

Mapeo de Riesgos TI

Ferreycorp



New Competitive Context



**Disruptive
Tendencies**

Connected Economy

E-commerce & logistics

Results-centered Business

E-Marketplace

Crowdsourcing and Crowdfunding

Customization of added value

3D printing

Cyber attack

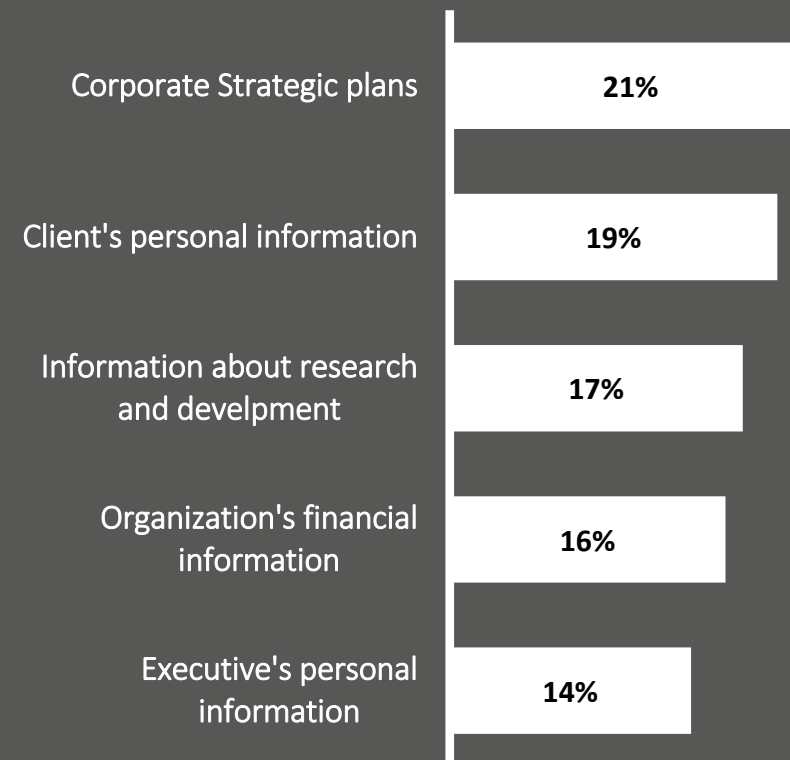
What information is more valuable for cybercriminals?



