

OUR MANAGEMENT OF OCCUPATIONAL HEALTH AND SAFETY

2021

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Occupational health and safety at Aceros Arequipa

At Aceros Arequipa we analyze our activities and prioritize our objectives to develop action plans for the short, medium and long term, which strengthen our culture of prevention. For this reason, we have a management system implemented for all our operations in Peru within our facilities and in the places where employees have been assigned by order of the company.

Our actions are supported under **Law 29783 on Safety and Health at Work (SST) and DS - 42F Industrial Safety Regulations**. Likewise, we are certified with the **ISO 45001** international standard for Occupational Health and Safety. We have corporate documents that govern our management: the Occupational Health and Safety Business Policy and the Internal Occupational Health and Safety Regulations.



Our Objectives



Ensure successful management of occupational health and safety



Strengthen the SSO culture of the organization



Promoting the Training Program



Strengthen the incident management sub-process

1. Our Indicators



At Aceros Arequipa, we carry out constant monitoring of different Occupational Health and Safety indicators. These are intended to generate alerts on accidents and injuries caused in our operations, we have two groups of these indicators:



Collaborators



Contractors

Both groups are important to our management

In addition, we highlight the interconnectivity that each group of indicators maintains, since an increase in one indicator can influence the performance of another.

During 2021, we experienced an increase in our Occupational Health and Safety indicators due to the registration of 1 fatality within our operations. As part of our integrated management system, we reinforce the identification of risks, in order to reduce and mitigate future accidents or fatalities within our work spaces.

During 2021 ...



the **75%** of **accidents** and **incidents**

were caused by cuts, burns and entrapments, occurred in manual and semi-manual activities. Because of this, we have taken 5 prevention measures.

Measures taken

1

Include Critical Third Parties in Management Dashboard reviews

2

Continue promoting training on work procedures for all collaborators and third parties

3


Strengthen the People-Based Safety program by adding the "LIVING SAFE" approach.

4

Development of a predictive model of accidents.

OUR INDICATORS OF SSO 2021

Indicators	Collaborators	Contractors	For more information go to our Integrated Report
Total Recordable Injury Frequency Rate	12.65	7.4	Pages 107 – 108
Accident frequency index	6.33	4.77	Page 109
Severity index	488.4	95.99	Page 110
Accident rate	3.09	0.46	Page 111



At Aceros Arequipa, we care that work environments are safe and healthy, that jobs and activities are standardized, and that interdependent safety is achieved

2. Integration of actions to prevent risks and responses to emergency situations



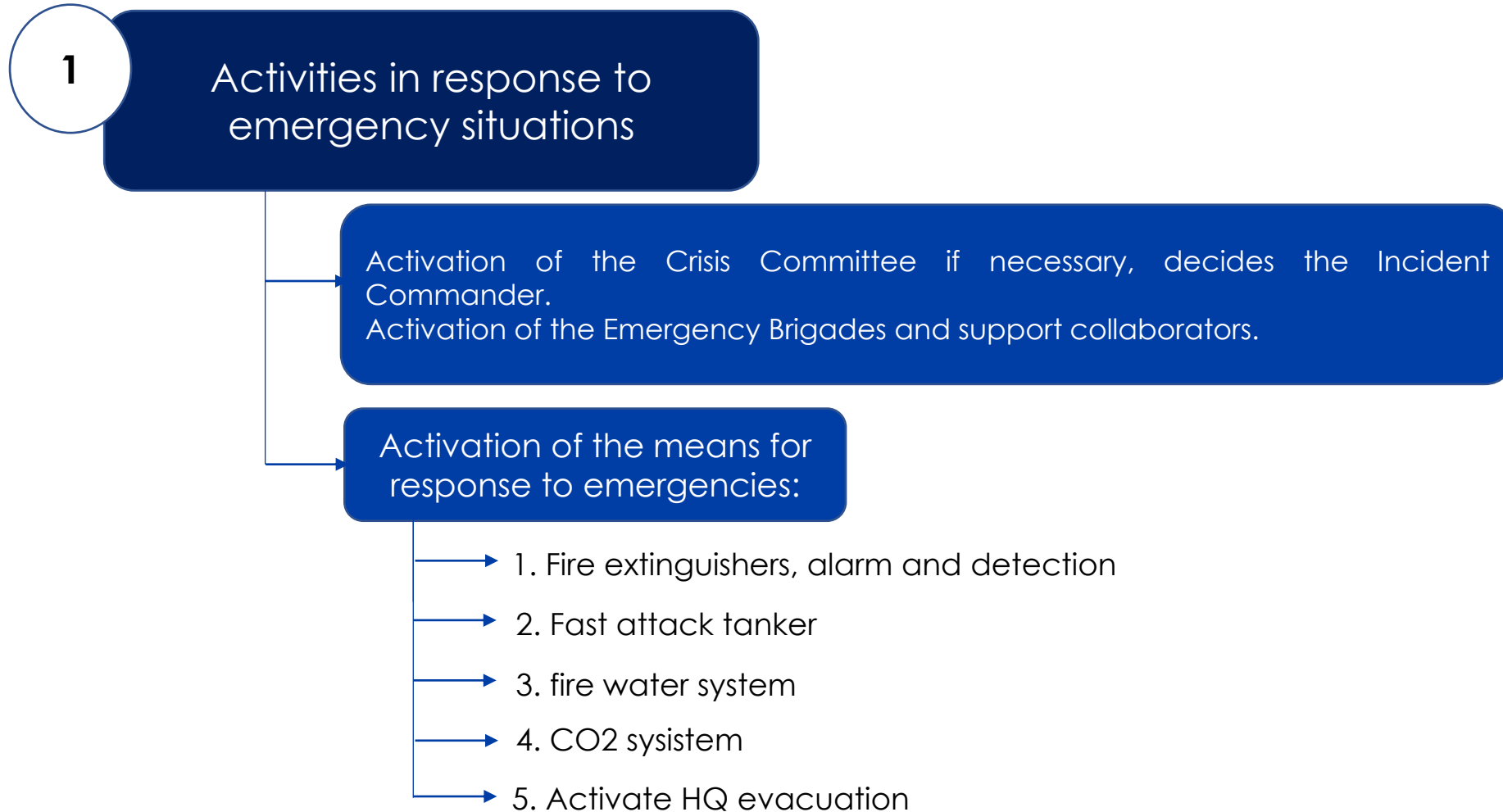
In our Occupational Health and Safety Policy, we apply the comprehensive management criteria that seeks to prepare for risk and emergency situations. We establish priorities and action plans to fulfill our commitments. In addition, we set quantitative targets that allow for the improvement of our SSO performance metrics.

