

# CORPORATE ETHICS CODE

FERREYCORP  
2016

We, at the Corporation (Ferrycorp S.A.A. and its subsidiary companies) promote an ethic culture supported on values. The Directors, Managers, Officers and collaborators of the corporation, together, steer our individual behavior on the basis of our seven corporate values (integrity, equity, vocation for service, excellence and innovation, respect to persons, teamwork, and commitment) and we apply them in the performance of our duties and in the decision making. This way we have built and maintain along all these years a sound culture based upon prestige and good reputation achieved from our relations with the various interest groups.

(\*) Underlined terms are defined at the end of the document

## INTEGRITY

This means a business-like, transparent, trustworthy and straightforward attitude in all our relations with interest groups. We maintain a crystal-clear ethics in respecting laws and good manners, and abide by our internal policies. We are coherent with our actions and consistent with our principles.

We are concerned with meeting all our commitments both with our external and internal public always ensuring that our actions will not interfere with the rights of other people.

We apply the INTEGRITY value when:

### WE COMPLY WITH LAWS AND REGULATIONS

We develop our work utilizing high ethical standards and acting responsibly on all situations and relations with our interest groups\*. We keep ourselves abreast with the provisions the corporation must satisfy so that our actions and relations be always within the framework of law; we encourage good practice and fair competition, and reject any fraudulent and illegal conducts. We do not seek dishonest dealings with Clients and suppliers of the private sector or Government officers. We do not resort to gifts, favors, invitations, commissions, fees, money or payments of any kind to attain our commercial goals.

### WE AVOID CONFLICTS OF INTEREST

We always act with independence, transparency and impartiality under conditions of openness and free competition\*, and avoid conflicts of interests\*. Accordingly we do not request and do not accept retributions surpassing the commercial relation, which may interfere with our decisions. We do not engage in business in a personal capacity and independently\* with customers, suppliers or competitors, except in exceptional cases with the prior express authorization of the Ethics Officer.

### WE GUARANTEE TRANSPARENCY IN THE INFORMATION

We duly convey detailed and understandable information. We communicate in an honest, transparent and truthful manner. We convey timely information to all our interest groups\*, in keeping with the existing regulation on publication of significant events\*. We maintain the financial information and the accounting books and records in order and up to date.

We report as to the characteristics of our products exactly as they are, and exclude misleading messages.

(\*) Underlined terms are defined at the end of the document

As regards to the media, we report through official representatives\* who have been designated to such aim.

#### WE DILIGENTLY USE THE ASSETS AND ARE RESPONSIBLE FOR THEIR CARE

We preserve, protect and responsibly use the corporation assets\*, as working tools and strictly in relation to our work. We must act with due diligence\* and take care of the assets entrusted to us, and report any dishonest conduct that may endanger them.

#### WE ARE FAIR AND EQUITABLE IN OUR ACTIONS

Our earmark is to be respectful and fair in dealing with others. We are reliable and equitable en our commercial relations, as well as defenders of human rights, seeking that our acts will not affect the rights of other persons.

#### WE ACT UNDER TRUSTWORTHY INFORMATION

We check the information we utilize making it sure it comes from a reliable source and give information in the same manner, acting in accordance with due diligence.\*

(\*) Underlined terms are defined at the end of the document

## COMMITMENT

We are committed to the corporation and the country. We built and maintain long-term relations with our customers and suppliers. We act with responsibility on all spheres where we act and maintain high standards of social, environmental and safety responsibility as well as good practices of corporate government. We seek to be a benchmark in all places where we operated and positively contribute to their development.

We ratify our COMMITMENT when:

### WE MEET OUR GOALS

We prioritize the corporation goals above individual goals or those of the areas or subsidiary where we work. We are convinced that our own goals will gain importance insofar as they contribute to the general goals of the corporation.

### WE WORK RESPONSIBLY

We know our work is the most precious asset the corporation has; that is why we discharge our duties at all times acting with due diligence\* as required by our job, and respect the hours assigned to us to perform our duties. We take full advantage of time and reaffirm our commitment to excellence and quality.

