	143.2	NR	NR	3.9	12.6	119.8	8.2	1.1	NR	NR	0.0	1507.0	
TOTAL 2023			46.3	2284.8	161.9	NR	NR	7.9	20.5	189.4	22.7	1.6	NR	NR	0.2	2735.4	

*None of the waste generated at Ferrecorp is destined for incineration, whether with or without energy recovery.

** In accordance with GRI 306-3, the waste reported here excludes effluents.

***Also, all reported waste disposal, recovery and/or conditioning operations have been carried out off-site.

Location Based Emissions of categories 1,2,3 and 4 of the corporation's subsidiaries located in Peru and Chile (t CO2e)

Year	Category / Scope	Ferrecorp	Ferreiros	Fargoline	Motriz	Orvisa	Soltrak	Unimaq	Trex	Forbis	Ferrenery	Sitech	Motomaq	Servitec	TOTAL	Coverage
2022	Category/ Scope 1	20.2	2864.4	1602.5	23.4	191.3	32.8	848.2	709.8	14.4	0.1	0.0	55.3	0.0	6362.1	89.74% sales 45 individual and shared sites 21 operations
	Category/ Scope 2	52.6	1885.4	161.6	8.4	172.0	116.4	159.2	47.3	5.2	0.0	1.6	0.0	0.0	2611.1	
	Category 3/ Scope 3	111.0	3437.7	38.1	80.4	154.6	438.4	592.5	197.1	0.4	98.9	74.3	3.7	0.0	5301.4	
	Category 4 / Scope 3	1.7	27.0	137.6	0.3	0.2	1.6	3.8	1.1	11.0	22.8	0.1	0.0	0.0	207.2	
	Total 2022	185.3	8214.4	1939.7	112.5	518.2	589.1	1603.6	955.3	31.0	121.8	75.9	59.0	0.0	14406.0	
	Biogenic Emissions (CO2)	0.6	76.1	47.7	0.7	4.4	0.7	25.9	23.2	0.0	0.0	0.0	1.6	0.0	180.8	
2023	Category/ Scope 1	55.3	3451.1	1469.9	NR	188.5	51.6	746.4	289.8	1.9	NR	NR	65.8	0.0	6320.3	90.84% sales 45 individual and shared sites 21 operations
	Category/ Scope 2	63.9	2294.0	184.9	NR	200.7	126.2	183.0	37.9	6.6	NR	NR	0.0	0.0	3097.2	
	Category 3/ Scope 3	181.7	25191.1	405.7	NR	582.3	2471.9	2399.5	293.4	6196.0	NR	NR	0.6	0.0	37722.4	
	Category 4 / Scope 3	1.9	248.1	24.3	NR	1.6	1.6	12.9	0.7	0.5	NR	NR	0.1	0.0	291.6	
	Total 2023	302.9	31184.3	2084.8	NR	973.0	2651.3	3341.7	621.8	6205.1	NR	NR	66.5	0.0	47431.5	
	Biogenic Emissions (CO2)	0.3	103.1	49.9	NR	4.7	1.4	23.4	0.0	0.0	NR	NR	1.6	0.0	184.3	

Market Based Emissions of categories 1,2,3 and 4 of the corporation's subsidiaries located in Peru and Chile (t CO2e)

