

Our Human Rights Management

Corporación Aceros Arequipa S.A.

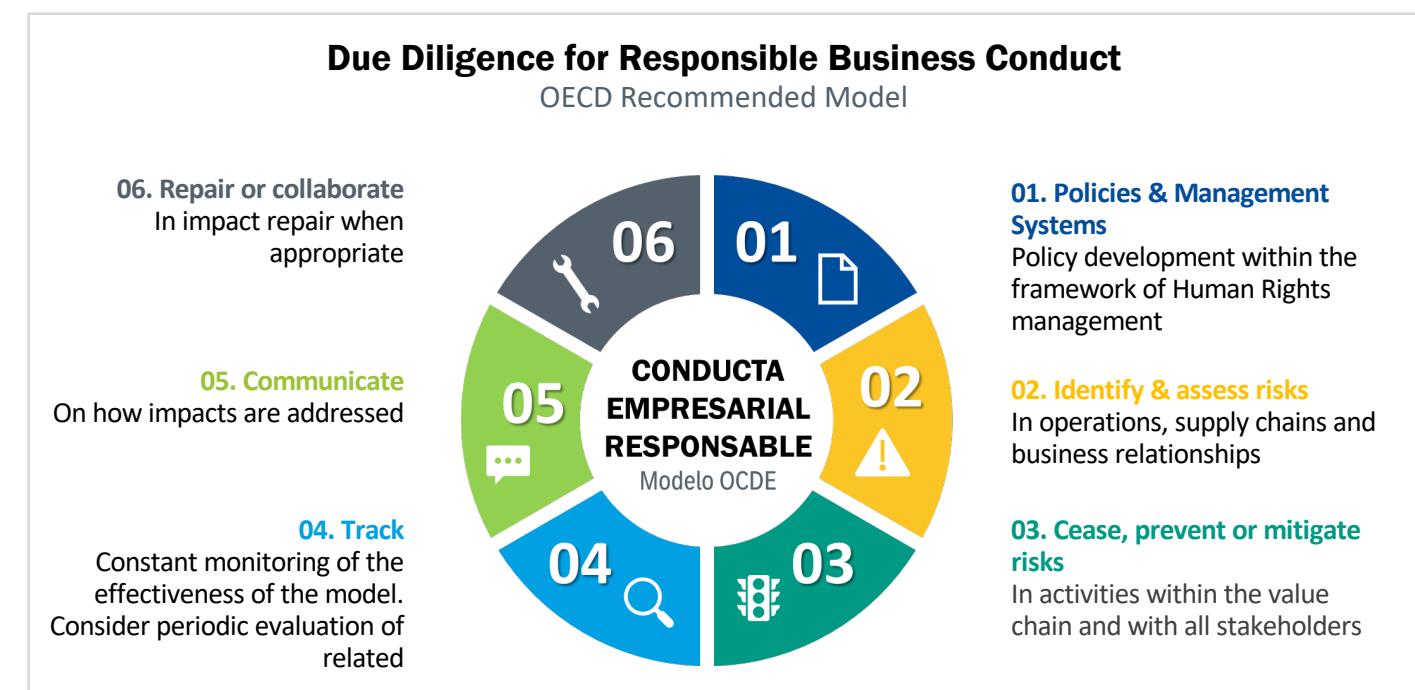


Framework

At Aceros Arequipa we seek to **identify, prevent and mitigate** any possible impact on Human Rights, whether in our activities, within our value chain and with our stakeholders recommended by the OECD.

We work under the framework of ***the United Nations Guiding Principles on Business and Human Rights, the OECD Due Diligence Guide for Responsible Business Conduct and the National Action Plan on Business and Human Rights 2021-2025 (Peru)***.

To ensure comprehensive management of human rights in the organization, We are based on the model recommended by the OECD, aligned with global standards to achieve responsible business conduct.