Global TOP



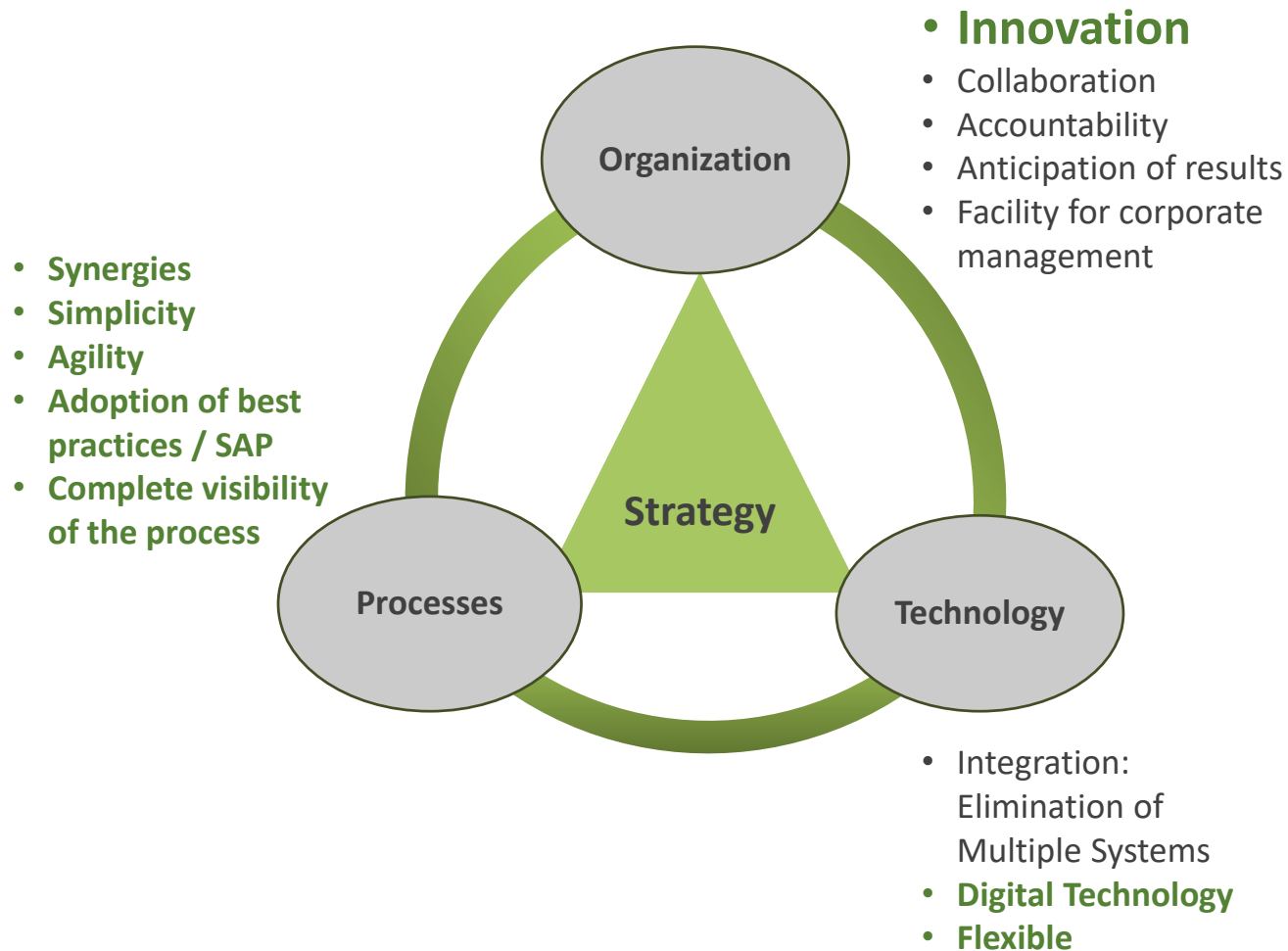
Peru TOP



We *anticipate the needs of our clients, transform our businesses and incorporate new technologies to optimize their experience* and the value of their operations, making them safer, more profitable and more efficient.

Subject	Function
Information Technology	Installation and improvement of IT platform
	IT operations and services to the user
	Implementation and improvement of IT applications
	Information security
Innovation	Solutions and projects with businesses:
	•Business process management
	•Information management
	•Management of innovation projects and digital transformation
	Development of innovation capabilities and digital transformation

Solutions:
SAP
+
Other initiatives



Impact

Cost and Expenses reduction

Process times reduction

Reduction of working capital / cash cycle

Increase in commercial effectiveness

Increase in customer satisfaction

Ease in the adoption of new business

Improvement of the work climate and talent

Impact matrix of changes by product or service:

- | | |
|--|--|
| C
O
R
E | <input type="checkbox"/> Prime |
| | <input type="checkbox"/> Spare Parts and Logistics |
| | <input type="checkbox"/> Operations |
| O
B
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E | <input type="checkbox"/> CRM and Marketing |
| | <input type="checkbox"/> Financial Services and Treasury |
| | <input type="checkbox"/> Accounting |
| | <input type="checkbox"/> Management control |
| | <input type="checkbox"/> Human Resources |

Impact matrix of changes by product or service

CORE



PRIME



Technology

- ✓ New Integrated System (Purchases, sales, warehousing and transportation, finance and accounting)
- ✓ Change in the design of information structures

- ✓ Reliable and Updated Information (duplicates are minimized)
- ✓ Homologation of the model code with supplier
- ✓ Reduction of manual activities
- ✓ Traceability / Integral visibility of the processes
- ✓ Achievements monitoring
- ✓ Control of time, costs and margins in line
- ✓ Agility and Accuracy in accounting closing
- ✓ Eliminate unnecessary manual records

Spare Parts and Logistics

- ✓ Change in the design of information structures
- ✓ New tool for reposition of stock
- ✓ New Integrated System (Purchases, sales, warehousing and transportation, finance and accounting)
- ✓ Interfaces with CAT, PACCAR and FORBIS
- ✓ Online accounting entries