Year	Category / Scope	Ferrecorp	Ferreiros	Fargoline	Motriz	Orvisa	Soltrak	Unimaq	Trex	Forbis	Ferrenery	Sitech	Motomaq	Servitec	TOTAL	Coverage
2022	Category/ Scope 1	20.2	2864.4	1602.5	23.4	191.3	32.8	848.2	709.8	14.4	0.1	NA	55.3	NA	6362.2	89.74% sales 45 individual and shared sites 21 operations
	Category/ Scope 2	7.0	235.0	12.4	8.4	172.0	6.6	140.6	47.3	5.2	NA	0.0	NA	NA	634.4	
	Category 3/ Scope 3	111.0	3437.7	38.1	80.4	154.6	438.4	592.5	197.1	0.4	98.9	74.3	3.7	0.0	5227.1	
	Category 4 / Scope 3	1.7	27.0	137.6	0.3	0.2	1.6	3.8	1.1	11.0	22.8	0.1	0.0	NA	207.1	
	Total 2022	139.8	6564.1	1790.6	112.5	518.1	479.3	1585.0	955.3	31.0	121.8	74.4	59.0	0.0	12430.9	
	Biogenic Emissions (CO2)	0.6	76.1	47.7	0.7	4.4	0.7	25.9	23.2	0.0	0.0	0.0	1.6	0.0	180.8	
2023	Category/ Scope 1	55.3	3451.1	1469.9	NR	188.5	51.6	746.4	289.8	1.9	NR	NR	65.8	0.0	6320.3	90.84% sales 45 individual and shared sites 21 operations
	Category/ Scope 2	1.5	307.9	27.2	NR	200.7	8.1	173.1	37.9	6.6	NR	NR	0.0	0.0	763.1	
	Category 3/ Scope 3	181.7	25191.1	405.7	NR	582.3	2471.9	2399.5	293.4	6196.0	NR	NR	0.6	0.0	37722.4	
	Category 4 / Scope 3	1.9	248.1	24.3	NR	1.6	1.6	12.9	0.7	0.5	NR	NR	0.1	0.0	291.6	
	Total 2023	240.5	29198.2	1927.1	NR	973.0	2533.2	3331.8	621.8	6205.1	NR	NR	66.5	0.0	45097.4	
	Biogenic Emissions (CO2)	0.3	103.1	49.9	NR	4.7	1.4	23.4	0.0	0.0	NR	NR	1.6	0.0	184.3	

Breakdown of the Carbon Footprint of categories 3 and 4 / scope 3 (tCO2e) according to ISO 14064-1:2018.

Year	ISO 14064	Source	Ferrey corp	Ferreyr os	Fargol ine	Motriz a	Orvisa	Soltra k	Unima q	Trex Chile	Forbi s	Ferre nergy	Sitec h	Moto maq	Servit ec	TOTAL
2022	CAT EGO RY 3	Transportation of staff in contracted buses	2.5	114.6	9.6	7.1	NR	21.5	82.2	NR	0.4	NS	NS	NS	NS	237.9
		Remote work	6.5	6.2	15.1	0.2	0.0	0.3	0.2	0.6	NS	0.1	0.1	NS	0.0	29.3
		RRSS trnsportation	0.3	197.8	0.5	0.1	0.1	0.3	10.1	0.4	NS	NS	NS	NS	NS	209.5
		Internal transportation	NS	NS	NS	NS	NS	NS	NS	NS	NS	NS	NS	0.6	NS	0.6
		Air travel	101.7	3119.2	12.8	73.0	154.6	416.3	500.1	196.1	0.0	98.8	73.6	3.7	NS	4749.8
