Implementation of TCFD Recommendations at Ferreycorp and its subsidiaries

In the year 2015, the Finance Ministers and Central Bank Governors of the G20 expressed their concern regarding the financial risks associated with climate change faced by companies and, therefore, the need for them to disclose their exposure to such risks (starting with the Central Bank of the UK in the year 2015). In response, a Working Group called the ***Task Force on Climate-related Financial Disclosures*** (TCFD) was established to develop recommendations for integrating this perspective into companies. These recommendations are structured around four pillars: **governance, strategy, risk management**, and the definition of **metrics and goals**.

In recent years, Ferreycorp has taken various actions to address the different recommendations of the TCFD and has recently committed to disclose these advances in accordance with the pillars and recommendations of the Working Group. This will enable it to measure and demonstrate its climate change management to high standards.

Governance

Strategy

Risk Management

Metrics and Objectives

Main Advances in the TCFD Pillars

Governance

The highest level of decision-making regarding environmental and climate issues is the Board Committee on Nominations, Compensation, Corporate Governance, and Sustainability, which is responsible for overseeing compliance with the corporate environmental strategy and meets three times a year. Similarly, the Board Committee on Risk and Audit monitors climate-related risks and opportunities and meets 4 times a year. Both committees receive reports on these issues from Corporate Finance Management.

The Corporate Finance Management is responsible for establishing risk management policies and key action plans across all types of risks through the Corporate Risk area. In addition, the Corporate Services and Environment Sub-management is responsible for the specific assessment of risks and opportunities related to climate change. This department is also responsible for establishing the strategy and decarbonization plan, proposing projects, and monitoring their implementation.

Strategy

Following the assessment of different physical, transition, and climate change opportunities carried out in 2022, in 2024 and early 2025, Ferreycorp worked closely with a specialized consulting firm to identify and qualitatively assess the climate risks, both physical and transition, that could affect Ferreycorp and its companies.

Awareness of these risks and opportunities promotes organizational resilience and prepares the organization for future changes.

In line with the main risks identified, Ferreycorp and its companies have been working on initiatives that will enhance their resilience and adaptation to the effects of climate change.

The main physical risks identified are extreme rainfall and mass movement (mudslides) and the transition risks are: investor demands, technological disruption, and customers making climate commitments.

Risk management

The methodology for assessing climate risks corresponds to that of the Intergovernmental Panel on Climate Change (IPCC), which is based on the parameters of threat, vulnerability, and exposure. The qualitative assessment of risks has been carried out under two climate scenarios: RCP8.5, which corresponds to low climate action and therefore physical threats would materialize to a greater extent; and the NZE2050 scenario, which corresponds to high climate action aligned with changes at the policy, market, technology, etc. levels, in which the greatest transition changes would materialize. This analysis was developed over three time horizons (2030, 2040, 2050). Subsequently, climate risks will be integrated into the corporation's overall risk matrix.

Metrics and objectives

Ferreycorp has defined a corporate environmental strategy based on four pillars, the first of which is climate, energy, and emissions. In 2024, a decarbonization plan was developed and an objective was set to reduce the carbon footprint by 15% to 2030 compared to 2023 emissions.

Likewise, since 2016, Ferreycorp has been measuring its carbon footprint, increasing its scope and coverage. Thus, since 2022, this measurement has gone from measuring 37% of its sales (13 locations) in categories 1 and 2, to measuring 90% of its sales (66 locations) in categories 1, 2, 3, and 4, and, starting in 2024, category 5. Another indicator assessed by Ferreycorp is emissions intensity, which is a measure of the efficiency of its operations.

Ferreycorp

Content

Ferreycorp has different bodies and officials responsible for climate issues, which are described below:

CONTROL OF THE BOARD OF DIRECTORS REGARDING RISKS AND OPPORTUNITIES RELATED TO CLIMATE CHANGE

General Shareholders' Meeting

The General Shareholders' Meeting and the Board of Directors have ultimate responsibility for overseeing the risks and opportunities related to the corporation's climate change strategy. Likewise, the General Shareholders' Meeting and the Board of Directors are the ones who approve the sustainability strategy and medium-term objectives related to climate change. This ensures that the strategy is aligned with the company's overall vision and objectives.

The Corporate Finance Management reports annually to the General Shareholders' Meeting on the Sustainability Strategy, submits the Sustainability Report and the corresponding reports for approval.

Board

It is the collegiate body elected by the General Shareholders' Meeting responsible for the management of the company. Directors shall be elected for a term of 3 years and may be re-elected. The Board of Directors receives information on sustainability strategy, including issues related to climate change, on a regular basis through the Board Committee on Nominations, Compensation, Corporate Governance, and Sustainability

Board Committee on Nominations, Compensation, Corporate Governance, and Sustainability

It is the highest level of decision-making on environmental and climate issues and involves corporate governance, social, and environmental management. It also oversees the implementation of action plans to fulfill the company's ESG commitments. This committee meets 3 times a year.

Risk and Audit Committee of the Board of Directors

Its function is to periodically assess and review the main risks and opportunities (including risks related to climate) to which the Corporation and its subsidiaries companies are exposed, and to determine the measures and policies to be adopted in order to address each of them. This committee meets 4 times a year.

This committee takes into account relevant risks related to climate, such as the El Niño

Phenomenon. The Corporate Finance Management is responsible for reporting on the risks and opportunities mapped in the corporation.

Executive Director

This is the highest executive position in the Corporation. Its functions include providing relevant information to the Board of Directors and its executives, as well as making decisions to achieve the company's objectives, formulating strategy, and proposing and executing the budget.

The general management of the corporation establishes the annual strategic objectives so that each of the companies can define the objectives that will enable them to achieve the corporate outcome.

MANAGEMENT FUNCTIONS IN THE ASSESSMENT AND MANAGEMENT OF RISKS AND OPPORTUNITIES RELATED TO CLIMATE

Corporate Finance Management

The Corporate Finance Management is responsible for the areas of Corporate Governance, Social Responsibility, Environment, and Corporate Risks.

