

# CORPORATE SUSTAINABILITY REPORT (10180)

Official Company Name:

Ferreycorp

Year:

2018

Website:

[www.ferreycorp.com.pe](http://www.ferreycorp.com.pe)

Official name of the reviewing firm: <sup>1</sup>

Ferreycorp S.A.A.

RPJ

B60001

## Section A: Implementation of Corporate Sustainability actions

Question A.1	YES	NO	Explanation:
<i>Has the Company voluntarily adhered to standards of good practices in Corporate Sustainability?</i>	x		Ferreycorp promotes sustainable development through a socially responsible management model.

If the answer is yes, indicate the standard and compliance date

Standard	Compliance date
The United Nations Global Compact Network	February 2004
Association of Good Employers (AmCham, America Chamber of Commerce of Peru)	November 2007
Socially Responsible Company Distinction (Peru 2021)	January 2013
Dow Jones Sustainability Index	October 2017

If sustainability reports other than this report are prepared, indicate the following information:

These reports are prepared:	YES	NO
<i>Voluntarily</i>	X	
<i>Due to investor requirements</i>		X
<i>Due to requirement by public institutions</i>		X
<i>Other (list):</i>	On the recommendation of the Superintendence of the Securities Market (SMV in Spanish), the Lima Stock Exchange (BVL in Spanish), the Responsible Investment Program (PIR in Spanish), the Integrated Latin America Market (MILA in Spanish).	

Access to these reports can be obtained through:

<i>Superintendence of the Securities Market (SMV) portal</i>	
<i>Corporate website</i>	X
<i>Social networks</i>	
<i>Other / List</i>	

Question A.2	YES	NO	Explanation:
Does the Company have a corporate policy that considers the impact of its activities on the environment?	X		Ferreycorp has an Industrial Safety System, Occupational Hygiene and Environmental Management, based on the ISO 14001 standard.

a. If your answer to question A.2 is yes, indicate the Company document which regulates the policy and the body that approves it.

Document	Body
Integrated Corporate Safety, Health and Environment Policy	Health, Safety and Environment Committee and the CEO

b. Does the Company quantify greenhouse gas emissions produced by its activities (carbon footprint)?

YES  NO

If your answer is yes, indicate the results obtained:

(t CO <sub>2</sub> e)	Ferreycorp	Ferreyros	Unimaq	Orvisa	Fargoline	Motored
Scope 1*	81.77	745.23	91.89	139.88	2,941.33	36.10
Scope 2**	603.53	1,086.31	88.02	219.68	123.39	54.43

\* Emissions issued directly by the company  
 \*\* indirect emissions due to electric power consumption  
 The results correspond to the measurement made in 2017 in some headquarters of the aforementioned companies.

c. Does the Company quantify and document the total amount of energy used in its activities?

YES  NO

If your answer is yes, indicate the results obtained:

Ferreyros + holding Ferreycorp: 29,628.51 GJ	Motored: 1,738.17 GJ
Fargoline: 2,932.13 GJ	Soltrak: 1,718.14 GJ
Unimaq: 3,448.16 GJ	Orvisa: 2,381.90 GJ

d. Does the Company quantify and document the total amount of water used (water footprint) in its activities?

YES  NO

If your answer is yes, indicate the results obtained:

Ferreyros + holding Ferreycorp: 118,748.90 m3	Motored: 5,299 m3
Fargoline: 5,789.65 m3	Soltrak: 6,843.66 m3
Unimaq: 19,488.38 m3	Orvisa: 4,982.06 m3

e. Does the Company quantify and document waste produced as a result of its activities?

YES  NO

If your answer is yes, indicate the results obtained:

Ferreyros + holding Ferreycorp: 1,261.76 Tn	Motored: 65.55 Tn
Fargoline: 204.54 Tn	Soltrak: 18.13 Tn
Unimaq: 61.89 Tn	Orvisa: 16.17 Tn

Question A.3	YES	NO	Explanation:
Does the Company have a policy to promote and ensure its workers' fundamental principles and rights in the workplace? <sup>1</sup>	X		The Ferreycorp companies have a Code of Ethics, Internal Work Regulation and Policy against Harrasment, Discrimination and Mobbing.

<sup>1</sup> According to the International Labor Organization (ILO) on Fundamental Principles and Rights at Work, adopted in 1998, the principles and rights fall into the following four categories: (i) freedom of association and the effective right to collective bargaining, (ii) the elimination of forced or compulsory labor, (iii) the abolition of child labor and, (iv) the elimination of discrimination in respect of employment and occupation.

a. If your answer to question A.3 is yes, indicate the Company document which regulates this policy and the body that approves this document.

Document	Body
1. Code of Ethics	1. Corporate Management of Corporate Affairs
2. Internal Work Regulation	2. Corporate Management of Corporate Affairs
3. Set of Human Resources Policies and Procedures Standards	3. Corporate Management of Corporate Affairs
4. Corporate Policy against Harrasment, Discrimination and Mobbing.	4. Corporate Management of Corporate Affairs

b. Does the Company keel a record of work-related accidents?

