

**PREPARED BY:**

Assistant manager of Strategic Planning  
and Risk Management

**REVIEWED BY:**

Legal Manager  
Strategic Management Control Manager

**APPROVED BY:**

CEO

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# PROTOCOL FOR INTERACTION WITH PUBLIC OFFICIALS

## 1. PURPOSE

Define the guidelines under which all collaborators and Business Partners (as this term is defined below), acting on behalf of the companies that are part of the economic group of Corporación Aceros Arequipa SA, must interact with Officials or Public Servants (according to both terms are defined below), in order to prevent acts of bribery (bribery, collusion and influence peddling), as well as to maintain an ethical and transparent relationship at all times.

Respect competition and the functioning of markets, promoting economic efficiency for the benefit of all users and consumers, through the prevention and elimination of illegal practices that generate competitive advantages for the company.that generate competitive advantages for the company.

## 2. SCOPE

This policy is applicable at the Corporate level within the framework of the operations of Corporación Aceros Arequipa SA and its subsidiaries in Peru and other countries (hereinafter, CAASA).

## 3. JUSTIFICATION

Contribute to the ethical culture and transparency defined in the Code of Ethics and in the Code against Acts of Fraud and Corruption, within the framework of CAASA's Anti-Bribery Management System and the legal basis of each country in which we operate.

## 4. DEFINITIONS

### 4.1. Bribery (Bribery)

It is a type of public corruption crime. It is regulated by article 393<sup>o</sup> to article 398<sup>o</sup> of the Peruvian Criminal Code (as it has been or may be modified or regulated from time to time) and occurs when the Official or Public Servant accepts, receives or requests, directly or indirectly, a donation, promise or any other advantage or benefit

to perform or omit an act: i) without breaching its obligations, ii) in breach of its obligations or iii) as a result of having failed to comply with them.

Example: Offer a payment to an official of a municipality to expedite a process.

#### **4.2. Collusion**

It is a type of public corruption crime. It is regulated in article 384 of the Peruvian Criminal Code and occurs when a Public Official or Servant who, intervening directly or indirectly, by reason of his position, at any stage of the modalities of acquisition or public contracting of goods, works or services, concessions or any operation in charge of the State, arranges with the interested parties to defraud the State.

Example: Payment of a gift or any other benefit to the President of the Awarding Committee of good pro to win a State tender.

#### **4.3. Prevention Manager**

Person appointed by the highest body of the company, which is in charge of promoting, developing and ensuring the maintenance and compliance of CAASA's Anti-Bribery and Other Crimes Management System (SGAD) through the definition of the regulatory framework, methodology and tools for the identification and management of risks of committing crimes of bribery, collusion and influence peddling, the supervision of the effectiveness of the controls established to mitigate them and the application of corrective measures or updates.

It is responsible for promoting a culture of ethics and transparency, and ensuring the alignment of corporate policies and procedures, as well as those specific to the legal basis of each country.

Depending on the corresponding legal basis in each country, additional roles could be defined with specific functions and reporting levels.

#### 4.4. Official and/or Public Servant

According to Article 425 of the Peruvian Penal Code, civil servants or public servants are those persons who maintain a labor or contractual relationship with State entities, agencies or companies, as well as mixed economy companies included in the State's business activity.

Any of the following persons will have the status of official or public servant:

- Those who are included in the administrative career.
- Those who hold political or trust positions, even if they emanate from popular election.
- Anyone who, regardless of the labor regime in which they find themselves, maintains a labor or contractual relationship of any nature with State entities or agencies, including State companies or mixed economy companies included in the State's business activity, and who by virtue of this it exercises functions in said entities or organisms.
- The administrators and depositaries of assets seized or deposited by the competent authority, even if they belong to individuals.
- Members of the Armed Forces and National Police.
- Those designated, elected or proclaimed, by the competent authority, to perform activities or functions on behalf of or at the service of the State or its entities.
- Each and every one of the individuals who turn out to be foreign public officials, or officials of an international public organization, according to the applicable regulations in each case.
- Others indicated by the Political Constitution of Peru and the law.

#### 4.5. Politically Exposed Person (PEP)

PEPs are natural persons, national or foreign, who fulfill or who in the last five (5) years have fulfilled prominent public functions or prominent functions in an international organization; whether in the national territory or abroad, and whose financial circumstances may be the object of public interest.

The Annex to SBS Resolution No. 4349-2016 issued by the Superintendence of Banking, Insurance and AFP of Peru defines the positions held by PEP in matters of prevention of Asset Laundering and Financing of Terrorism (LAFT).

#### 4.6. Principle of Transparency and Accountability

It refers to the characteristic of governments, organizations and people of being trustworthy, accessible and willing to clear and timely disclosure of all kinds of information; as well as that the people in charge of economic management render periodic accounts of the expenses they execute.

#### 4.7. Business partner

External party with whom the company has or plans to establish some type of commercial relationship or contractual; therefore includes, but is not limited to, customers, joint venture partners, consortium members, third-party providers, contractors, consultants, subcontractors, vendors, advisers, agents, distributors, representatives, intermediaries, and investors (NTP-ISO 37001).