From its position, the Corporate Finance Management proposes and reports on the progress of the corporate environmental strategy, which includes the climate pillar, to the Board of Directors and the General Shareholders' Meeting. In addition, it monitors medium-term objectives related to climate change and continuously tracks risks and opportunities related to climate.

Corporate Risk Area

Reports to Corporate Finance Management and is responsible for establishing risk management policies and guidelines, identifying and assessing risks, and determine the main action plans across the board for all types of risks faced by the corporation.

Deputy Management of Corporate Services and Environment

This Deputy Management is responsible for identifying and assessing specific risks and opportunities related to climate change, which will subsequently be integrated into Ferreycorp's general risk assessment system.

In addition, it is responsible for defining medium-term corporate environmental objectives aligned with the decarbonization plan, as well as proposing projects to the different subsidiaries and monitoring their implementation in the subsidiary companies.

It should be pointed out that this Deputy Management proposes the Corporation's

Environmental Budget, and the climate, energy, and emissions pillar considers important processes that include activities related to climate change management: measurement, verification, carbon footprint offsetting, and implementation of reduction projects for all of the Corporation's subsidiaries.

Corporate Specialist Team of Environment and Sustainability

Made up of 4 people (specialist, analyst, project assistant, and intern) who are responsible for supervising project implementation, monitoring the KPIs of the corporate environmental strategy, proposing measures to reduce the carbon footprint, and completing the assessments required by different stakeholders.

Environmental Circle

It is made up of those responsible for environmental management at each of the companies in the group. This is a space for collaboration and knowledge sharing (best practices, experiences, and common challenges), as well as strengthening management capabilities and monitoring climate-related environmental objectives, among other environmental aspects. This circle meets four times a year.

Corporate Management, Business Management, and General Management of each company

Climate change objectives are part of the environmental strategy and these are part of the sustainability objectives.

Gradually, the different management teams within the corporation are adding sustainability and environmental objectives to their annual objectives plan, and their fulfillment is subject to economic incentives. Some of these objectives are related to the implementation of projects defined in the decarbonization plan.

Corporate Standards on Environmental and Climate Issues

Corporate Environmental Policy

Since 2021, the Corporate Environmental Policy has been in place, which explicitly establishes the following commitments related to climate:

- Contribute to climate change mitigation through the constant and sustained reduction of our carbon footprint, in addition to the use of clean energy, and adopt measures in our operations to reduce the risks associated with this phenomenon.
- Review the product portfolio of our represented brands to promote those products that use innovative technologies that have less impact on the environment.
- Anticipate our customers' demand for innovative and eco-efficient products and

services that help them run more eco-friendly and sustainable operations.
- Seek to reduce direct and indirect negative environmental impact throughout our value chain, including distribution and logistics processes, encouraging our suppliers and customers to seek greater efficiency and synergies.

In addition, it has other commitments that cut across all processes.

Other Related Corporate Standards

There are also other standards covering more specific environmental issues, such as the Corporate Standard on Energy Efficiency, GHG Emissions, and Other Emissions; the Corporate Procedure on Water Efficiency and Effluent Control; and the Corporate Procedure on Environmental Management of Materials and Waste. These provide guidelines for more efficient corporate environmental management.

Regarding the **Corporate Standard on energy efficiency, GHG emissions, and other emissions**, aims to establish measures to reduce energy consumption through the implementation of innovative technologies, as well as the acquisition of renewable energies and the gradual change of the energy matrix. It is emphasized that the corporation has set energy reduction objectives, which are proposed annually.

Following the assessment of different physical, transition, and climate change opportunities carried out in 2022, in 2024 and early 2025, Ferreycorp worked closely with a specialized consulting firm to identify and qualitatively assess the climate risks, both physical and transition, that could affect Ferreycorp and its companies.

RISKS AND OPPORTUNITIES RELATED TO CLIMATE IN THE SHORT, MEDIUM, AND LONG TERM

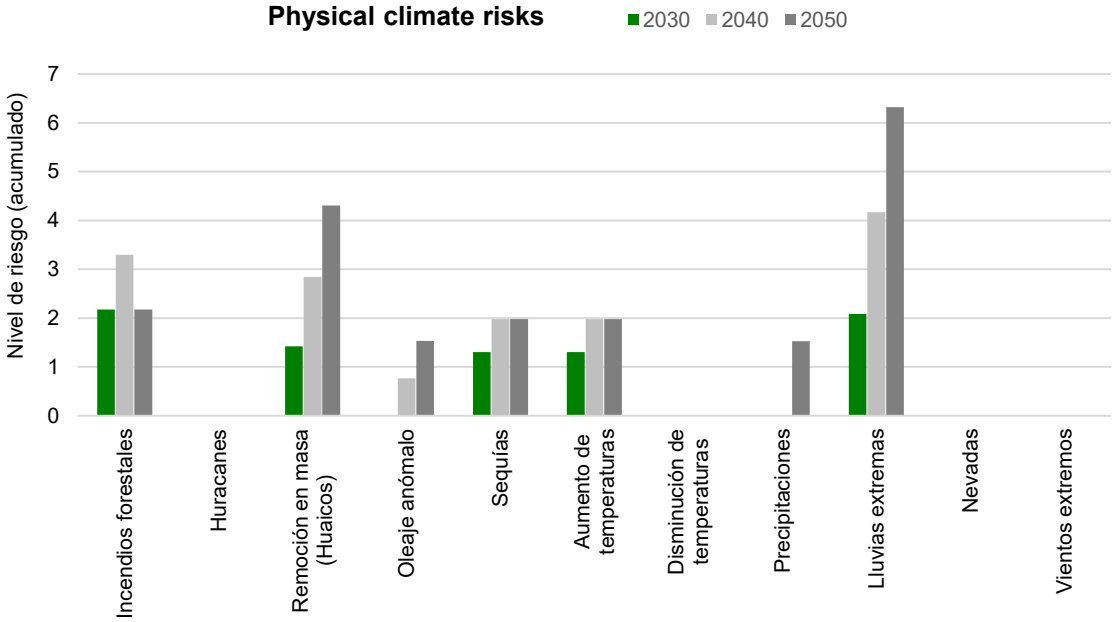
Ferreycorp has worked on the qualitative identification of physical and transition risks by applying the methodology of the Intergovernmental Panel on Climate Change (IPCC), which is specific to the analysis of this type of risk and its effects and also allows us to effectively assess and mitigate risks. This assessment is carried out by considering the three components of climate risk (threat, exposure, and vulnerability) and their potential financial impact.