All emergency situations caused by an accident at work will be attended according to our established protocols and guidelines that seek to safeguard and protect our collaborators..

Our management system continuously improves through the participation processes of our collaborators, the inclusion of new standards, national and international safety regulations and others that are relevant to our management



2.1. Main response activities in emergency situations



2.2. Main activities in the prevention of risks and dangers



Identified risks, preventive and control measures against emergencies



Ítem	Risks	Preventive and control measures
01	Health emergencies (serious acute injuries or illnesses)	<ol style="list-style-type: none"> Accident prevention measures in all activities <ol style="list-style-type: none"> Control de riesgos por condiciones de trabajo Control de riesgos derivados de la supervisión y el comportamiento seguro del personal Medical aptitude on the part of all personal or outsourced workers, through occupational medical examinations. Implementation of health services for the care and evacuation of people with signs and symptoms that define a health emergency Have duly trained first aid brigadistas.
02	Earthquake movements	<ol style="list-style-type: none"> Earthquake-resistant buildings Earthquake drills. Properly identified signs and meeting points. Updated Risk and Evacuation Map
03	Fire	<ol style="list-style-type: none"> Maintain a high standard of order and cleanliness Daily equipment and machinery inspections Fire drill. Updated Risk and Evacuation Map.
04	Leak or Spill of dangerous materials and/or hydrocarbons	<ol style="list-style-type: none"> Training in safety instruction for use dangerous materials Maintain a good standard of order and cleanliness. Have an Anti-spill Kit. Map of Risks and Evacuation updated Dangerous material spill drill
05	Floods	<ol style="list-style-type: none"> Maintain the pumps in the plant in good condition Cleaning and maintenance the entire sewage system of the installations. Updated risk and evacuation map