#### 4.8. Influence peddling

It is a type of public corruption crime. It is regulated in article 400 of the Criminal Code and consists of receiving, giving or promising for oneself or for a third party, a donation, promise or any other advantage or benefit with the offer to intercede with an Official or Public Servant who has to hear, is hearing or has heard a judicial or administrative case.

Example: Offer a sum of money to a former official of the Ministry of Production so that he can intercede with the owner of the entity to obtain a permit.

## 5. GUIDELINES

### 5.1. About the regulatory framework:

This document is part of the regulatory framework defined in CAASA's Anti-Bribery Management System, in compliance with good transparency and governance practices.

### 5.2. Regarding the definition of Positions Exposed to Public Entities:

5.2.1. Each Manager validates the list of their collaborators and Business Partners who will interact within the framework of their functions and on behalf of CAASA with any Official and/or Public Servant; and sends to the Prevention Manager for their respective authorization using the Format **GEGR-E002 Levels of Interaction with Public Entities**. Said format must be updated at least once a year or every time the respective Management identifies the need.

5.2.2. If any collaborator, who is not registered in the **GEGR-E002 Levels of Interaction with Public Entities** receives a communication from an Official and/or Public Servant, they must inform their Direct Supervisor, and the latter their Manager and the Prevention Manager, before interacting, making decisions, assuming commitments, processes or activities of any kind that commit CAASA and its Subsidiaries.

### 5.3. Regarding the responsibilities of collaborators who occupy positions within the registry **GEGR-E002 Levels of Interaction with Public Entities**:

Participate in annual training scheduled by Human Resources and the Prevention Manager to ensure that they have the necessary skills to interact with Public Officials and/or Servants, complying with the applicable legal basis and CAASA guidelines, without compromising or putting them at risk of materialization of scope crimes: Bribery, Collusion and influence peddling.

5.3.2. Read, understand and comply with this protocol, signing and delivering the sworn statement called **GEGR-E004 DJ - Interaction with Public Officials** to your Manager, contact in the company and/or to the Prevention Manager. The Managers and contacts in the company must refer such Affidavits to the Prevention Commission.

5.3.3. Inform your Manager, contact in the company and/or the Prevention Manager, through the form **GEGR-E001 Declaration of Politically Exposed Person (PEP), if it is a PEP** and if it is a direct relative (parents, grandparents, siblings, children, spouse) of any Official or Public Servant who is able to influence or grant a benefit to CAASA.

5.3.4. Inform the Prevention Manager and/or the Ethics Line of any attempt, suspicion or breach of this protocol, which they identify by themselves, by another collaborator or Business Partner. As well as any request or offer by an Official and/or Public Servant that puts CAASA at risk.

5.3.5. Follow the Principles of Transparency and Accountability in all interactions (eg procedures, authorizations, permits) carried out on behalf of CAASA, with Officials and Public Servants; in such a way that they are traceable and auditable. It also falls under the responsibility of the Direct Manager.

5.3.6. Ensure bankarization, transparency and traceability in terms of the nature of payments to public entities, the associated contract or agreement and the destination. Cash payments are prohibited.

#### **5.4. On the prohibitions to collaborators who occupy positions within the registry **GEGR-E002 Levels of Interaction with Public Entities****

5.4.1. Make statements and/or issue public opinions regarding any situation that involves CAASA, without the authorization of the general management.

5.4.2. Meet with Officials and Public Servants without authorization and/or knowledge, in accordance with this protocol.

5.4.3. Offer, give, authorize, accept or solicit any bribe or facilitation payment to any person or entity, either directly or indirectly, in compliance with the [GH-P001 Code of Ethics](#) and the [GH-P002 Code Against Acts of Fraud and Corruption](#).

5.4.4. Exchanging favors with any Official or Public Servant.

## **5.5. Regarding the guidelines applicable to Business Partners acting on behalf of CAASA, registered in [GEGR-E002 Levels of Interaction with Public Entities](#)**

5.5.1. Strictly comply with the laws, regulations and administrative requirements applicable to businesses carried out in Peru and in other jurisdictions in which it operates, as appropriate, as well as comply with CAASA's ethical guidelines.

5.5.2. Not participate in acts of bribery (bribery, collusion, influence peddling) involving CAASA.

5.5.3. Report any situation that violates the guidelines of this protocol, by a CAASA collaborator or Business Partner, reporting through the complaints channel and/or your direct CAASA contact.

5.5.4. Disseminate the guidelines of this protocol among its workers who interact with public entities on behalf of CAASA.

In the event that CAASA identifies a breach of any of the above points, CAASA will be empowered to terminate the commercial or contractual relationship with the Business Partner.

## **5.6. On the classification of vulnerabilities and actions to prevent them:**

5.6.1. Situations of interaction with Officials or Public Servants can be considered Low Vulnerable, Moderately Vulnerable or Highly Vulnerable situations regarding the commission of crimes of the scope; and for the different levels, specific guidelines or rules of conduct have been established for their development, in such a way as to prevent the materialization of any of the crimes.