Physical risks	Transition risks
Physical risks are defined as the potential impacts caused by climate phenomena, such as extreme climate events (acute risks) or changes in long-term climate patterns (chronic risks). Their financial impacts can be direct, for example, damage to real estate assets or operational disruption, or indirect, such as supply chain problems or price increases for inputs. The types of physical risks considered in this assessment involve acute physical risks (extreme climate events) and chronic physical risks (changes in long-term climate patterns).	The transition to a low-carbon economy refers to the migration from the current economic system to one that is resilient to the effects of climate change and low in emissions. The risks stem from the uncertainty associated with the various efforts and changes (regulatory, technological, market, and/or reputational) made in order to reduce global GHG emissions. The types of transition risks considered in this assessment have been regulatory, market, technological, or reputational.

For this assessment, 3 time horizons (2030, 2040, and 2050) were defined in 2 climate scenarios (Net Zero 2050 and RCP8.5).

Physical Climate Risks

In the case of physical climate risks, **extreme rainfall** stands out as the main threat to Ferreycorp, as it presents a high vulnerability in several processes and an increasing magnitude over time. Following this, **mass removal (mudslides)** obtains high risk levels due to the high level of threat and vulnerability associated with it.



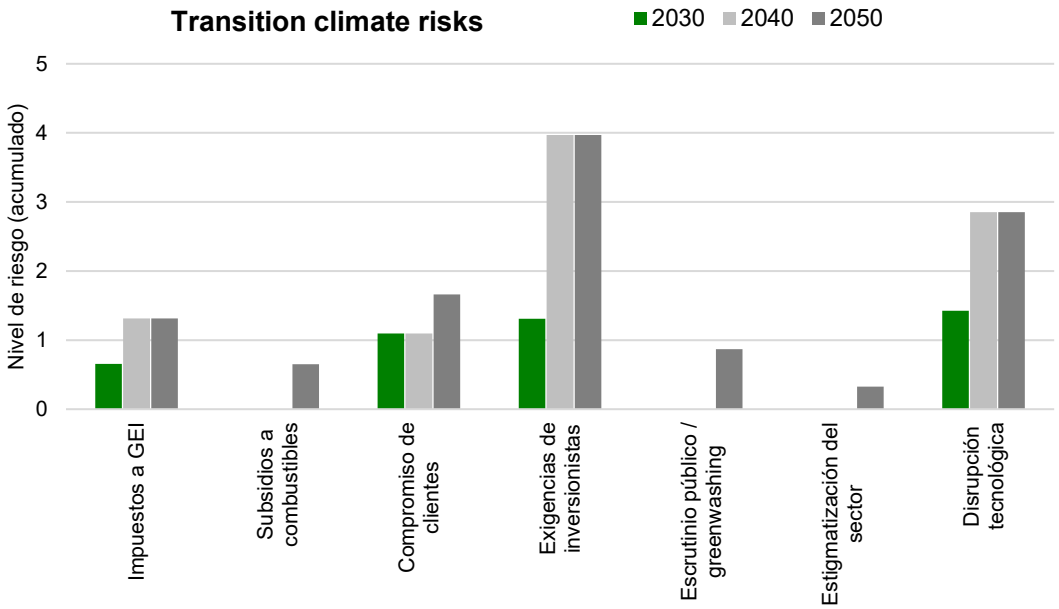
Transition Climate Risks

In the case of transition risks, **investor demands** represent the greatest source of risk in Ferreycorp's value chain by 2040 and 2050, as they could require emissions reductions across all of its processes. By 2030, this risk has been reduced in line with the new US climate policy.

Technological disruption is the second greatest threat in terms of risk, due to market growth and financing of decarbonized technologies, as well as vulnerability to their adoption. However, it also represents the greatest opportunity for Ferreycorp, as it could expand its market, reduce costs with more resilient machinery, and develop new businesses, such as the installation of power generation for electrified equipment.

Customers' public commitment to reducing their operational emissions means they require lower-emission machinery, reducing demand for machinery based on the use of fossil fuels.

Finally, the reduction in fossil fuel subsidies, as well as increased public scrutiny and stigmatization of the sector, will only reach significant risk levels by 2050, without representing a relevant risk in 2030 and 2040.



In general terms, there is an increase in the level of risk as 2050 approaches. This is because the level of threat increases in both scenarios.

IMPACT OF RISKS AND OPPORTUNITIES RELATED TO CLIMATE ON BUSINESS AND STRATEGY

Ferreycorp has analyzed the potential impact of the most relevant risks, both physical and transition:

Physical Risks

	Extreme rainfall	Mass removal (Mudslides)
posible impacto	This climate threat would have an impact on different stages of the value chain. Rainfall can cause delays in air, sea, and land transport due to road closures or detours, leading to delays in services and product supply. In addition, damage to infrastructure, property, and equipment could occur, causing operations to come to a standstill. It can also affect the health of workers.	This climate threat can cause damage to infrastructure, affecting land routes and leading to delays in cargo delivery, direct damage to assets and goods being transported, and endangering workers. It can also affect facilities, causing temporary shutdowns and posing a risk to workers' health and safety.