### WE ARE CONSISTENT IN OUR ACTIONS

We deliver what we offer. We are consistent in our daily behavior towards our interest groups\*. The customer and supplier know our history and principles governing our actions.

### WE ARE COMMITTED TO SUSTAINABLE DEVELOPMENT AND ARE SOCIALLY AND ENVIRONMENTALLY RESPONSIBLE.

We are conscious that we are social agents of change and we live in accordance with it. We prove every day our commitment with sustainable development.

We actively assume the role of agents of change and driving force of progress in the country, integrating social responsibility into our management. We direct our efforts to the implementation of activities that generate positive impacts on our interest groups\*.

(\*) Underlined terms are defined at the end of the document

Our day-to-day work evidences our commitment to environment; we act in accordance with our preventive approach. We are ruled by management systems of resources and residues adhering to high quality standards that reduce the impacts our activities could generate in the environment.

## GOOD CORPORATE GOVERNMENT

We assume as our own the international principles of Good Corporate Governance, promoted locally by the Superintendency of Securities Market. We guarantee our shareholders respect for their rights, fair treatment, transparent and timely dissemination of information and effective management by a Board that represents them all.

## CONFIDENTIALITY

We ensure the security of our own confidential information\* or that of third parties, that handle. We pledge to safeguard the privileged and confidential information entrusted to us, until its timely disclosure to the market through significant events\*.

## IMAGE AND REPUTATION

We know that the image and reputation of the corporation is a precious asset we must protect and preserve. Our performance in both professional and personal spheres (in the office, in meetings with customers and suppliers, union representation of the corporation, at social events, in our relationship with the Government and communities, etc.) implies a correct and unobjectionable behavior, based on the values we share.

(\*) Underlined terms are defined at the end of the document

## FAIRNESS

We maintain a fair, equitable and respectful treatment of our customers, suppliers, employees and other interest groups\*, without privilege or discrimination. Our decisions are based on fairness, so that we all win in the relationship. We treat others as we want to be treated.

We are being FAIR when:

### WE RESPECT OTHERS

We recognize and respect diversity, rejecting any discriminatory treatment. Therefore we deal with fairness to all people, regardless of their ethnic background, social status, nationality, religion, political opinion, age, disability, personal life, health, etc .; respecting human rights.

Similarly, we foster a working environment free from harassment and bullying. Abusive, hostile or offensive behavior, forced, compulsory labor by minors, or any other act that threatens the welfare of others, are not accepted.

### WE GUARANTEE EQUAL OPPORTUNITIES

We have the same employment opportunities based on our effort and personal development. The training and career paths are determined by our performance, roles and assigned responsibilities and the possibilities of compliance.

### WE ARE IN RELATION WITH OUR INTEREST GROUPS

We create reliable and permanent relationships over time with our interest groups\* under a perspective of mutual growth. We rely on the right, fair and transparent treatment, respecting our customers, suppliers and other interest groups\*.

The quality of our services and products, as well as price and delivery time are the criteria we prioritize in our relationship with our customers, as well as in the selection of our suppliers, without accepting any remuneration transcending the business relationship\*.

Purchasing decisions shall be taken based solely on the best interests of the corporation under conditions of openness and free competition\*. Suppliers will gain the preference of the corporation based on the proposed quality and conditions of the products or services they offer.

(\*) Underlined terms are defined at the end of the document

## RESPECT TO PERSONS

Our greatest competitive advantage, beyond the products and services we offer, is ourselves, the human capital. Our corporation guarantees safe working environments and promotes our overall development, both professionally and personally, in the pursuit of excellence.

WE RESPECT THE PERSON when

### WE ASSURE AN OPTIMUM WORKING ENVIRONMENT

It is the responsibility of the corporation to ensure an optimal working environment for its collaborators. Therefore, we maintain harmonious relations based on mutual respect, solidarity, collaboration and esprit de corps. Likewise, we encourage all our employees to act in the same way in the professional and personal environment in which they operate.

### WE PROMOTE OUR PROFESSIONAL AND PERSONAL DEVELOPMENT

We are committed to continuous improvement. We actively participate in the various training programs promoted by the corporation, aiming at developing new skills and abilities that will allow us to continue our professional and personal development.