Policies & Management Systems

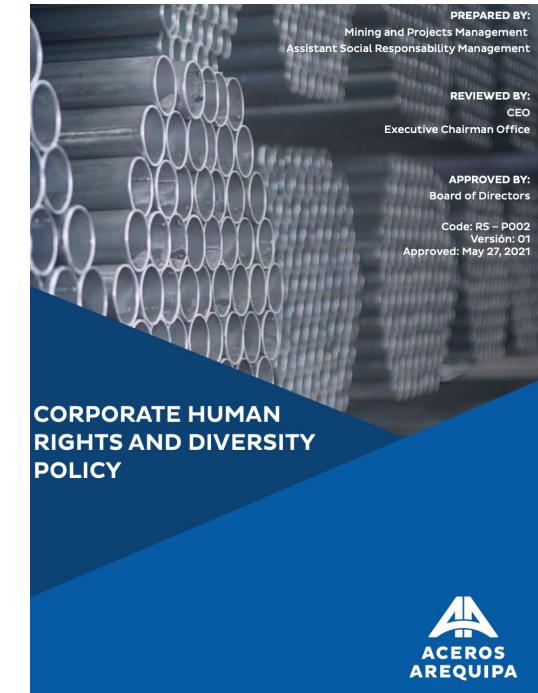
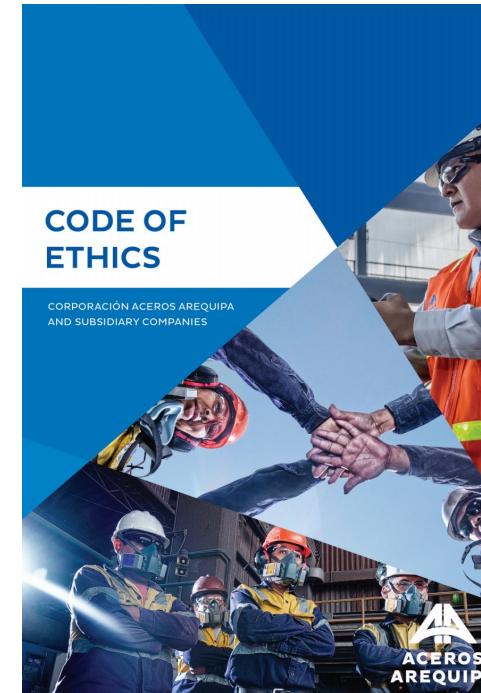
Policies & Management Systems



Human Rights require a transversal approach to the organization. The company's commitments, as well as the expected behaviors of our collaborators, suppliers and other stakeholders, are reflected in our different corporate policies and procedures.

Main Policies and Procedures

- Code of Ethics Aceros Arequipa
- Corporate Social Responsibility Policy
- Corporate Human Rights and Diversity Policy
- Code against Fraud and Corruption Acts
- Sexual Harassment Prevention, Investigation and Punishment Policy
- Code of Ethics for Suppliers and Contractors



Policies & Management Systems

Ethics Code for Suppliers and Contractors



As part of our continuous improvement processes, at the beginning of 2021, we strengthened our [Human Rights and Diversity Policy](#), created our [Code of Ethics for suppliers and contractors](#), and developed a policy for hiring and managing outsourcing services.

In all three cases, specific guidelines are included on the company's commitments and behaviors required in terms of human rights.

CÓDIGO ÉTICA PARA PROVEEDORES	
Código: [XX-XXXX]	
Versión: [Nº]	
Aprobado: [fecha]	
Página: 2 de 8	
Tabla de contenido	
1. INTRODUCCIÓN	3
2. OBJETIVO	3
3. ALCANCE	3
4. PRINCIPIOS DE CONDUCTA ÉTICA	3
Lucha contra la corrupción	3
Regalos, hospitalidad, viajes y entretenimiento	4
Fraude	4
Contribuciones a partidos o campañas políticas	4
Lavado de activos y financiamiento al terrorismo	4
Prácticas anticompetitivas	4
Conflicto de interés	4
Manejo de la información	5
Uso de los bienes de la empresa	5
5. PRÁCTICAS LABORALES Y DERECHOS HUMANOS	5
Derechos Humanos	5
No discriminación	5
Acoso y rechazo de hostigamiento	5
Trabajo infantil	6
Trabajo forzoso y trata de personas	6
Derechos laborales y remuneración justa	6
Libertad de asociación y negociación colectiva	6
Seguridad y salud ocupacional	6
6. CONDUCTA SOCIAL ESPERADA	6
Promoción del desarrollo	6
Diálogo y transparencia	6
7. CONDUCTA AMBIENTAL ESPERADA	7
Respeto de las normas ambientales	7
Eco eficiencia operacional	7
Biodiversidad y no deforestación	7
8. MECANISMOS DE DENUNCIA	7
9. SANCIONES	8

Revised by:	Approved by:
Action Control Management Audit and Risks Committee Management General Management	Chief Executive's Office Board of Directors

Policies & Management Systems



Additionally, aware of the challenges derived from the cross-cutting nature of many of the human rights issues, we seek to strengthen their governance. The Aceros Arequipa Sustainability Committee approved the following work structure.