Transition risks

	Investor requirements	Technological disruption	Customer commitment
possible impact	Not having a decarbonized value chain or products results in a lower capacity to adapt to investors' demands for	Dependence on a few suppliers and brands implies vulnerability to the emergence of new technologies. Its impact will depend on the speed	Due to the high priority of sales and rentals in Ferreycorp's business model, the impacts of this threat are highly significant as they are

	emissions reductions.	of transition and the ability to offer decarbonized goods.	directly related to demand.

RESILIENCE OF THE ORGANIZATION'S STRATEGY IN TWO CLIMATE SCENARIOS: RCP 8.5 AND NZE2050

Among the transition risks (NZE2050 scenario), a relevant risk related to our business strategy is the risk of technological disruption, which involves reviewing the portfolio of related products and services offered by the corporation and its subsidiaries. These include:

Machinery with lower carbon emissions

Our main brand (Caterpillar) has been working to improve equipment efficiency and reduce fuel consumption, and is firmly committed to make all its products more sustainable by 2030.

On the one hand, Cat generator sets, both diesel and natural gas, feature high-efficiency generators and state-of-the-art engines. Furthermore, the adoption of Cat natural gas generator sets is being promoted in the domestic market.

On the other hand, in 2024, the new Cat R2900XE low-profile loader model was launched for underground mining, which uses a generator set to power an electric motor and operate the final controls, similar to the Cat 798 AC truck. This is the first diesel-electric low-profile loader to arrive in the Peruvian underground mining industry.

Next Gen models are also being progressively introduced in excavators, loaders, motor graders, and tractors.

Cat offers a fuel consumption program for all earthmoving and excavation models in its construction machinery portfolio, which guarantees maximum consumption for the first 4,000 hours or two years from technical delivery.

Finally, there are some mining truck models that do not consume fuel when going downhill, or can incorporate a dual system to operate with a high percentage of liquefied natural gas (LNG).

Reconstruction and Overhaul

Ferreyros, Unimaq, Gentrac, and Cogesa perform Cat Certified Rebuilds (CCR). This gives machines a second life, with a new serial number and a new factory warranty period, contributing to the circular economy.

In addition, Ferreycorp offers a total overhaul service for equipment. This service extends the useful life of a wide variety of machines, adapting them to the specific needs of each

customer.

Over the past two years, Ferreyros has rebuilt more than a hundred Caterpillar machines, including shovels, mining trucks, low-profile loaders for underground mining, auxiliary mining equipment, and heavy construction machinery, thereby preventing the generation of more than 3,400 tons of scrap metal.

These restorations are in addition to the hundreds of pieces of equipment we have been rebuilding since 2010.

Both initiatives are a clear contribution to the circular economy, as they give equipment a new lease on life, reduce investment costs for our customers, and allow materials to be reused, using fewer resources.

Offer of solar panels and other more sustainable energies

A new line of business for the corporation is specializing in energy supply through the company Ferrenergy, with which it has achieved an offering of 43 megawatts in seven operations.

In terms of non-conventional renewable energy, it is in the construction and operation phase of more than five solar-photovoltaic energy projects, in addition to a second hybrid gas-solar generation project to address the energy deficit of a mining company in the south of the country; the start of a peak shaving power generation project with a battery system for a Peruvian textile company; a solar power plant for a well-known industrial company; and emergency power supply services in Ecuador and Costa Rica.

Much of the new solar energy implemented is intended to replace electricity produced with highly polluting fossil fuels.

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Environmental strategy, decarbonization plan, and medium-term goals

In 2020, Ferreycorp began developing its corporate environmental strategy and, after conducting a materiality analysis, identified 3 key areas to focus on (climate, energy, and emissions; water and effluents; and materials and waste). Subsequently, in 2023, the strategy was updated to include an area related to product sustainability.

In 2022, Ferreycorp worked with a specialized consulting firm to develop a statistical model to define 2030 goals for water consumption, energy consumption, and waste distribution indicators, proposing projects for the 25 main locations of Ferreycorp companies in Peru and Trex in Chile. In 2024, the scope of this model was expanded to 66 locations and a decarbonization plan was developed for 2030, proposing new environmental projects and carbon footprint reduction targets in categories 1, 2, 3, and 4.

It should also be noted that reducing the carbon footprint reduces dependence on carbon

and, with it, vulnerability to the risks of a transition to a low-carbon economy.

Action plans in response to the El Niño Phenomenon (ENSO)

Faced with the possibility of acute extreme climate events such as El Niño, which are associated with the two main physical risks identified in the corporation and its subsidiaries, action plans have been defined for the premises managed by Ferreycorp and its companies, whether owned or leased. Likewise, in the premises most exposed to rain and flooding (as assessed by the insurance company), where historical records and hazard maps prepared by technical-scientific institutions of the State (INDECI, INADUR, INGEMMET, regional and local governments, CENEPRED's SIGRID platform) were taken into account, action plans were defined and are reviewed annually.

Risk Management

Ferreycorp has been conducting environmental risk analyses for several years. In 2020, an environmental materiality analysis was carried out in the value chain. In 2022, a climate risk matrix was developed and controls were subsequently defined to mitigate those risks. In 2025, this analysis was further refined by defining our most relevant physical and transition risks in 3 time horizons.

PROCESS FOR IDENTIFYING AND ASSESSING RISKS RELATED TO CLIMATE

Temporal horizons

3 temporal horizons were considered for this assessment: 2030, 2040, and 2050.

Climate scenarios

2 climate scenarios (high climate action NZE2050 and low climate action RCP 8.5).