		TOTAL CAT. 3	111.0	3437.7	38.1	80.4	154.6	438.4	592.5	197.1	0.4	98.9	74.3	3.7	0.0	5227.1
	CAT EGO RY 4	Fixed assets	NS	NS	NS	NS	NS	NS	NS	NS	10.5	NS	NS	NS	NS	10.5
		Paper purchases	NS	NS	NS	0.1	NS	NS	NS	NS	0.3	0.1	0.0	0.0	NS	0.5
		Water consumption	1.7	27.0	0.4	0.2	0.2	1.6	3.8	1.1	0.2	NS	0.0	NS	NS	36.2
		Materials and supplies	NS	NS	137.2	NS	NS	NS	NS	NR	NR	22.8	NS	NS	NS	159.9
		TOTAL CAT. 4	1.7	27.0	137.6	0.3	0.2	1.6	3.8	1.1	11.0	22.8	0.1	0.0	0.0	207.1
Total 2022			112.7	3464.8	175.6	80.7	154.9	440.0	596.3	198.2	11.4	121.7	74.4	3.7	0.0	5434.2
2023	CAT EGO RY 3	Product imports - air	0.0	13169.3	0.0	NR	249.7	858.6	271.2	0.0	2962.5	NR	NR	0.0	0.0	17511.3
		Product shipments	0.0	6148.9	0.0	NR	143.4	122.2	297.5	0.0	0.0	NR	NR	0.0	0.0	6712.1
		Product imports - maritime	0.0	906.5	0.0	NR	34.2	1112.0	965.0	0.0	3165.1	NR	NR	0.0	0.0	6182.8
		Air travel	159.0	4175.0	12.0	NR	154.9	351.3	715.1	290.0	0.0	NR	NR	0.6	0.0	5857.9
		Transportation of personnel in contracted buses	16.3	725.6	46.8	NR	0.0	21.9	145.8	0.0	0.0	NR	NR	0.0	0.0	956.3
		Internal transportation	0.0	0.0	221.3	NR	0.0	0.0	0.0	0.0	0.0	NR	NR	0.0	0.0	221.3
		Commuting of personnel to and from work	0.0	0.0	124.3	NR	0.0	0.0	0.0	0.0	52.3	NR	NR	0.0	0.0	176.6
		Remote work	6.3	21.0	1.2	NR	0.0	5.8	1.7	2.5	0.0	NR	NR	0.0	0.0	38.5
		Transportation of RRSS	0.1	37.8	0.2	NR	0.0	0.1	3.3	0.9	0.0	NR	NR	0.0	0.0	42.4
		Import of products - ground	0.0	7.0	0.0	NR	0.0	0.0	0.0	0.0	15.6	NR	NR	0.0	0.0	22.6
		Cab travel	0.0	0.0	0.0	NR	0.0	0.0	0.0	0.0	0.6	NR	NR	0.0	0.0	0.6
	TOTAL CAT. 3	181.7	25191.1	405.7	NR	582.3	2471.9	2399.5	293.4	6196.0	NR	NR	0.6	0.0	37722.4	
	CAT EGO RY 4	Water consumption	1.9	22.9	0.0	NR	0.2	1.6	3.3	0.7	0.2	NR	NR	0.0	0.0	30.8
		RRSS generation	0.0	225.2	23.7	NR	1.3	0.0	9.6	0.0	0.0	NR	NR	0.0	0.0	259.8
Paper purchases		0.0	0.0	0.6	NR	0.0	0.0	0.0	0.0	0.3	NR	NR	0.1	0.0	1.0	
TOTAL CAT. 4		1.9	248.1	24.3	NR	1.6	1.6	12.9	0.7	0.5	NR	NR	0.1	0.0	291.6	
Total 2023			183.7	25439.1	430.0	NR	583.9	2473.5	2412.3	294.2	6196.6	NR	NR	0.7	0.0	38014.0