Instance	Role o function
Human Management Area	Responsible for systematizing and integrating the advances of Aceros Arequipa in the field of human rights, making possible gaps visible and promoting improvement actions.
Sustainability Committee	Responsible for the monitoring and supervision of compliance with the work plans on human rights and the performance of the company.
Ethics Committee	Responsible for the investigation, corrective actions and / or sanction if necessary.

Identify & assess risks

Identify & assess risks

Our comprehensive risk and opportunity management system (GIRO) already assesses many human rights issues, such as possible environmental impacts, health and safety issues or ethical issues. However, at the beginning of 2021, **we seek to strengthen our approach, incorporating a more transversal and comprehensive look for the subject of human rights.**

- The objective is to gradually incorporate the human rights approach into risk management to avoid duplication of efforts and promote synergies.
- In addition, **the first human rights risk identification and assessment workshop** was held, with the participation of more than 20 employees from different key areas of Aceros Arequipa.

GIRO: Comprehensive Risk and Opportunity Management

Política Corporativa de Control Interno y Gestión Integral de Riesgos



Metodología
GIRO

Identify & assess risks

The risk identification and assessment process:

- Analyzed the different stages of CAASA's value chain.
- It incorporated benchmarking from other companies in the industry, as well as relevant public information from the local context.
- Included feedback from previous audits, inspections, or complaints.

Participating areas of the process:

- ✓ Administration and Finance
- ✓ Internal Audit
- ✓ Production
- ✓ Strategic Management Control
- ✓ Strategic Purchases
- ✓ Commercial
- ✓ Supply chain
- ✓ Human Management
- ✓ Projects and Social Responsibility
- ✓ IT
- ✓ Legal

Main topics evaluated	Groups analyzed
<ul style="list-style-type: none"> ▪ Working Conditions ▪ Human Trafficking ▪ Forced Labor ▪ Child labor ▪ Freedom of association and collective bargaining ▪ Remuneration ▪ Discrimination ▪ Sexual or Non-sexual Harrasment ▪ Environmental effects ▪ Impacts on the community ▪ Effects on health or safety ▪ Patrimonial security ▪ Legal breaches by suppliers and contractors 	<ul style="list-style-type: none"> • Employees • Suppliers and Contractors • Community (Influence zone) • Women • Children • Indigenous population • Migrant population

Identify & assess risks

As a result, we currently have our first **comprehensive Human Rights risk matrix**, where we identify the different risks, possible affected groups, related rights and responsible areas of the company.

These aspects have been evaluated at the level of inherent and residual risk, after considering the existing controls.

This tool is currently in the process of being reviewed and validated by the departments involved. In the near future, it will allow us to prioritize the most relevant issues, ensure controls proportional to risk, and monitor the effectiveness of mitigation measures.