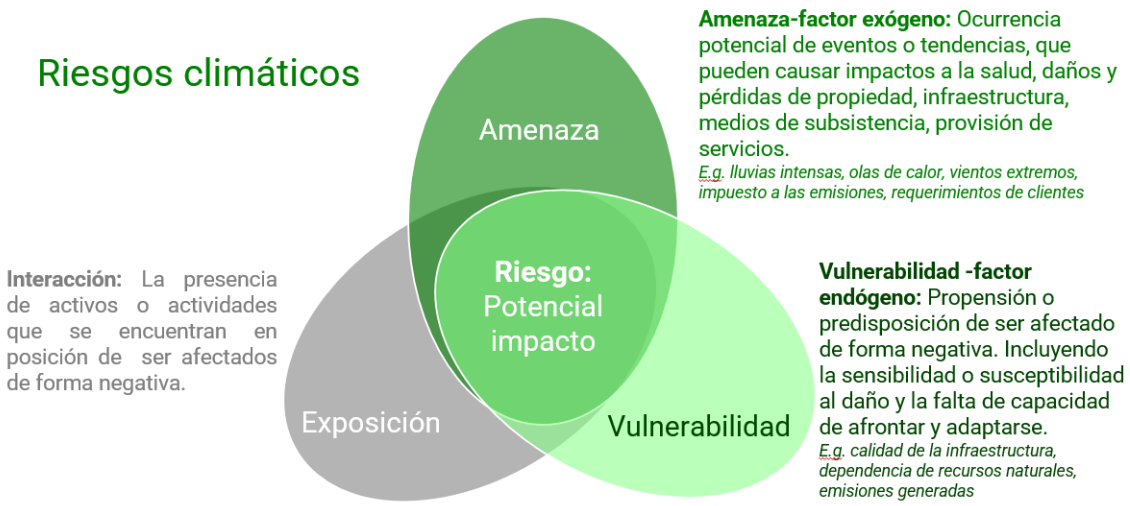
RCP 8.5	NZE 2050
The RCP 8.5 OF IPCC scenario is the most extreme climate change scenario, projecting a sharp increase in greenhouse gases and a significantly higher global temperature by 2100 (between 3.4 and 5.5 °C). Essentially, it represents a "business as usual" trajectory, where no significant emission reduction measures are implemented.	The NZE 2050 scenario is a scenario that projects how the global energy sector could achieve net zero CO2 emissions by 2050. This means that greenhouse gas emissions must be drastically reduced and, if a total reduction is not achieved, it would be offset by removing carbon from the atmosphere. Under this scenario, the temperature increase by 2100 would be 1.5°C (in line with the Paris Agreement).

Scope

The assessment was carried out considering operations in Peru (88.46% of total sales).

Methodology

The methodology recommended by the Intergovernmental Panel on Climate Change (IPCC) is based on three factors that combine to form the level of risk. These are: threat, vulnerability, and exposure.



Threat assessment: For this analysis, potential physical threats affecting operations located in Peru and certain specific processes in the value chain abroad (which were assessed descriptively) were identified. Potential transition threats were also identified.

Type of Threat		Physical Threats
Physical threats	Acute	Forest fires
		Hurricanes
		Mass removal (mudslides)
		Abnormal waves
		Extreme rainfall
		Snowfall
		Extreme winds
	Chronic	Droughts
		Rising temperatures
		Falling temperatures
		Precipitation

Type of Threat		Physical Threats
Transition threats	Political and legal	Increase in the price of GHG emissions
		Decrease in fuel subsidies, resulting in higher fuel prices
	Market	Customers make climate commitments to reduce their carbon footprint
	Reputational	Investors demand decarbonization plans
		Increased public scrutiny regarding climate commitments and regulation of greenwashing
		Stigmatization of the sector
	Technological	Technological disruption

Vulnerability assessment: Ferreycorp's vulnerability to each threat was assessed. For this assessment, a workshop was also held with the participation of key individuals with in-depth knowledge of the business to receive their input and insights into Ferreycorp's vulnerability and its value chain.

Exposure assessment: An assessment was made of whether a certain threat would affect Ferreycorp's operations.

Subsequently, together with the technical team from the Deputy Management of Corporate Services and Environment and feedback from the Corporate Finance Management and the Corporate Risk Executive, each risk was analyzed and assigned a vulnerability level..

PROCESSES FOR MANAGING RISKS RELATED TO CLIMATE

In line with the principles of good corporate governance and its values, Ferreycorp develops a proactive risk management culture. This strategic approach not only mitigates threats, but also generates sustainable value for all its stakeholders.

The Ferreycorp's Policy and Corporate Risk Management Manual, aligned with international standards, guides the risk management process through an internal methodology that includes components such as:

- **Risk Treatment**: Process by which a decision is made to accept the risk; mitigate the risk, i.e., reduce the probability of occurrence/frequency and/or reduce the impact; transfer it in whole or in part; avoid it; or a combination of the above measures. **In accordance with the risk appetite for the identified risks.**
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- **Information and Communication**: Process by which information is reported in a timely manner and through an appropriate channel to the company's General Management and the Risk and Internal Audit Committee of the Board of Directors.
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- **Monitoring**: Follow-up on the risk treatment defined for the main risks.

Every year, Ferreycorp companies, with the advice of the Corporate Risk Department, review their exposure to strategic risks identified through Risk Workshops as part of the risk management process. This review puts into practice the entire risk process described above.

Review period

The process of identifying and specifically assessing climate-related risks must be carried out within a maximum period of two years.

INTEGRATION OF RISKS RELATED TO CLIMATE INTO THE ORGANIZATION'S OVERALL RISK MANAGEMENT

At the corporate level, risks are assessed using the COSO ERM and ISO 31000 – Risk Management methodologies. On the other hand, climate risks were assessed using the IPCC methodology.

Despite carrying out both processes, climate risks are part of the corporate risk assessment: a) Adaptation of the portfolio to the energy transition; and b) Disruption of operations (including events such as El Niño).

Metrics and Objectives

METRICS FOR ASSESSING RISKS AND OPPORTUNITIES RELATED TO THE CLIMATE

Among the material aspects of the corporate environmental strategy, and within the framework of the Corporate Environmental Policy, the following categories have been prioritized: Climate, energy, and emissions; Water and effluents; Waste and use of materials; and Product sustainability. Based on these metrics, Ferreycorp and its subsidiaries have defined key indicators to measure and monitor their performance.

