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Code: GF – P004i
Version: 02
Approved: June 30, 2022

CORPORATE TAX POLICY

1. OBJECTIVE

Define criteria and action framework in Corporación Aceros Arequipa SA (hereinafter CAASA) and its subsidiary companies, regarding national and foreign tax management, and standardize the principles and concepts related to tax issues.

The criteria and framework are aimed at complying with the legal regulations on the matter in the countries where CAASA and its subsidiary companies operate and act as responsible taxpayers.

2. SCOPE

This policy will make possible to strengthen and deepen the Good Corporate Governance commitments already established and will give guidelines for conduct to ensure clarity and transparency, unity of criteria and compliance with current legislation.

This policy applies to all operations that are related to tax issues in the operations of CAASA and its subsidiaries.

3. REGULATORY OR REFERENCE FRAMEWORK

- Political Constitution of Peru 1993.
- Single Ordered Text of the Tax Code Supreme Decree 133-2013-EF and the modifications that may have.
- Single Ordered Text of the Income Tax DS 179-2004-EF and the modifications that they may have.
- Single Ordered Text of the Law on General Sales Tax and Selective Consumption Tax Supreme Decree 055-1999-EF and any modifications that may have.
- Applicable tax laws in force in the countries where the subsidiaries operate.
- Other legal regulations of a tax nature applicable to the operations of the companies

4. DEFINITION

Tax management

It is defined as the administrative function aimed at the application of taxes, which in a broad sense would be made up of all activities aimed at quantifying and determining the tax debt (tax settlement), checking the behavior of the taxpayer by the Administration (inspection) and the collection or payment of tax debts (collection), and that in a strict sense would only cover the liquidation and verification.

5. GUIDELINES

The decisions on tax matters of CAASA and its subsidiary companies, as well as their relations with the competent authorities, are governed by the following principles:

5.1. Comply with **the literal interpretation and with the spirit of** all tax norms issued by the corresponding agencies in the different countries where CAASA operates.

5.2. Adopt tax positions based on economic motives, honest business strategies, and generally accepted practices. CAASA does not use unfair tax planning methods .

5.3. Minimize tax risks and protect CAASA's reputation, based on a reasonable and ethical interpretation of the tax laws applicable in each country where it operates.

5.4. Promptly pay all applicable taxes, in accordance with the relevant tax laws.

5.5. Do not transfer the value created to tax havens or countries with low or no taxation, nor use structures designed to reduce the transparency of operations, evade or evade the payment of taxes. To comply with it, CAASA has implemented a tax strategy policy, which establishes a multi-managerial committee that evaluates and submits to the Board the approval or not of acts or economic situations to be carried out within the framework of tax planning (Anti-Avoidance Rule).

5.6. Apply the arm's length principle¹ in operations between the Corporation's subsidiaries, in accordance with the transfer pricing standards in force in each country.

5.7. Request expert opinions in case of uncertain tax positions on relevant transactions.

5.8. Collaborate with the tax authorities, based on the principles of good faith, professionalism and reciprocity, without prejudice to the legitimate differences that may arise regarding the interpretation of the applicable laws.

5.9. Promptly provide complete information and documentation as request by the tax authorities.

5.10. Train and ensure that the collaborators involved in tax management know this policy and act in accordance with the law.

5.11. Failure to comply with the guidelines established in this policy will lead to investigations, corrective actions and/or exemplary sanctions, if the parties involved are found to be responsible.

5.12. Responsibilities:

5.12.1. The responsibility for implementing, maintaining and executing tax management in CAASA and its subsidiaries rests with the General Accountant with the support of the companies' Tax Specialist.

5.12.2. The responsibility for ensuring that the internal control system for tax management is operating properly rests with the General Management and the Administration and Finance Management.

¹According to this principle, transactions between related companies must be performed as if they were unrelated parties, i.e., based on market values. OECD, 2006, Annual Report on the OECD Guidelines for Multinational Enterprises: Conducting Business in Weak Governance Zones, OECD, Paris

5.12.3. The Internal Audit Management will be responsible for evaluating compliance with the guidelines defined in this policy. It will evaluate the internal controls to have reasonable security about the accuracy and veracity of the information used in tax management, as well as compliance with the Law.

6. TERM

This corporate policy was approved at the Board meeting on August 7, 2020, and was revised on September 24, 2020, and on June 30, 2022. This policy will enter into force as from the date of its approval.

