

# Ferreycorp

may-20



# Emerging risks - IT Risk

## Interruption and security IT - Transversal action plans



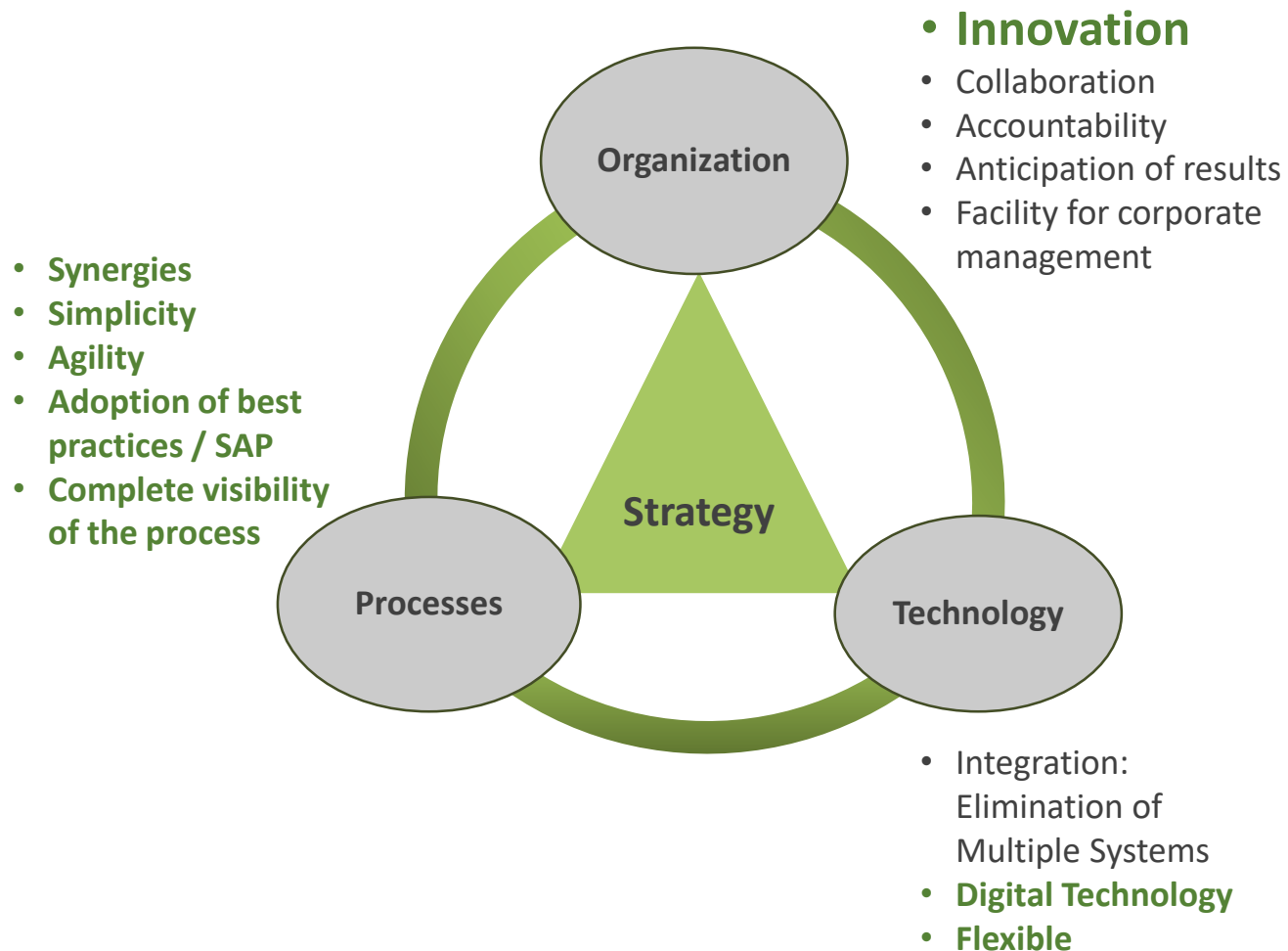
We *anticipate the needs of our clients, transform our businesses and incorporate new technologies to optimize their experience* and the value of their operations, making them safer, more profitable and more efficient.

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**

# Emerging risks - IT Risks

SAP



## 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

# Emerging risks - IT Risks

SAP



*No business without risks*

## Impact matrix of changes by product or service:

- |                       |  |
|-----------------------|--|
| C<br>O<br>R<br>E      | <input type="checkbox"/> Prime                           |
|                       | <input type="checkbox"/> Spare Parts and Logistics       |
|                       | <input type="checkbox"/> Operations                      |
| B<br>O<br>A<br>R<br>D | <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                 |

# Emerging risks - IT Risk

## SAP - 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

# Emerging risks - IT Risk

## SAP - 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



# Emerging risks - IT Risk

## SAP - 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

# Emerging risks - IT Risk

## SAP - Impact matrix of changes by product or service Back office



### Accountability

### Management control



Technology

- ✓ Integrated system with operational 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



# Emerging risks - IT Risk

## Other initiatives - Interruption and security IT



### User and access management

Deploy authorization model and implementation of the identity management system in SAP PEE, scope:

- Orvisa, Motored and Unimaq.
- Ferreyros and Ferreycorp individual.

### Data protection

Restrict access to shared data to prevent information leakage, scope:

- Orvisa, Motored, Fargoline and Unimaq.
- Ferreyros, Motriza, Soltrak

### Management of privileged accounts

**Restrict privileged access to end-user accounts.**

- Subsidiaries in Peru.
- Subsidiaries abroad.

**Restrict privileged access in IT administrators**

- Subsidiaries in Peru.
- Foreign Subsidiaries.

### Network access control

Improve device access control to the network.

Scope: Subsidiaries in Peru.

### Mail and Internet Security

Enable secure email and web settings to prevent phishing and/or spoofing attacks Scope:

- Subsidiaries in Peru.
- Foreign Subsidiaries

### Application Security

Reduce security gaps in 31 web applications to mitigate risks of information theft and/or service interruption.

Scope:

Ferreycorp, Motored, Unimaq, Ferreyros, Fargoline, Orvisa, Forbis Peru.

# Emerging risks - IT Risk

## Other initiatives - Interruption and security IT



### Corporate Information Security Policy

- Information security; employee's responsibilities in security issues; access control and change control to information systems.
- Information backup; information classification.  
Security Incident Management and Business Continuity.

### Personnel Security: Awareness and Training

- Personnel safety course.
- Awareness plan. Scope: subsidiaries in Peru.

### Define and implement security controls

#### Define and implement security controls

- User and access management
- Data protection
- Management of privileged accounts
- Network access control
- Mail and Internet Security
- Application Security

#### Define and implement specific business process control

- Priority 2019- /2020: Deployment of function segregation rules.
- Identification and classification of information assets by business processes and implementation of specific controls in the Corporation.

### Information Security Compliance

- Review of compliance with TPI controls that support PDPA.  
Scope: subsidiaries in Peru.
- PDPA matrix of roles and responsibilities.  
Scope: subsidiaries in Peru.
- Implement plan to ensure compliance with policies and standards  
Scope: Corporate.

### Information Security Incident Management

Procedures for reporting, evaluating and responding to security events.

Scope:

- Subsidiaries in Peru.
- Subsidiaries abroad.

### Continuity: SAP S4 Hana 4 Disaster Recovery Plan

- Orvisa, Motored and Unimaq.
- Ferreyros and Ferreycorp individual.

\* PDPA: Personal Data Protection Act.



**+ferreycorp**