Category	Frequency	Unit	Metric	Measured detail
Emissions	Annual	TCO2e	**Carbon footprint** Scope 1, 2, 3, 4, and 5 Expressed in: • Absolute emissions in TCO2e • Relative emissions in TCO2e/sales	• Category 1: Direct emissions • Category 2: Emissions from purchased electricity consumption • Category 3: Personnel transportation, domestic freight transportation and imports, waste • Category 4: Water consumption, waste emissions • Category 5: Use of Ferreyros' rental fleet
Water	Annualn	m3	**Water consumption** Total water used in processes at the sites. Expressed as: Absolute water consumption in m3 Relative water consumption in m3/sales	• Water purchased from third parties (public network, tanker trucks) • Water extracted (groundwater) • Water returned to ecosystems • Total water consumed in water-stressed areas and non-water-stressed areas
			Water footprint Total water used and impacted throughout the value chain for the production of goods and services. **We are gradually measuring the water footprint at our main locations.**	• Direct water use • Indirect use in the value chain • Indirect use – energy and transportation
Energy	Annual	GJ	**Electricity and fuel consumption** Used directly by the organization. Expressed in: • Absolute energy consumption in GJ (gigajoules) • Relative energy consumption in GJ/sales	• Electricity from the National Interconnected Electrical System (SEIN, for its acronym in Spanish). Isolated systems, renewable energy purchased, self-generated. • Fuels used in mobile equipment and fixed combustion equipment.
Waste	Annual	Tons	**Waste generated** Expressed in: • Absolute waste generated in tons • Relative waste generated in tons/sales	• By hazard: hazardous and non-hazardous • By handling: reusable, non-reusable • Details: specific type of waste: scrap metal, used oil, paper, cardboard, general, organic, wood, non-reusable hazardous, etc.
Product Sustainability	Annual	Tons of scrap metal avoided	**Machinery reconstruction** • Tons of scrap metal avoided	• By the management that performed the service • By type of procedure: reconstruction or overhaul.
	Annual	Tons of NFU valuable or conditioned	**Recycling of End-of-Life Tyres (ELTs)** • Tons of ELTs sent for recycling/conditioning	• By category A (less than 25 inches) or B (greater than or equal to 25 inches)

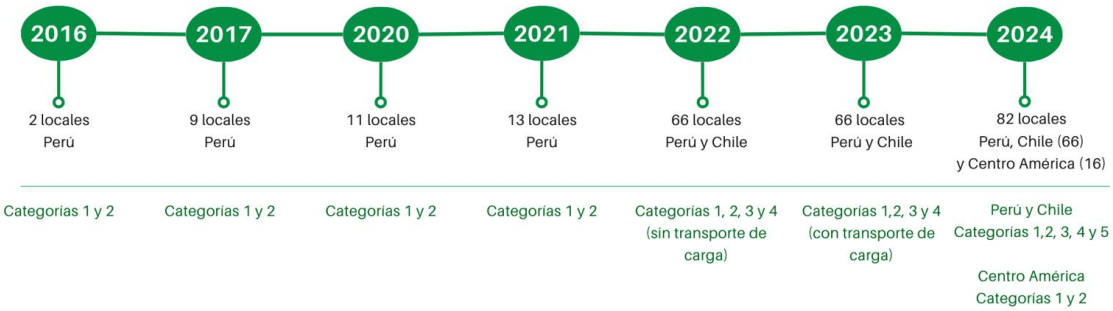
GHG EMISSIONS

Ferreycorp has been measuring its carbon footprint and verifying it annually through an

accredited verifier using the ISO 14064-1 standard and complying with the accounting principles of relevance, full coverage, consistency, transparency, and accuracy in line with the GHG Protocol.

Carbon footprint measurement has been carried out gradually, increasing both its coverage in locations and its scope in measurement sources.

Timeline of carbon footprint measurement at Ferreycorp



The following table contains carbon footprint measurements taken from 2021 to 2024.

Carbon Footprint Measurement Results* (location-based emissions)

Alcance	Total carbon footprint* measured in t CO2 e				
	2021**	2022**	2023****	2024**	2024**
Category/Scope 1	1,611.59	6,362.08	6,320.31	6,541.4	1,373.46
Category/Scope 2	1,725.06	2,609.54	3,097.17	2,612.9	160.16
Subtotal Scope 1 + 2	**3,336.65**	**8,971.62**	**9,417.48**	**9,154.3**	**1,533.62**
Categories 3 and 4/Scope 3 (without freight transport)***		**5,434.22**	**7,325.43**	**8,962.9**	
Categories 3 and 4/Scope 3 (with freight transport)****			**38,013.97**	**40,768.7**	
Category 5 / Scope 3				17,888.3	
ANNUAL TOTAL	**3336.65**	**14,405.84**	**47,431.45**	**67,811.3**	**1,533.62**
Number of sites assessed***	13 sedes	66 sedes	66 sedes	66 sites (Peru and Chile)	16 sites (Central America)
Sales coverage	37.6%	89.7%	90.84%	90.76%	7.29%

Notes:

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

*** All emissions shown in the tables (for 2020, 2021, 2022, 2023, and 2024) have been verified by an independent third party in compliance with the requirements of MINAM (Ministry of Environment) according to RM 185-2021 for the use of the updated ISO-14064-1:2018 standard.*

**** The number of locations assessed has gradually increased, with 11 locations in 2020 (33% sales coverage), 13 locations in 2021 (37% sales coverage), 66 locations in 2022 (89% sales coverage), 66 in 2023 (90% sales coverage), and 82 in 2024 (98.05% sales coverage). This expansion of measurement coverage is due to the need for a more comprehensive measurement of this indicator.*

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

****** Since 2022, categories 3 and 4 have been measured, which include the indirect footprint (through third parties) for waste transport, transport of employees in buses hired by the company, and air transport of employees paid for by the company, in addition to electricity used for remote work and water consumption.*
******* Since 2023, category 3 includes air, sea, and land freight transport.*
******** The consolidation approach used is that of operational control at all sites.*

KPI Emissions intensity

To measure emissions intensity, sales expressed in millions of soles are used as the denominator, considering the coverage of the premises measured each year. For a better assessment and comparison of similar values, the carbon footprint measured in 66 locations in Peru and Chile over three consecutive years has been taken into account.