### WE GUARANTEE HEALTH AND SAFETY AT WORK

We promote the protection of health and safety at work. It is our responsibility to maintain a reliable and safe working environment, for which all necessary facilities are given.

We are responsible to prevent, discontinue and report any unsafe practice or accident that takes place in our facilities. Safety has priority over any action or threat that disrupts the smooth functioning of the work or put at risk and danger our employees and visitors.

### FREEDOM OF OPINIONS AND PARTICIPATION

We are free to express our opinions and participate in several personal activities, be these of a social, economic or political nature.

### FREEDOM OF ASSOCIATION

(\*) Underlined terms are defined at the end of the document



We respect the freedom of association and participation in trade unions, institutions and guilds.

## A VOCATION OF SERVICE

We work with a spontaneous inclination to serve and a permanent desire for collaboration toward others. We give our utmost efforts to provide the best service to our internal and external customers. All our actions are focused on satisfying their needs, and meeting the requirements and demands of their expectations.

We show out DEDICATION TO SERVING when:

### WE MAINTAIN LONG-TERM RELATIONS

We maintain long-term business relationships with our clients based on excellence of service and selling quality products at the right price. We conduct our business with reliability, fairness, transparency and honesty.

### WE SEEK TOTAL SATISFACTION OF OUR CUSTOMERS

Our acts are focused on fully satisfying our customers because regardless of the area where we work or functions we perform we all have a customer to look after.

### WE PROVIDE THE BEST CUSTOMER SERVICE

We provide efficient and quality service. We address their complaints diligently and fairly, recognizing their right to demand what has been offered. We act proactively and efficiently to ensure our customers the quick and timely attention to their needs.

### TRANSPARENCY OF INFORMATION

We guarantee the transparency of information through various communication channels we offer. We protect all information related to our internal and external customers, ensuring discretion and confidentiality, keeping in strict reserve as if it were our own information.

(\*) Underlined terms are defined at the end of the document

## TEAMWORK

We promote teamwork and collaboration as an effective means of achieving the objectives of the corporation. We are aware that the result of collective work is always bigger and better than the sum of individual efforts. We believe in teamwork as a tool that enhances our capabilities and a way of learning and development.

We conduct a proper TEAMWORK when:

### WE PROMOTE WORKING TOGETHER

We promote teamwork as a tool that contributes to improving our individual capacities, giving us collective learning, exchange of knowledge and experiences and the specialization of individual work shared as a group.

### WE ALL BELONG TO THE CORPORATION AND HAVE A SAME GOAL

We promote collective work and collaboration with our peers within the same subsidiary and corporately, as an effective means of achieving the general objectives of the corporation, more efficiently and with high quality standards.

We all in the corporation, regardless from the company in which we work or the duties we have, contribute to achieving its goals. Teamwork enable us to reach the goals we are aiming at.

(\*) Underlined terms are defined at the end of the document

## EXCELLENCE AND INNOVATION

We maintain a quality culture and encourage excellence in the development of all our activities, always within high and demanding standards. Our earmark is a big capacity of adaptation to challenges and changes and an innovative attitude that allows us to identify new opportunities and scenarios to offer adequate solutions to the changing reality and be recognized as leaders in the market.

We display EXCELLENCE AND INNOVATION when:

### WE SEEK CONTINUOUS IMPROVEMENT

Continuous improvement is one of the characteristics that define us. Our corporate benchmarks and ideals represent a source of inspiration and example to keep improving ourselves.

### PERMANENT INNOVATION

Our innovating attitude seeks to strengthen long-term relationships with all our interest groups\*. Therefore, we are always looking for ways to improve our services and customer satisfaction.

### WE PROMOTE A QUALITY CULTURE

Quality and excellence are the standards in which we frame our actions, seeking to create value in the relationship with all our interest groups\*.

(\*) Underlined terms are defined at the end of the document

## COMPLIANCE WITH THE ETHICS CODE

The application of ethical principles in all areas of our business and the implementation of corporate values are essential to make a positive impact on our interest groups\*.

We know and respect the rules in this Ethics Code and we encourage all those who interact with us to assume the same commitment.