YES  NO

If your answer is yes, indicate the area responsible for keeping the record and to whom the area reports.

Responsible Area	Reports to
Health, Safety and Environment	Corporate Human Resources Manager

c. Does the Company have a training plan for its workers?

YES  NO

If your answer is yes, indicate the area of the Company that approves the plan and the frequency with which adherence to the plan is evaluated:

Body	Evaluation frequency
Talent Management Department	Once a semester

d. Does the Company take surveys or make evaluations regarding the work environment?

YES  NO

If your answer is yes, indicate the results obtained:

The Work Environment Survey taken in 2018 at the corporate level showed the following results:  
 Average level of the corporation participation: 98%  
 Average level of the corporation commitment: 82%  
 Proportion of employees who feel proud to belong to Ferreycorp: 91%

Question A.4	YES	NO	Explanation:
Does the Company have a policy that establishes basic guidelines for its relations with the communities with which it interacts?	X		Ferreycorp seeks to generate positive impacts in the communities, working mainly on two aspects that it considers important for its development: Education and sanitation.

a. If your answer to question A.4 is yes, indicate the Company document which regulates this policy and the body that approves this document .

Document	Body
Corporate Policy on Sustainable Development	Corporate Communication and Image Management

b. Has the Company encountered social conflicts (strikes, marches, etc.) in the community where it conducts its main activities as a consequence of its operations?

YES  NO

If your answer is yes, explain the impact of these social conflicts on the Company's activities.

c. Does the Company work in collaboration with the community in the joint creation of value, including the identification and solution of the main problems they have in common?

YES  NO

d. Does the Company invest in social programs in the community where it conducts its main activities?

YES  NO

If your answer is yes, indicate the percentage the investment in such programs represents with regard to gross revenue according to the Company's financial statements:

(%) Gross Revenue	0.03% approx.
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Question A.5	YES	NO	Explanation:
Does the Company have a policy that establishes basic guidelines for managing supplier relations?	X		Ferreycorp manages principles of transparency, fair treatment and mutual growth with its suppliers.

a. if your answer to question A.5 is yes, indicate the Company document which regulates this policy and the body that approves this document.

Document	Body
1. Code of Ethics 2. Regulation for contractors and suppliers' work and services 3. Standard for contractors and suppliers' work and services	1. Corporate Management of Corporate Affairs 2. Financial Services and Treasury Management 3. Central Security Committee

b. Does the Company keep an updated list of its suppliers?

YES  NO

If your answer is yes, indicate the area responsible for keeping the list and to whom the area reports.

Responsible Area	Reports to
Financial Services and Treasury Department	Financial Services and Treasury Department

c. Does the Company have a criterion for supplier selection that considers ethical matters and compliance with labor legislation?

YES  NO

d. Does the Company have a procurement or hiring policy on selecting suppliers that adhere to sustainable or environmental management standards?

YES  NO

**Question A.6**

	YES	NO	Explanation:
Does the Company have a policy that establishes basic guidelines for managing customer relations?	X		Ferreycorp promotes mutually beneficial and long-term relationships with its customers.

a. If your answer is yes, indicate the Company document which regulates this policy and the body that approves this document.

Document	Body
1. Code of Ethics	1. Corporate Management of Corporate Affairs
2. Corporate Standard for the Management of the customer experience	2. Corporate Communication and Image Management
3. Corporate Standard for the Management of complaints and claims	3. Corporate Communication and Image Management

b. Does the Company keep an updated log of customer complaints?

YES  NO

Responsible Area	Reports to
Deputy Manager of Customer Experience Management	Corporate Business Management

c. Does the Company have regular channels for dealing with the public and for receiving suggestions and complaints related to the products and services it provides?

YES  NO

d. Has the Company received any recognition for the quality of its customer service?

YES  NO

If your answer is yes, indicate the recognitions received:

Among the subsidiaries representing Caterpillar, improvements continued within the CAT Excellence programs, which involve considerations related to customer service as part of their evaluation.

- In the Service Excellence program, the Gold award awarded to Ferreyros stands out, as well as the Silver award to Unimaq, Orvisa, Gentrac and General de Equipos.
- In the Rental Operation Certification program, the Gold distinction granted to the main subsidiary stands out, as well as the Bronze distinction to Unimaq and Gentrac.
- In the Used Operation Certification program, the Gold award given to Ferreyros stands out.
- In the Digital Excellence program, it is worth mentioning the Silver award granted to Ferreyros.

- In the Parts Excellence program, Ferreyros obtained the Silver distinction, and Gentrac, the Bronze distinction.



## **Section B: Details of actions Implemented by the Company**

The information concerning the management of the Ferreycorp corporation regarding sustainability during the year 2018 is contained in the content of the Annual Integrated Report of that year.