Interaction Vulnerability	Situations	Prevention Actions
Little Vulnerable	<ul style="list-style-type: none"> <li>-Presentation of documents by party table (presentation of files, applications, discharges, among others), payments in boxes, interviews in information modules, sending institutional emails.</li> <li>-Meetings or interviews with officials or public servants on the occasion of a procedure in process in order to monitor and find out the status of the request or procedure, through the formal channel (eg face-to-face interviews at the institutional headquarters, or virtual interviews via teams, zoom, Google meet or another similar that the authority has authorized).</li> <li>-Participation in seminars, talks, fairs or similar events organized by public entities.</li> </ul>	<ul style="list-style-type: none"> <li>-Adhere to the guidelines established in this document.</li> </ul>
Moderately Vulnerable	<ul style="list-style-type: none"> <li>-Statements and oral reports within the framework of administrative or judicial processes.</li> <li>-Meetings or interviews with officials or public servants -through official channels (in person or virtually)- on the occasion of a pending procedure in which the grounds of the request or request are exposed.</li> <li>-Subpoenas in judicial and/or administrative proceedings by officials or public servants under any modality (verbal, written, electronic).</li> </ul>	<ul style="list-style-type: none"> <li>-Adhere to the guidelines established in this document.</li> <li>-The interaction must take place at the official facilities of the public entity (premises, offices)and within the opening hours established by the institution.</li> <li>-In the case of state business partners, they will be able to interact at the CAASA facilities.</li> </ul>
Very Vulnerable	<ul style="list-style-type: none"> <li>-Work meetings with state business partners to manage tenders, to promote improvements in current regulations, coordination to support public entities in emergency situations, among others.</li> <li>- Attention to audits, inspections and the like.</li> <li>-Social events (breakfasts, lunches, cocktails, dinners, among others) organized by public entities or by CAASA (anniversaries, promotional events for new products, services or facilities, among others) in which there is interaction with officials or public servants.</li> <li>-Meetings (committees, boards, boards, among others) in which public officials or servants are present and/or participate.</li> </ul>	<ul style="list-style-type: none"> <li>-Adhere to the guidelines established in this document. Stick to those mentioned in the previous level.</li> <li>-Interact with the participation (in total) of at least two collaborators or business partners of CAASA.</li> <li>-Only for CAASA collaborators: Communicate to the person in charge of Prevention the result of the interaction, at least one day after it occurred through the <a href="#">Interaction with Public Officials Report</a>.</li> </ul>

## 5.7. About the Integral Management of Risks and Opportunities:

In compliance with the [GE-P001 Corporate Policy for Internal Control and Risk Management](#) and the [GEGR01-M001 Comprehensive Risk and Opportunity Management Methodology \(GIRO\)](#), the Process Owners are responsible for identifying, evaluating, controlling and monitoring the risks associated with the processes in their charge and keeping the Risk and Control Matrices updated, considering new unforeseen situations in which crimes within the scope could materialize: influence peddling, bribery and collusion.

## 5.8. Responsibilities:

For the proper development and control of our management, we have the following governance structure in accordance with its role:

5.8.1. Leadership Role: Disseminate and promote an ethical culture and zero tolerance against fraud and corruption:

- Senior Management: Approves the protocol and promotes its compliance throughout the company.
- Officials: They apply and disseminate within their team the correct application of this protocol.

5.8.2. Role of Process Owner: Manage the risks related to acts of bribery (Bribery, collusion and influence peddling) of the processes under their responsibility:

- Identify and assess the risks related to scope crimes in the processes under their responsibility and establish controls to mitigate them.
- Execute self-control routines in order to ensure the correct operation of the controls and the mitigation of risks.
- In conjunction with the Purchasing area, ensure that Business Partners acting on behalf of CAASA comply with the guidelines defined in this protocol.

5.8.3. Supervisory Role: Supervise compliance with this protocol and its alignment with the corporate regulatory framework:

- Prevention Manager: Leads and articulates the correct compliance with this protocol and ensures consistency between all related documents at the corporate level and locally in each country.
- Ethics Committee: Supervises compliance with the Code of Ethics and the Anti-Bribery Management System.
- Internal Audit: Verifies the risk assessment and the correct design of the controls associated with this protocol and informs the Audit and Risk Committee.

5.8.3. Rol de Supervisión: Supervisar el cumplimiento de este protocolo y su alineamiento con el marco normativo corporativo:

- Encargado de Prevención: Lidera y articula el correcto cumplimiento de este protocolo y se asegura de la consistencia entre todos los documentos relacionados a nivel corporativo y localmente en cada país.
- Comité de Ética: Supervisa el cumplimiento del Código de Ética y el Sistema de Gestión Antisoborno.
- Auditoría Interna: Verifica la evaluación de riesgos y el correcto diseño de los controles asociados al presente protocolo e informa al Comité de Auditoría y Riesgos.

5.9. In case of doubt regarding the interpretation or application of this document, as well as possible conflicts with other internal guidelines of CAASA and its subsidiary companies or with the applicable legal framework, consult the Prevention Manager.

5.10. Failure to comply with the provisions of this document by a CAASA collaborator or its subsidiary companies will be penalized according to the provisions of the Internal Work Regulations.