CAASA's First Human Rights Risk Matrix

a. Datos del Subproceso			b. Identificación de riesgos					
Gerencia	Proceso	Detalle del Proceso	Tipo de Riesgo	Código del Riesgo	Nombre del Riesgo	Descripción del Riesgo	Grupo afectado	Derechos Humanos relacionados
Gestión Humana	Gestión Humana		D. Cumplimiento Ético y Normativo	-PR3	Abuso de la fuerza	Daño a la vida, salud o integridad de una persona (fisicohumana o mental), debido a violación de deberes de la fuerza por parte de los proveedores de seguridad privada de QASIA con recursos.	Comunidad	Derecho a la vida Derecho a libre tránsito Derecho a estar libre de tortura u violencia.
Gestión Humana	Gestión Humana		D. Cumplimiento Ético y Normativo	-PR2	Condiciones laborales	Daño a la salud o integridad de una persona (física o mental) que no provienen de un nivel de vida digno.	Colaboradores	Derecho a un nivel de vida adecuado que le responda salud, alimentación y bienestar.
Gestión Humana	Gestión Humana		D. Cumplimiento Ético y Normativo	-PR3	Condiciones laborales	Daño a la salud o integridad de una persona, debido a condiciones de trabajo precarias (exceso de horas, incumplimientos del derecho a descanso y vacaciones, horas extra no pagadas, etc).	Colaboradores	Derecho a la seguridad social, descanso y vacaciones.
Gestión Humana	Gestión Humana		D. Cumplimiento Ético y Normativo	-PR4	Trabajo forzoso o trato de personas	Daño a la vida, salud o integridad de una persona, debido a restricciones a la libertad de movimiento o al cambio de empleo (remoción de documentos, descuentos no consumados, entre otros).	Colaboradores	Derecho a la vida Derecho a la educación libre del trabajo.
Gestión Humana	Gestión Humana		D. Cumplimiento Ético y Normativo	-PR5	Uso de armas	Daño a las condiciones laborales y faltas éticas, debido a restricciones a la libertad de asociación o negación de derechos.	Colaboradores	Derecho a la sindicalización. Derecho a la libertad de asociación.
Gestión Humana	Gestión Humana		D. Cumplimiento Ético y Normativo	-PR6	Orixenamiento	Daño a la salud o integridad de una persona y sus bienes, debido a discriminación por razas, etnias, ríos, ascendencias, géneros, entre otros.	Colaboradores Mujeres	Derecho a la no discriminación. Derecho a una remuneración equitativa. Derecho a la libertad de pensamiento y expresión.
Gestión Humana	Gestión Humana		D. Cumplimiento Ético y Normativo	-PR7	Orixenamiento	Daño a la salud o integridad a la salud de una persona, debido a diferentes señalamientos por factores de género.	Colaboradores Mujeres	Derecho a una remuneración equitativa.
Gestión Humana	Gestión Humana		D. Cumplimiento Ético y Normativo	-PR8	Haciendo daño	Daño a la salud, vida y salud de una persona, debido a violaciones de sistemas, riesgo e incumplimiento del pago de remuneraciones y beneficios sociales por parte de proveedores y contratistas.	Colaboradores Mujeres Contratistas	Derecho a la vida y seguridad. Derecho al trabajo en condiciones seguras.
Gestión de Suministros / Compras Estratégicas	Gestión de Suministros / Compras Estratégicas		D. Cumplimiento Ético y Normativo	-PR9	Condiciones laborales	Daño a la calidad de vida, daño a la salud o a la integridad de una persona, debido a incumplimiento del pago de remuneraciones y beneficios sociales por parte de proveedores y contratistas.	Generales Contratistas	Derecho a la seguridad social. Derecho a descanso y vacaciones. Derecho a una remuneración equitativa.
Gestión de Suministros / Compras Estratégicas	Gestión de Suministros / Compras Estratégicas		D. Cumplimiento Ético y Normativo	-PR10	Trabajo infantil	Daño a la vida, salud, integridad o educación de niños o menores de edad, debido a su participación en actividades productivas de proveedores.	Generales Contratistas Padres Negraños	Derecho de Niño Derecho a la vida ya a la integridad personal.
Compras Estratégicas	Compras estratégicas		D. Cumplimiento Ético y Normativo	-PR11	Trabajo forzoso y trato de personas	Daño a la vida, salud o integridad de una persona, debido a condiciones de trabajo inapropiadas e infértil por parte de los proveedores de QASIA con recursos.	Proveedores Contratistas Padres Negraños	Derecho a un trabajo decente.

Essential topics

- Labor practices of suppliers and contractors.
- Health and safety.
- Community quality of life.
- Environmental performance.
- Fight against corruption.

Cease, prevent or mitigate risks

Cease, prevent or mitigate risks

CAASA has an **ethical line** so that any collaborator or stakeholder can make complaints or express their concerns about possible breaches of legislation or internal company policies, including human rights issues.

Our ethics line is administered by an **independent third party**, which ensures the anonymity of the complainant and the confidentiality of information.