- ✓ Integration of processes
- ✓ Reliable information in real time
- ✓ Agility and accuracy in accounting closing
- ✓ Better control of consignments
- ✓ Traceability of accounting orders and entries end to end
- ✓ Integrated period monitoring required
- ✓ Uniformity in the evaluation of suppliers
- ✓ Potential improvement in inventory turnover, availability and fill rate



Value Added

Impact matrix of changes by product or service CORE



OPERATIONS



Technology

- ✓ New Integrated System
(replacements of multiple systems)
- ✓ Integration of time management with HR
- ✓ New module of contracts and internal maintenance

- ✓ Integration, traceability, control and monitoring
- ✓ Comparative control of real cost vs plan
- ✓ Traceability and control of guarantees end to end
- ✓ Cost control and internal maintenance expenses
- ✓ Simplification of spare parts and materials orders
- ✓ Potential optimization in the use of resources
- ✓ Contracts: visibility of the plan & Execution, costs and expenses control
- ✓ Better asset control



Value Added

Impact matrix of changes by product or service

Back office



CRM and Marketing



Technology

- ✓ New solution: C4 Hana: App
- ✓ Reliable timely information obtained from integrated system
- ✓ Equipment management in integrated system
- ✓ High degree of automation in the calculation of indicators

Financial Services and Treasury

- ✓ Specific development for the credit scoring evaluation
- ✓ Only credit and cash compensation screen
- ✓ Integrated system in the treasury modules
- ✓ Credit line approval app
- ✓ Automation (configured logic)

- ✓ Reliable timely information
- ✓ Standardization of procedures
- ✓ Unified base allows time and errors reduction

- ✓ Traceability, timeliness and accuracy of information
- ✓ Simplification of procedures and improvement in compliance
- ✓ Agility by automation and reduction of manual tasks
- ✓ Tools for risk prevention
- ✓ Reduction of errors that may lead to tax contingencies



Value Added

Impact matrix of changes by product or service

Back office



Accountability

Management control



Technology

- ✓ Integrated system with operacional modules

- ✓ The investments will have a restrictive control and if there is not enough budget, the user will provide through the tool
- ✓ A new module will be implemented for this purpose
- ✓ Cost reports will be obtained directly from SAC with various sources

- ✓ Homologation and synergies
- ✓ Compliance control
- ✓ End-to-end transaction integration
- ✓ traceability of records up to the origin
- ✓ Process simplification
- ✓ Improvement in the classification of fixed assets and operational movement
- ✓ Quality and integration of information (balances, movements, reports)
- ✓ Time reduction: closing, emission of results

- ✓ Allows monitoring and control of investment budget and planned expenses
- ✓ It allows to increase the budget over the original and give traceability
- ✓ Analysis time reduction
- ✓ It allows to obtain the EVA for all its dimensions
- ✓ Availability of real-time results advances
- ✓ Reduction of times of issuance of closing results
- ✓ Have elements to reduce, improve costs



Value Added

Innovation and Digital Transformation



WE ALWAYS INNOVATE

We anticipate the needs of our customers by creating the best solutions with long-term vision



Expected Behaviours

- ✓ Shared vision
- ✓ Teamwork
- ✓ Adaptability to change
- ✓ Curiosity and learning; opening to new ideas
- ✓ Dare and take initiative focused on the value
- ✓ Explore and confirm or discard; then scale

Additionally in the leaders


- ✓ Define and inspire the vision
- ✓ Be an example
- ✓ Empower your team
- ✓ Assign resources
- ✓ Capitalize on the error

Innovation and Digital Transformation

Strategic Initiatives



Initiative	General Objective
Customer experience	Facilitate the interaction of the client with the Ferreycorp companies, regardless of the channel through which they occur.
e-commerce	Sale of spare parts and services through the internet.
Connectivity	Optimize productivity in the use of machines from generated information
New products and services	Development of optimized products and services for customers using digital solutions.
Supply chain	Optimize the flow of materials and products through the chain of operation: supply, transport, warehouses, workshops, branches, customer operations.