Category 3 Indirect GHG emissions caused by transportation
 Category 4: Indirect GHG emissions by products used by the organization
 NS: Non-significant
 NR: Non reported

Breakdown of the Carbon Footprint of categories 3 and 4 / scope 3 (tCO2e) according to the Greenhouse Gas Protocol (GHG Protocol)

Year	GHG Protocol	Source	Ferreyco rp	Ferreyros	Fargoline	Motriza	Orvisa	Soltrak	Unimaq	Trex Chile	Forbis	Ferrenery	Sitech	Motomaq	Servitec	SubTotal	TOTAL	
2022	Cat. 1 Purchased goods and services	Paper purchases	NS	NS	NS	0.1	NS	NS	NS	NS	0.3	0.1	0.0	0.0	NS	0.5	196.7	
		Water consumption	1.7	27.0	0.4	0.2	0.2	1.6	3.8	1.1	0.2	NS	0.0	NS	NS	36.2		
		Materials and supplies	NS	NS	137.2	NS	NS	NS	NS	NS	NR	NR	22.8	NS	NS	NS		159.9
	Cat. 2 Capital goods	Fixed assets	NS	NS	NS	NS	NS	NS	NS	NS	NS	10.5	NS	NS	NS	NS	10.5	10.5
	Cat 4: Transportation and upstream distribution	Internal transportation	NS	NS	NS	NS	NS	NS	NS	NS	NS	NS	NS	0.6	NS	NS	0.6	210.1
		RRSS transportation	0.3	197.8	0.5	0.1	0.1	0.3	10.1	0.4	NS	NS	NS	NS	NS	NS	209.5	
	Cat. 6: Business travel	Air travel	101.7	3119.2	12.8	73.0	154.6	416.3	500.1	196.1	0.0	98.8	73.6	3.7	NS	NS	4749.8	4749.8
	Cat. 7: Relocation of personnel	Transportation of personnel in contracted buses	2.5	114.6	9.6	7.1	NR	21.5	82.2	NR	0.4	NS	NS	NS	NS	NS	237.9	267.2
		Remote work	6.5	6.2	15.1	0.2	0.0	0.3	0.2	0.6	NS	0.1	0.1	NS	0.0	NS	29.3	
	Total 2022			112.7	3464.8	175.6	80.7	154.9	440.0	596.3	198.2	11.4	121.7	74.4	3.7	0.0	5434.2	5434.2
2023	Cat. 1 Purchased goods and services	Water consumption	1.9	22.9	0.0	NR	0.2	1.6	3.3	0.7	0.2	NR	NR	0.0	0.0	30.8	31.8	
		Paper purchases	0.0	0.0	0.6	NR	0.0	0.0	0.0	0.0	0.0	0.3	NR	NR	0.1	0.0		1.0
	Cat 4: Upstream transportation and distribution	Product imports - air	0.0	13169.3	0.0	NR	249.7	858.6	271.2	0.0	2962.5	NR	NR	0.0	0.0	17511.3	23980.4	
		Product imports - land	0.0	7.0	0.0	NR	0.0	0.0	0.0	0.0	15.6	NR	NR	0.0	0.0	22.6		
		Product imports - maritime	0.0	906.5	0.0	NR	34.2	1112.0	965.0	0.0	3165.1	NR	NR	0.0	0.0	6182.8		
		Internal transportation	0.0	0.0	221.3	NR	0.0	0.0	0.0	0.0	0.0	NR	NR	0.0	0.0	221.3		
		RRSS transportation	0.1	37.8	0.2	NR	0.0	0.1	3.3	0.9	0.0	NR	NR	0.0	0.0	42.4		
	Cat. 5: Waste generated in operations	RRSS generation	0.0	225.2	23.7	NR	1.3	0.0	9.6	0.0	0.0	NR	NR	0.0	0.0	259.8	259.8	
	Cat. 6: Business travel	Air travel	159.0	4175.0	12.0	NR	154.9	351.3	715.1	290.0	0.0	NR	NR	0.6	0.0	5857.9	5858.4	
		Cab travel	0.0	0.0	0.0	NR	0.0	0.0	0.0	0.0	0.6	NR	NR	0.0	0.0	0.6		
	Cat. 7 Personnel relocation	Transportation of personnel in contracted buses	16.3	725.6	46.8	NR	0.0	21.9	145.8	0.0	0.0	NR	NR	0.0	0.0	956.3	1171.5	
		Staff commuting to work	0.0	0.0	124.3	NR	0.0	0.0	0.0	0.0	52.3	NR	NR	0.0	0.0	176.6		
		Remote work	6.3	21.0	1.2	NR	0.0	5.8	1.7	2.5	0.0	NR	NR	0.0	0.0	38.5		
Cat 9: Transportation and distribution downstream	Dispatch of products	0.0	6148.9	0.0	NR	143.4	122.2	297.5	0.0	0.0	NR	NR	0.0	0.0	6712.1	6712.1		
Total 2023			183.7	25439.1	430.0	NR	583.9	2473.5	2412.3	294.2	6196.6	NR	NR	0.7	0.0	38014.0	38014.0	

3. GRI Content Index

Statement of use	Ferreycorp has reported in accordance with the GRI Standards for the period January 1th 2023 to December 31th 2023
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	NA

GRI Standard	Disclosure	Global Compact	SDG	Detail
Contenidos generales				
GRI 2 General Disclosures 2021	1. La organización y sus prácticas de presentación de informes			
	2-1 Organization details			-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 Pg. 9
	2-2 Entities included in the organizations's sustainability reporting			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. and Xpedite Procurement Services S.A.C.

GRI Standard	Disclosure	Global Compact	SDG	Detail
	2-3 Reporting period, frequency and contact point			Frequency: Annual Reporting period: January 1, 2023 and December 31, 2023. Contact us for more information: -Email responsabilidadesocial@ferreycorp.com.pe -Telephone line 0-800-13372 -Website: www.ferreycorp.com.pe
	2-4 Restatements of information			-
	2-5 External assurance			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.
2. Actividades y trabajadores				
	2-6 Activities, value chain and other business relationships			Pgs. 8, 44
	2-7 Employees			Pg. 53
	2-8 Workers who are not employees			Pg. 54
3. Gobernanza				
	2-9 Governance structure and composition			Pgs. 25-26
	2-10 Nomination and selection of the highest governance body			Pgs. 25
	2-11 Chair of the highest governance body			Pg. 26
	2-12 Role of the highest governance body in overseeing the management of impacts			Pg. 27
	2-13 Delegation of responsibility for managing impacts			Pg. 27
	2-14 Role of the highest governance body in sustainability reporting			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.
	2-15 Conflicts of interest			Pgs. 27