The corporation trains us in learning the Ethics Code and cares for incorporating these principles into our daily work.

### WE TAKE OUR RESPONSIBILITIES

Ethics is embedded in our corporate culture. We solve our ethical dilemmas reviewing the Ethics Code, relying on our values and good judgment. If that is not enough, our supervisors/superiors/leaders as collaborators will always have the doors open for any concerns about it. We can always turn to the Ethics Officer.

It is our responsibility to report any unethical action (acts against our ethical values and the Ethics Code) by utilizing the mechanism implemented for such purposes or reporting directly to the Ethics Officer, so as to implement the pertinent actions and collaborate with the investigation process. It is our commitment to support him/her in whatever he/she deems necessary.

During the investigation process, we are responsible to keep the acts in reserve.

### WE TRANSMIT OUR ETHICAL PRINCIPLES TO THE INTEREST GROUPS

We share with our interest groups\* the ethical principles that guide us with a mind to include within this scope the commercial and working relationship between us. We seek to transmit these principles to the society as a whole, employing the local and international initiatives leading to such purpose.

### WE SPECIFY THE RESPONSIBILITIES OF THE ETHICS OFFICER AND ETHICS COMMITTEE

(\* ) Underlined terms are defined at the end of the document

The Ethics Officer is responsible for administering the correct application of the Ethics Code and granting the pertinent authorizations. It is to him/her to whom the director, partner or any third party in general must report without delay any event, situation or behavior inappropriate or contrary to the provisions of this standard, using the established reporting channels.

The Ethics Officer will report to the Ethics Committee any fault of breach of the Ethics Code. The Ethics Committee will maintain strict confidentiality as to those involved in the fault and the complainants. The Ethics Committee will evaluate the complaint and decide the case. If a fraudulent or dishonest fact is found, it will proceed to apply a penalty commensurate to the fault committed. According to the significance of the case, the Ethics Committee will raise the issue to the Audit Committee of the Board or to the Board itself, for their knowledge and respective pronouncement. If the complaint deals with accounting matters, the general management or a director, the complaint shall be submitted directly to the Audit Committee of the Board or to the Board itself.

## WE APPLY DISCIPLINARY MEASURES AND PENALTIES

We know the rules contained in our Ethics Code and other corporate provisions that are mandatory. It is our understanding that the corporation through the companies that make it up can take disciplinary action and penalize workers who violate the rules of conduct outlined in this code, including a possible removal, according to existing legislation.

In the event a director becomes involved in a case of violation of the Ethics Code, it will be the Board itself without the presence of the accused, who will apply the appropriate sanction.

(\*) Underlined terms are defined at the end of the document

# Definitions

## *The Corporation's Assets*

These are all the material or immaterial goods the corporation has with which we perform our duties and successfully reach our goals. By way of example: the premises or offices, vehicles, computers, telephones, stationery, inventory, e-mails, internet, intellectual property, information, image, good-will and other intangibles, among others.

The corporation promotes the rational, conscious and proper use of assets, without extravagance and waste. We forbid the personal or non authorized use of the corporation assets, confidential information and business opportunities of which the employee becomes aware in the course of their operations or the position they have.

The collaborator accepts the inspection at any time without prior requirement of any property owned by the corporation that is used by the collaborator to keep their objects and personal information, including desks, lockers, vehicles, computers, telephones, etc.

Email and Internet are made available as corporate assets. The worker will make good use of these tools, acting with seriousness and professionalism. These are working tools and they should not be used in activities and personal uses other than activities proper to their work, illicit activities, fraudulent and dishonest behavior, or uses contrary to morals and good customs. They should not be used for personal purposes, as these communications are not subject to confidentiality and privacy standards. The employee expressly authorizes the corporation to access this information to verify its proper use, expressly waiving any subsequent claim.

## *Fraudulent or dishonest conduct*

It is that conduct which is contrary to law and the provisions of this code. Fraudulent or dishonest conduct seeks a personal or third party benefit. Examples of fraudulent or dishonest conduct are transmitting false, fictitious or misleading information, or failing to report on important facts or making false claims about competitors' offerings or about the characteristics of the products we sell.