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Innovation agents and growing

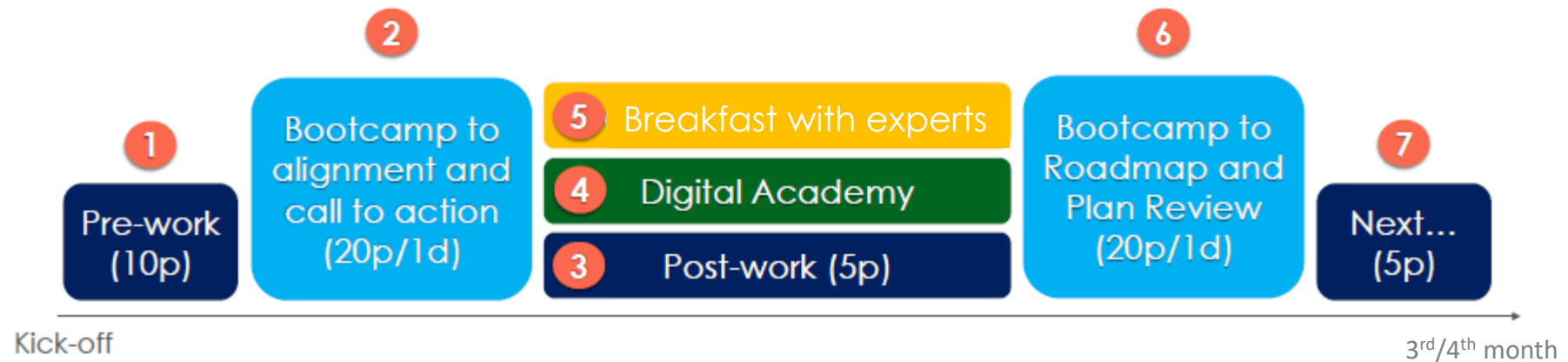
- ✓ Preparation in processes, methodologies and management of innovation projects.
- ✓ Promotes, guides and makes visible the innovation initiatives of the management team.
- ✓ Collaborate transversally with other areas and companies of the corporation

Innovation and Digital Transformation

Capabilities Development



Management team training- 2019



1 Gathering information and awareness of the target through interviews with 10 people, all members of the Planning Committee

(2) Themes for the First Bootcamp - Mindset change

- Fundamentals and Worldview
- The Ambidextrous Organization
- Digital Capabilities
- Leadership capabilities
- Governance and Digital Agenda
- Culture and Talent, the bottleneck
- Case uses

(4) Subjects for Digital Academy

- Agile + Scrum
- Data Analytics
- Service Design / Design Thinking
- CX + UX
- Future of Work / Talent war
- Thinking with start-ups
- Case uses

(5) About breakfasts with experts

- Samuel Sanchez: Run vs Change
- Miguel Paredes: Data-driven Transformation
- Herman Carranza: Corporate Innovation
- José Deustua: Open Innovation
- José Ignacio Bernal: Diloo + Rappi
- Gabriel Puliatti: Emptor

(6) Themes for Second Bootcamp - Orchestrating change

- Business life cycle
- Alignment of Culture and Talent
- Innovation and reinvention of business models
- Deep-dive in pre-selected technological applications
- Selection of initiatives
- Roadmap Design

3 Meetings to present summary of findings and prepare the start of the next stages

Innovation and Digital Transformation

Capabilities Development



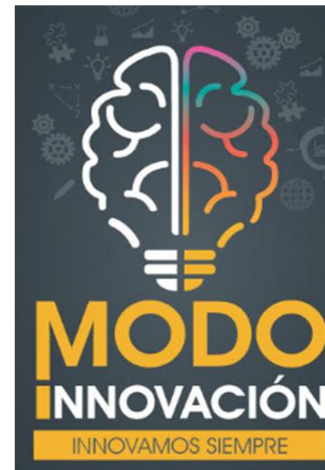
Innovation meeting



Innovation awards

¡Innovamos Siempre!

406 Innovaciones recibidas en 6 semanas



Stages of the Innovation Process



Innovation Mindset

- Everyone has the capacity to Innovate
- Innovate by focusing on the client's needs
- The innovation must be **desirable** by the user or client, technically **feasible** and must generate a mutual **benefit**
- Reinforces the **co-creation** of solutions with your user



Central Administration – Large Mining (Jan-19)



Services Lima – Product Support (Feb-19)

Innovation Culture

Development of Innovation Skills



Training to the management team

Leading Digital



Objectives

1. **Alignment of the narrative** on the new economic foundations to create value and compete in the Digital Society
2. Lay the foundations to provoke the construction of a business **Purpose aligning to the new context**
3. **Adopt disruption and its derivatives** as accelerators of innovation and the construction of a more transformational leadership



+ferreycorp