When analyzing the total emissions intensity of categories 1 and 2, we have seen a downward trend over the last three years, achieving a 10.3% decrease in location-based emissions and a 6.6% decrease in market-based emissions compared to the previous year. This is the result of the implementation of several action plans in most of the 66 locations in Peru and Chile.

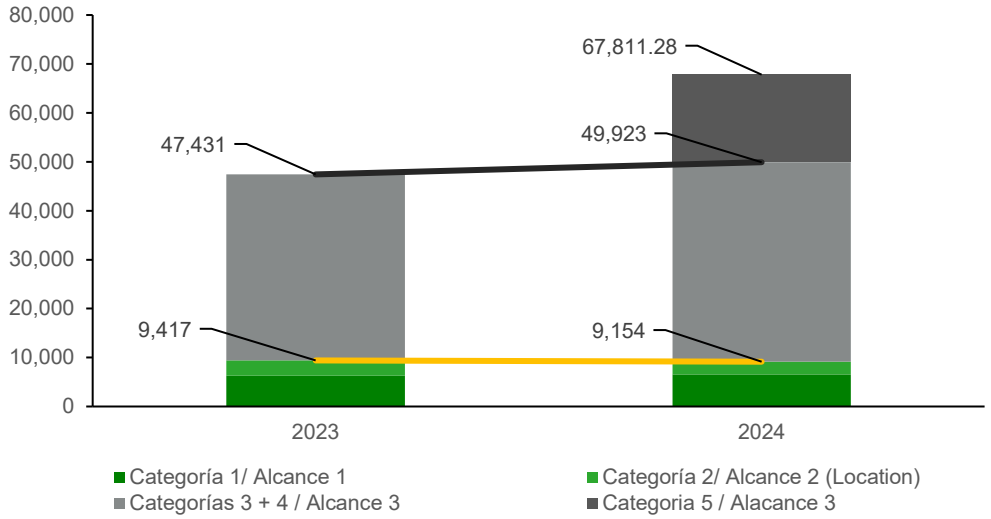
Data for calculating GHG emissions intensity
(location-based emissions)

Scope	2022	2023	2024
Category 1 / Scope 1	6,362.08	6320.31	6,541.37
Category 2 / Scope 2	2,609.54	3,097.17	2,612.89
Annual total (categories/scopes 1+2)	**8,971.62**	**9,417.48**	**9,154.25**
Number of sites assessed	66 sedes	66 sedes	66 sedes
% Sales coverage	89.70%	90.84%	90.76%
Total annual sales	6,591.95	6,995.16	6888.53
Sales covered	**5,912.98**	**6,354.40**	**7,589.61**
Emissions intensity (category 1)	1.08	0.99	**0.95**
Emissions intensity (category 2)	0.44	0.49	**0.38**
Emissions intensity (categories 1 and 2)	1.52	1.48	**1.33**

Carbon Footprint Evolution

In order to assess the evolution of Ferreycorp's carbon footprint, it is necessary to compare the same companies and the same scope. To this end, the graph shows the carbon footprint in each scope for the period 2023-2024.

Carbon footprint by category for 66 locations in Peru and Chile (location-based emissions) TM CO2e

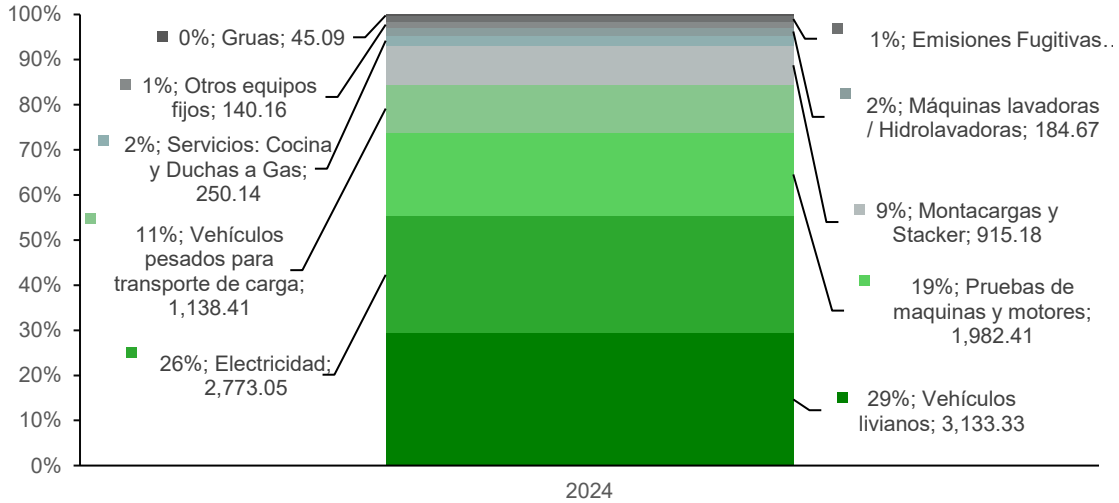


Considering categories 1 and 2 (yellow line), in 2024, Ferreycorp has seen a decrease in its carbon footprint, recording 9,154 t CO2e compared to 9,417 in 2023 (location-based emissions).