The collaborator is forbidden to obtain information from third parties without consent from the customer or to induce, press or encourage officers or employees of the client to disclose for the collaborator's own benefit or that of the corporation information considered confidential.

(\*) Underlined terms are defined at the end of the document

### *Conflicts of interest*

The director and the collaborator of the corporation will act with loyalty, independence, transparency and impartiality, observing high ethical standards in the performance of their activities, avoiding actual or apparent conflicts between their own interests and those of the corporation.

There is a conflict when a director or collaborator has their own interests or represent interests of third parties that may interfere with or be contrary to the interests of the corporation, or influence on the independence of their decisions, or may lead to show unjustified preferences, or to act in a biased, non objective manner to the detriment of the corporation.

In such an event, the director or collaborator who is in this conflict shall notify to the Ethics Officer and move away (inhibit) from any decision or activity directly or indirectly related to the topic.

### *Due diligence*

This is the thorough investigation we must carry out during the collection and verification of information used for the development of our business, especially that of commercial, financial and legal nature; and the care we must have in the performance of our duties and use of corporate assets\*.

### *Interest groups*

Interest groups are those groups of society with whom we interact or generate an impact on, such as collaborators, shareholders, suppliers, customers, government, community and environment.

The corporation must contribute to this within its scope of operation and avoid negative impacts. Collaborators are encouraged to develop activities in their communities, contribute with government offices when their participation is requested, and properly relate to the environment.

### *Significant Events*

It is the communication Ferreycorp SAA must make to the Superintendency of Securities Market prior to disclosing information that may significantly influence the decision of a reasonable shareholder to buy, sell or retain a share listed on the Stock Exchange, or the liquidity, price or quotation of the issued shares.

(\*) Underlined terms are defined at the end of the document

### *Confidential information*

This is the information that could benefit any investor or competitor if it were made known to them, seriously damaging the corporation if made public. This information is considered a valuable asset of the corporation. The director and the collaborator shall not disclose confidential information to unauthorized people inside or outside the corporation, except with the prior pertinent authorization.

Any confidential information obtained from customers, suppliers and others in general during the course of the activities shall be maintained under strict reserve, as if it were our own.

The privileged and confidential information is that information which has not been disclosed to the market, such as could affect the share price of Ferreycorp S.A.A. in the Lima Stock Exchange. Those who have access to it shall not disclose to third parties or use it for personal gain. The director and the collaborator agree to refrain from trading securities of the corporation in a personal capacity using privileged information.

### *Free competition*

The corporation is identified with the constitutional principles of free market. It believes in free competition, in attracting and retaining customers by offering quality products and services, competing in the market with fairness, loyalty and transparency under criteria of efficiency and careful attention to the requirements and customer needs.

### *Business in a personal capacity and independently*

The director and the collaborator shall not participate personally and independently in business with the companies of the corporation, or provide consultancy services or advice to them or perform positions of director, officer or employee of a customer, supplier or competitor, unless authorized in writing by the Ethics Officer.

The provision of these services or the performance of these offices competes against the interests of the corporation, configuring a situation of conflict of interests\*. The director and the collaborator may not as a result of these activities receive a direct or indirect benefit complementary to the income they already receive from the corporation. Similarly, they may not prioritize or give preference to a vendor/specific business for personal gain.

(\*) Underlined terms are defined at the end of the document



Further, they may not engage in personal activities that may encumber the time they must devote to their work or their exclusive dedication to the corporation, even in the case of educational activities, such as preventing them from fulfilling their job duties and/or competing against the interests of the corporation, unless they obtain the written permission of the Ethics Officer.

*Official Representatives*

Official spokespersons have been designated by the General Management to be the representatives of the corporation to the media. Therefore our communication with the media is limited, unless there is express indication from senior management to give statements.

*Remuneration that transcends the business relationship*

In the performance of their activities, the director and the collaborator should not expect any compensation from customers or suppliers of the corporation, so they will not accept gifts, favors, invitations, commissions, fees, money or income of any type that transcends the rules of courtesy and commercial standards, according to the policy established by the corporation.

- 0 -

(\*) Underlined terms are defined at the end of the document