The ethical line helps us detect possible deviations in our standards of conduct, take the necessary corrective actions, provide feedback to management and give an effective and timely response to those involved.

CANALES DE ATENCIÓN DE LÍNEA ÉTICA



- Página Web: Formulario virtual
www.lineaeticaacerosarequipa.com



- Buzón de correo electrónico
denuncias@lineaeticaacerosarequipa.com



- Línea telefónica
Disponible las 24 horas,
7 días a la semana
+51-1-0800-18-134 (Gratuita).
+51-1-219-7134 (Costo llamada local).



- WhatsApp
Puede contactarse con
un asesor de la empresa
independiente de Lunes
a Viernes de 8:30 a.m.
a 6:30 p.m. al siguiente
número: (+51) 989-043-514.



Cease, prevent or mitigate risks

In addition, we have other complementary internal procedures for specific topics, such as **the Policy on Prevention, Investigation and Punishment of Sexual Harassment**.

Complaints related to these issues can be filed in three ways:

1. **Documentary:** In a sealed envelope before the Human Management Department (GGH).
2. **In person:** Complaint verbally for which a format will be provided.
3. **Virtual:** denunciaHS@aasa.com.pe

The **Intervention Committee against Sexual Harassment** is the body responsible for **investigating** and issuing a report with **proposals and / or recommendations** for **sanctions**, or other **measures** for possible cases of sexual harassment

 ACEROS AREQUIPA	SEXUAL HARASSMENT PREVENTION, INVESTIGATION, AND PUNISHMENT POLICY	Code: GH-P005 Version: 01 Approved: March 30, 2020 Page: 15 of 22
---	---	--

ANNEXES

1. SEXUAL HARASSMENT REPORTING FORM³:

- Reporting Party:
- National Identity Document (DNI):
- Company for which you perform services:
- Accused party or parties:
- Company for which the accused perform(s) services:
- Relationship between the reporting party and the accused⁴:
I do hereby state that I have been duly informed in matters of sexual harassment prevention and punishment. I recognize the importance of ensuring that my statement is entirely accurate with regard to the events giving rise hereto:

YES	_____ <u>SIGNATURE_____</u> _____ <u>DATE_____</u>
-----	---

³ The conducts that may be reported are as follows:

- **Sexual:** Physical or verbal behaviors or acts, gestures or others of a sexual connotation.
- **Sexist:** Behaviors or acts that promote or reinforce stereotypes according to which women and men have their own attributes, roles, or spaces that presuppose the subordination of one sex or gender to the other.

⁴ The possibilities are:

- **Subordinate/reports to:** The sexual or sexist conduct is exhibited by a direct superior (immediate boss) or indirect superior (of a higher rank, even if they do not work with you directly).
- **Same rank:** The sexual or sexist conduct is exhibited by worker of the same level or category as you.
- **Lower rank:** The sexual or sexist conduct is exhibited by a worker whose level is lower than the one which you hold.
- **Unrelated:** The sexual or sexist conduct is exhibited by a third party who does not work for the Company but who provides frequent/occasional services at the facilities, or with whom you must interact in the course of the services they provide.

* Additionally, any person who has knowledge of acts that may meet the definition of sexual harassment can file a complaint. In this case, indicate "N/A," since you are not directly involved in the incident.

Cease, prevent or mitigate risks

We constantly disseminate our mandatory corporate policies to our collaborators. We use different digital and physical channels, such as email, internal newsletters, plant murals, among others.

POLÍTICA DE PREVENCIÓN, INVESTIGACIÓN Y SANCIÓN DEL HOSTIGAMIENTO SEXUAL



Estimados colaboradores,

Nuestra política establece los criterios de cumplimiento obligatorio para actuar, prevenir, investigar y sancionar de manera inmediata, eficaz y confidencial, posibles actos que configuren hostigamiento sexual, cumpliendo con el debido proceso legal.

Además, a través de este documento buscamos proteger a la presunta víctima y a los intervenientes, mantener y promover un ambiente laboral y una cultura libre de hostigamiento, garantizando la igualdad, la libertad y el respeto en las relaciones laborales.