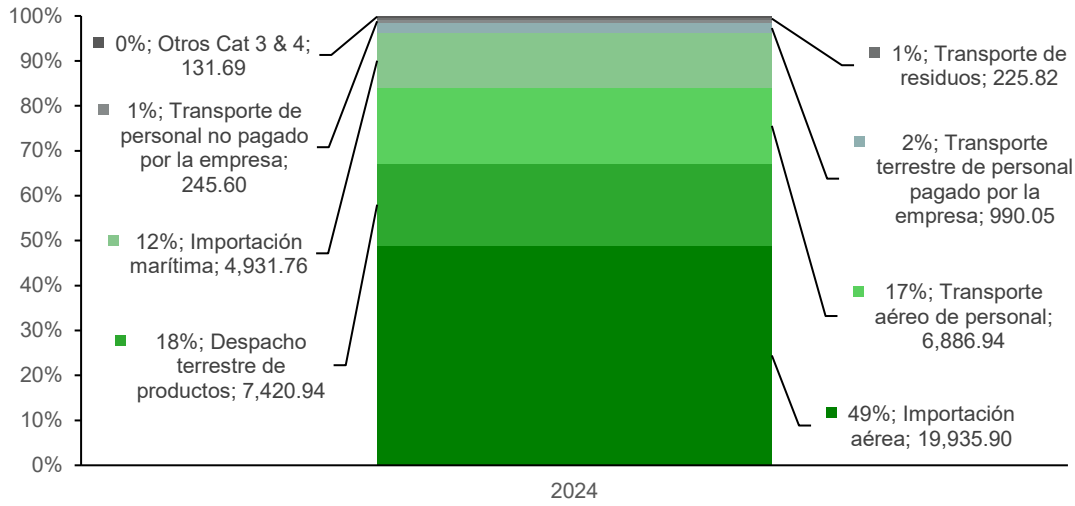
If we consider categories 1, 2, 3, and 4 (gray line), compared to the previous year, there has been an increase in the carbon footprint, reaching a footprint of 49,923 t CO2e, compared to the previous year, where 47,431 t CO2e were recorded. This is mainly due to the increase in air transport of products and staff travel, associated with a higher level of activity, since in 2024 sales corresponding to the Peru and Trex stores in Chile rose by 8.4%, from 6,354.4 million soles in 2023 to 6,888.5 million soles in 2024.

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

Carbon Footprint 2023 in Categories 1 and 2 (location-based emissions)



Carbon Footprint 2023 in Categories 3 and 4



OBJECTIVES FOR THE MANAGEMENT OF RISKS AND OPPORTUNITIES RELATED TO CLIMATE AND ITS COMPLIANCE

Environmental Strategy

Among the material issues defined by Ferreycorp, and framed within its Corporate Environmental Policy focused on climate change and its related risks, the corporate environmental strategy has been defined, comprising four pillars:

- Climate, energy, and emissions,
- Water and effluents,
- Materials and waste,
- Product sustainability

Based on these axes, the company has defined key indicators to measure and monitor its climate performance. The indicators assessed are:

- Carbon footprint in categories 1, 2, 3, 4, and 5 and its intensity relative to sales
- Energy consumption and its intensity in relation to sales
- Water consumption and its intensity in relation to sales
- Waste (recycled and non-recycled) and its intensity in relation to sales

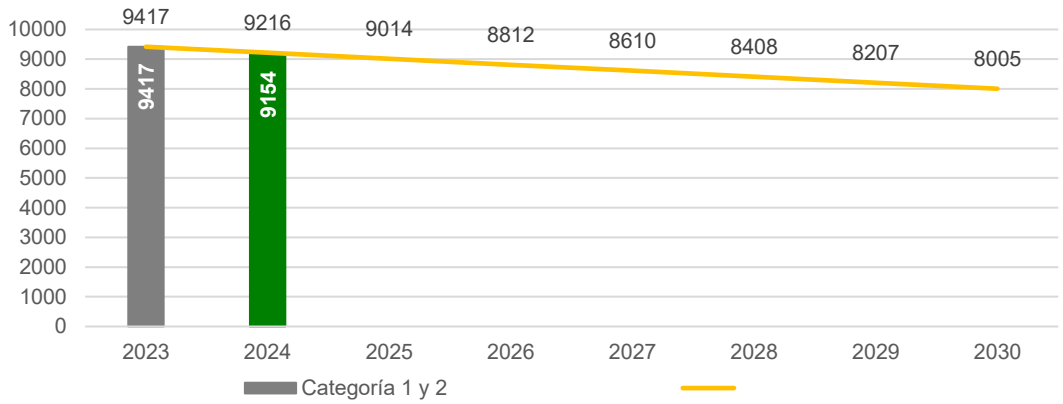
During 2024, a decarbonization plan was developed and a target was set to reduce the carbon footprint by 15% by 2030 compared to 2023 emissions. It should be noted that this objective is not based on climate science, but rather on concrete actions and projects whose reductions have been quantified and are feasible today. This decarbonization plan can be updated and made more ambitious in line with the cleaner technologies that become available on the market.

Medium-term environmental objectives for 2030 for Peru and Trex in Chile

Area	Objective for 2030
Climate, energy, and emissions	Reduce by 15% the carbon footprint in categories 1 and 2 in relation to 2023
	Reduce by 15% the consumption of purchased energy in relation to 2023
Water and effluents	Reduce by 15% water consumption in relation to 2023.
Waste and materials	Reduce the proportion of waste generated at our own sites that goes to landfill to 45% by 2030.
Product sustainability	Prevent the generation of 10,000 tons of metal waste from 2023 to 2030 through the certified reconstruction and overhaul program.
	Exceed the annual goal for the recovery of end-of-life tyres (ELTs), established by law, by 10%.

The achievement of these objectives will be possible thanks to the implementation of reduction measures such as the gradual replacement of the fleet of trucks and cargo vehicles, as well as mobile equipment such as forklifts and reach stackers. Other measures include projects to renovate air conditioning systems, replace LED lighting, and implement automation.

Reduction of emissions from 2023 to 2030 in categories 1 and 2 (location-based emissions)



In 2023, the goal of reducing the carbon footprint was achieved.