GRI Standard	Disclosure	Global Compact	SDG	Detail
	2-16 Communication of critical concerns			Pgs. 38
	2-17 Collective knowledge of the highest governance body			Pgs. 27-28
	2-18 Evaluation of the performance of the highest governance body			Pg. 27
	2-19 Remuneration policies			Pg. 57 This indicator is partially reported due to confidentiality issues.
	2-20 Process to determine remuneration			Pg. 57 This indicator is partially reported due to confidentiality issues.
	2-21 Annual total compensation ratio			This information cannot be disclosed due to confidentiality constraints
4. Estrategia				
	2-22 Statement on sustainable development strategy			Annual Report 2022 pg. 5-12
	2-23 Policy commitments			Pg. 37 y 62
	2-24 Embedding policy commitments			Pgs. 37
	2-25 Processes to remediate negative impacts			Pg. 29,38, 62
	2-26 Mechanisms for seeking advice and raising concerns			Pg. 38
	2-27 Compliance with laws and regulations			Pg. 39
	2-28 Membership associations			Pg. 73
2. Participación de los grupos de interés				
	2-29 Approach to stakeholder engagement			Pg. 18
	2-30 Collective bargaining agreements			Pg. 56
GRI 3 Material Topics 2021	3-1 Process to determine material topics			Pgs. 19
	3-2 List of material topics			Pgs. 19

GRI Standard	Disclosure	Global Compact	SDG	Detail
Material Issues				
Corporate Governance and Compliance				
GRI 3 Material topics 2021	3-3 Management of material topics			Pg. 22, Pg. 37
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Principle 10	SDG 16	Pg. 38
Employees development				
GRI 3 Material Topics 2021	3-3 Management of material topics	Principles 1, 2, 3, 4, 5 y 6		Pg. 52
GRI 401: Employment 2016	401-1 New hires and staff turnover		SDG 1 y 10	Pgs. 54-55
	401-3 Parental leave		SDG 8	Pg. 61
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee		SDG 5 y 8	Pg. 63
	404-3 Percentage of employees receiving regular performance and career development reviews		SDG 5 y 8	Pg. 62
Occupational health and safety				
GRI 3 Material topics 2021	3-3 Management of material topics	Principles 1, 2, 3, 4, 5 y 6		Pg. 64
GRI 403: Salud y seguridad en el trabajo 2018	403-1 Occupational health and safety management system		SDG 3	Pgs. 64
	403-9 Work related injuries		SDG 3	Pgs. 65-67
Diversity and inclusion				
GRI 3 Material topics 2021	3-3 Management of material topics	Principles 1, 2, 3, 4, 5 y 6		Pg. 57
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees		SDG 5	Pg. 26, 58-59
GRI 406: No discrimination 2016	406-1 Cases of discrimination and corrective actions taken	Principle 6	SDG 10	Pg. 63
Relationship with clients				
GRI 3 Material topics 2021	3-3 Management of material topics			Pg. 39
GRI 417: Marketing and labeling 2016	417-1 Requirements for product and service information and labeling			Pg. 43

GRI Standard	Disclosure	Global Compact	SDG	Detail
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data			Pg. 39
Relationship with represented brands				
GRI 3 Material topics 2021	3-3 Management of material topics			Pg. 43
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers			Pg. 49
Commitment to environmental management				
GRI 3 Material topics 2021	3-3 Management of material topics	Principles 7, 8 y 9		Pg. 77
GRI 302: Energy 2016	302-1 Energy consumption within the organization		SDG 13	Pgs. 87
GRI 303: Water 2018	303-3 Water withdrawal		SDG 6	Pgs. 89-90
	303-5 Water consumption			Pgs. 89-90
GRI 305: Emissions 2016	305-1 Direct GHG emissions (Scope 1)		SDG 9 Y 13	Pgs. 81-82
	305-2 Energy indirect GHG emissions (Scope 2)			Pgs. 81-82
GRI 306: Waste 2020	306-3 Waste generated			Pgs. 92, 99
	306-4 Waste diverted from disposal			Pgs. 92-93
	306-5 Waste directed to disposal			Pgs. 92-93
Commitment to community				
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GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported			Pg. 72-73
Business Management				
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: 24