Lineamientos de la Política de Prevención, Investigación y Sanción del Hostigamiento Sexual

- El hostigamiento sexual se puede manifestar como toda conducta sexista o sexual (acercamientos, comportamientos, amenazas, trato ofensivo, etc.).**
- Prevenimos cualquier situación de hostigamiento con capacitaciones, evaluaciones y comunicación. Además, protegemos a la víctima y/o testigos de esta del hostigamiento sexual.**
- En CAASA, contamos con un Comité de Intervención frente al Hostigamiento Sexual (CIHS) y un Procedimiento de Investigación y Sanción de Hostigamiento Sexual para garantizar la participación de los trabajadores en la investigación y sanción, todo dentro de un marco de reserva y confidencialidad.**
- Como medida de protección brindamos un servicio de orientación y acompañamiento a las víctimas, que incluye: orientación legal, asistencia psicológica, etc.**
- La queja o denuncia puede ser presentada a la Gerencia de Gestión Humana de la siguiente manera: Vía Documental, Vía Presencial/Verbal o Vía Virtual al correo (denunciaHS@aasa.com.pe).**

La política se encuentra en Goldenbelt y también se enviará por SmartBoleta. Asimismo, los invitamos a revisar el documento adjunto.

Cease, prevent or mitigate risks

We have various courses that include topics related to human rights. Some of them are inductions on the Code of Ethics, training in prevention of sexual harassment and anti-corruption courses. The first comprehensive training course on human rights is planned for 2021.



Propósito del curso:

Fortalecer el conocimiento sobre nuestro Modelo de Prevención y gestión ética de CAASA.

Expositores:



Jorge Valencia
Gerente Senior en EY
(Ernst & Young)



Brenda Lamas
Consultora Senior en EY
(Ernst & Young)

Training and prevention training:

- Inductions on Code of Ethics
- Anti-Corruption Training
- HR annual training plans
- Annual Compulsory Specialized Training on Investigation and Punishment in Cases of Sexual Harassment



Track

Track

We have an Ethics Committee and an Audit and Risk Committee, in charge of constantly monitoring the model.

Ethics Committee	Audit and risk committee
<p>The Ethics Committee is also responsible for:</p> <ul style="list-style-type: none"> Acting as an advisory body in case team members or third parties have concerns about events or circumstances that may have an impact on corporate ethics. Analyzing and ruling on disputes regarding possible conflicts of interest reported to the Company by team members in compliance with the Code of Ethics. Freely and objectively analyzing situations involving potential ethical violations. 	<p>The main purpos of the Audit and Risk Committee is:</p> <ul style="list-style-type: none"> To assist the Boars of Directors in performing its oversight responsibilities with regard to the Company's internal control system. It meets at least four times a year and is formed up of four members of the Board of Directors.

Audit and risk committee



The Committee meets at least four times a year, and consists of four board members:

Mr. Andreas von
WEDEMEYER
Committee Chair

Mr. Pablo
PESCHIERA ALFARO
Member

Mr. Diego
URQUIAGA HEINEBERG
Member

Mr. Ricardo
BUSTAMANTE CILLÓNIZ
Member

Communicate

Communicate

Annually, we include in our Sustainability Report information about our human rights management. For example, we report the number of complaints received to the Ethics Line, the type and the main corrective actions implemented. In 2021, we are challenged to deepen the information reported on our progress and challenges regarding the human rights due diligence process.

ACEROS AREQUIPA ETHICS HOTLINE

[GRI 103-1, 103-2, 103-3]

The CAASA ethics hotline aims to provide a tool that enables us to prevent and fight fraud and corruption. Our ethics hotline is managed by an independent third party through the company Ernst & Young (EY), thus guaranteeing the

anonymity of the reporting individuals and the confidentiality of any information they may provide. This helps us improve our grievance management system in order to respond promptly and implement improvements to the guidelines and

standards whose violation has been reported via the hotline.

We offer the following channels for use by all individuals in filing complaints via the CAASA ethics hotline:



[GRI 103-1, 103-2, 103-3, 205-3 206-1]

During 2020, we had no complaints of discrimination, nor any cases of corruption

reported. We received three complaints through our ethics hotline, of which one was rejected due to insufficient information for its investigation, and two of which were

responded to in full. For the admissible grievances, we implemented three corresponding corrective measures.

Ethics and Compliance

[GRI 103-1, 103-2, 103-3, 205-3, 206-1]