Ítem	Riesgos	Medidas preventivas y de control
06	Natural gas leak without fire and with fire	<ol style="list-style-type: none"> 1. Preventive Maintenance. 2. Line monitoring with gas detector. 3. Maintain a good standard of order and cleanliness. 4. Do not open fire near the line. 5. Updated Risk and Evacuation Map. 6. Natural gas leak drill
07	Fire of motors and electrical systems (boards, cables, trays)	<ol style="list-style-type: none"> 1. Predictive and preventive maintenance program. 2. Maintain a good standard of order and cleanliness. 3. Daily equipment inspections. 4. Fire drill for motors and electrical systems.
08	Spill of molten steel	<ol style="list-style-type: none"> 1. Predictive and preventive maintenance program for ladles, electric furnaces and bridge cranes. 2. Daily inspections of equipment and machinery. 3. Appropriate transit areas for cranes and grabs. 4. Signage. 5. Sand for containment. 6. Updated Risk and Evacuation Map. 7. Molten steel spill drill
09	Exposure to radioactive source	<ol style="list-style-type: none"> 1. Radioactive Source Detector 2. Training in written safe work procedures (PETS) for detection, temporary storage and final disposal. 3. Updated Risk and Evacuation Map.
10	Vandalism	<ol style="list-style-type: none"> 1. Private Surveillance Service. 2. Law enforcement agencies 3. Updated Emergency Telephones.
11	Paracas Winds	<ol style="list-style-type: none"> 1. All types of work carried out at height are suspended. 2. Vehicles are parked with their lights on. 3. People are in safe areas correctly identified.
12	Unexpected power outage	<ol style="list-style-type: none"> 1. Operational emergency generator sets 2. Operational emergency lights 3. Meeting points and signage correctly identified. 4. Updated Risk and Evacuation Map 5. Unexpected power outage drill
13	Infectious disease outbreaks (epidemics, pandemics)	<ol style="list-style-type: none"> 1. Monitoring of medical alerts defined by health authorities 2. Formation of the Crisis Attention Committee 3. Preparation of plans and programs to control and mitigate infections and their consequences.



SSO Training

On-site training



SSO TRAINING 2021

Themes	Trained Staff
People-based security training	Managers / Superintendents / Headquarters
Lockout and tagout of dangerous energy	Headquarters, supervisors of all areas; all positions that perform lockout and tagout.
Training for the OHS Committee: OHS Policy, ISO 45000 Standard, functions and responsibilities, investigation of accidents and incidents, leadership and communication in risk prevention, strategic planning of OHS.	SST Committee: Collaborators and workers
Occupational risks in offices: psychosocial risks and stress management	All administrative positions
Ergonomics: Manual Handling of Loads and Positions	All: Depending on the case

3. Prioritization and integration of action plans in the prevention of risks and dangers



We apply the Hierarchy of Controls to prioritize and integrate our action plans that solve the risks identified after carrying out monthly inspections and preparing the risk matrices related to SSO. In addition, as stated in our internal occupational health and safety regulations, all CAASA collaborators or third parties contribute to the identification of hazards by reporting directly to their immediate superior, participating in the preparation of risk management matrices.

On the other hand, the procedures to investigate injuries, illnesses or incidents at work or related to these activities are carried out internally by the SST area following the established guidelines.

We present the hierarchy of controls that prioritizes and integrates our action plans in the prevention of risks and dangers

Control Hierarchy

1

Elimination: Risks must be combated and controlled at their origin, in the means of transmission and in the worker, prioritizing collective over individual control.

2

Substitution: with less dangerous processes, operations, techniques, media, materials or equipment for those that produce less or no risk for the worker.

3

Engineering controls: Control or isolation of hazards and risks by adopting technical measures (equipment / technology) and reorganization of work.

4

Administrative controls: including the qualification and training of personnel: signage and warnings, procedures, equipment inspections, access controls, safe work systems, work permits and labeling, etc.

5

PPE: Facilitate and ensure the use and maintenance of adequate personal protective equipment.

4. Progress against the reduction of risks or dangers in OHS



At Aceros Arequipa, the progress of our OHS goals, which are managed internally, is monitored through our Occupational Health and Safety Committees (OHS). The agenda of these committees is to evaluate the reduction of health risks and hazards.

Responsibilities of the OHS Committee:

1. Assesses that the actions to reduce risks and hazards have been effective.
2. It also monitors compliance with current legislation and promotes the training of employees in the regulations, instructions and technical specifications of the company.

There are two OSH committees, one in Pisco and the other in Lima.



of sessions per committee in 2021
Pisco: 11
Lima: 12

Occupational Health and Safety Committee



50 %
company
representatives



50 %
representatives
of our
collaborators

5. SSO criteria introduced in procurement and contractual requirements



In the acquisition and purchasing processes of our Strategic Purchasing and Corporate Purchasing areas, we consider the evaluation of our suppliers where we consider sustainability criteria such as compliance with health and safety standards, among others such as the environment, quality and volume.

These health and safety criteria are evaluated in the following way:

Steps:	Corporate Purchases	Strategic Purchases
Pre-employment assessment	2a. Evaluation prior to hiring in Safety, Health and Environment factors.	2a. Evaluation prior to contracting suppliers of strategic inputs. Requested requirements for the registration of national scrap metal suppliers.
Annual evaluation	2b. Annual evaluation of suppliers, includes issues of Safety, Health and Environment.	2b. Annual evaluation of incidents includes issues of Safety, Health and Environment.