

## BYLAWS OF CORPORACIÓN ACEROS AREQUIPA S.A.

### TITLE ONE

#### NAME, PURPOSE, DOMICILE, DURATION, AND DATE OF COMMENCEMENT OF OPERATIONS

Article 1°. - The company is called "Corporación Aceros Arequipa, Sociedad Anónima", and may use the name "Aceros Arequipa" for the products it manufactures and distributes.

Article 2°. - The Company's main corporate purpose is steelmaking, understood as the production of steel for manufacturing and selling billets, bars, profiles, and wire rods, in different shapes and qualities.

Other activities included in the corporate purpose are the following:

1. The sale of products for construction and industry in general (metal mechanics, mining, fishing, agribusiness, etc.).
2. The import and export of inputs and raw materials related to the goods mentioned above and products.
3. The performance of mining activities, mainly prospecting, prospecting, exploration, exploitation, benefit, mining transportation, and other mining activities, for the exploitation and benefit of metallic and non-metallic minerals; including related activities, such as purchase, import, export, sale, distribution, consignment and commercialization of all types of minerals, among others.
4. The transfer under any modality of technology acquired or developed by the Company.
5. The activity of Authorized Customs Warehouse.
6. The performance of activities for the sale of solid waste.
7. The performance of agricultural activities in general.
8. The performance of electric transmission and generation activities following the relevant legal regulations.
9. Storage of hydrocarbons and fuels for internal use.
10. Any other industrial or commercial activity agreed by the General Shareholders' Meeting.<sup>1</sup>

Article 3°. - The Company is domiciled in the city of Lima, Peru, and may establish industrial plants, branches, agencies, and offices in any other place in the country and abroad, with the prior agreement of the Board of Directors.<sup>2</sup>

Article 4°. - The duration of the corporation is indefinite.

Article 5°. - The corporation began its operations on the date of execution of the original articles of incorporation, i.e. December 31, 1997. For historical purposes, it is hereby stated for the record that the predecessor company was Aceros Arequipa S.A., which started its industrial operations in the Industrial Park of Arequipa on October 17, 1966.

### TITLE TWO

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<sup>1</sup> Article modified by the General Shareholders Meeting dated August 31, 2022

<sup>2</sup> Article amended by the General Shareholders Meeting dated March 20, 2019

## CAPITAL STOCK AND SHARES

Article 6°. - The Capital of the corporation is S/. 890'858,308 (Eight hundred ninety million eight hundred fifty-eight thousand three hundred eighty-eight thousand and one 00/100 Nuevos Soles), divided into 890,858,308 shares, with a par value of S/. 1.00 (One Sol) each, fully subscribed and paid in.<sup>3</sup>

Article 7 - The liability of each shareholder shall be limited to the nominal amount of the shares owned, that is to say, to its part of the subscribed and paid-in capital.

Article 8. - Shares shall be registered. Shares that have not been subscribed may not be issued.

Article 9° . - The shares issued, whatever their class, shall be represented by certificates, by book entries, or in any other form permitted by law. The share certificates shall obligatorily state the following:

1. The name of the company, its domicile, duration, the date of the public deed of incorporation, the notary before whom it was granted, and the registration data of the company in the Registry.
2. The amount of capital and par value of each share.
3. The shares are represented by the certificate, the class to which it belongs, and the rights and obligations inherent to the share.
4. The amount paid for the shares or the indication that they are fully paid.
5. The liens or encumbrances that may have been established on the share.
6. Any limitation to its transferability.
7. The date of issue and the certificate number.

Article 10° . - The Company may issue provisional share certificates, which shall obligatorily include the information indicated in the preceding article, as applicable.

Article 11° . - The definitive or provisional share certificates shall be signed by the Chairman of the Board of Directors or the person acting in his stead and by a Director, and electronic, digital, or other means may be used following the pertinent legal regulations.

Article 12° . - Share certificates shall be issued in books with check stubs and shall be numbered consecutively. The certificates may be issued for the total number of shares owned by the shareholder or for such portions of shares as the shareholder may indicate.

Article 13° . - Shares shall be recorded in the "Share Register", which shall be kept in a book specially opened for such purpose or in loose sheets, duly legalized, or in book entries or in any other form permitted by law. Therein shall be recorded the creations, issues, transfers, exchanges, and splitting of shares, the constitution of rights and encumbrances thereon, limitations on transfer and agreements between shareholders or of shareholders with third parties concerning the shares or having as their object the

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<sup>3</sup> Article amended by the AGM dated December 20, 2018.

exercise of the rights inherent thereto.

Article 14°. - The transfer of shares shall be carried out following the legal regulations on shares listed on the Stock Exchange.

Article 15°. - - The corporation shall consider the owner or whoever appears as such in the Share Register. When one or more shares belong to several persons, the condominium owners shall appoint a common representative before the corporation, who shall exercise the rights of the partner, without prejudice that all the co-owners shall be jointly and severally liable before the corporation for the obligations derived from their capacity as shareholders.

In the event of loss, theft, misplacement, or destruction of a stock certificate, the corporation shall issue a new certificate in favor of the person appearing as the owner thereof, according to the Stock Register, issuing a minute stating the cancellation of the certificate, signed by the Chairman of the Board of Directors and a Director.

If applicable, the legal regulations of the Stock Market will be applied regarding the mechanized registration of shares.

Article 16°. - The corporation may only acquire its shares in the cases contemplated by the General Corporations Law.

In no case may the corporation provide loans or advances secured by its shares, under the responsibility of the Board of Directors.

### **TITLE THREE**

#### **ACCOUNT INVESTMENT SHARES**

Article 17°. - The company shall maintain an Investment Shares Account, following the legal provisions in force and as long as they are not modified. In the event of a legal amendment, it shall be reflected in the Bylaws with the corresponding changes, and, in any case, the new legal regulations shall prevail over what is defined in the Bylaws, as applicable and as long as they are not amended.

Article 18°.- The Investment Shares Account is comprised of Investment Shares distributed in the manner outlined in the corresponding records, which shall reflect their annual changes.

Article 19°.- The registration, transfer, and real rights affecting the securities comprising the Investment Shares Account shall be kept in Registry Books in the manner stipulated by the legal provisions in force.

Article 20°.- Transfers of Investment Shares shall be made following the legal regulations on shares listed on the Stock Exchange.

Article 21°.- The Investment Shares comprising the Investment Shares Account shall have the rights outlined in the legal provisions in force and shall be held until the Company agrees with their holders the redemption thereof, it is expressly established that such shares shall only grant equity rights without intervention or vote in the General Shareholders' Meetings or the Board of Directors.

Article 22. In the event of an increase in Capital Stock by new contributions, as agreed by the General Shareholders' Meetings, the holders of Investment Shares, individually, have the right to make contributions to the corporation in proportion to their participation in the Investment Shares Account, which shall be used to increase such account, only to maintain the existing proportion between such account and the Capital Stock. The portion not subscribed by a shareholder holding Investment Shares may be subscribed by the other shareholders of similar securities on a proportional basis. It is hereby clarified that the capitalizations of debts constitute, for these purposes, capitalizations of new contributions.

The shareholders of Investment Shares who make these contributions, which are optional and not obligatory, will receive new Investment Shares which will grant them exclusively patrimonial rights without intervention or vote in the General Shareholders' Meetings and the Board of Directors.

## **TITLE FOUR**

### **OF THE ORGANS OF THE COMPANY**

Article 23°. - The powers and attributions established in these Bylaws for the different governing bodies of the Company are exclusive and excluding of each of those bodies, so that no other body may exercise them, except by delegation of the body to which they correspond when such delegation is appropriate.

If there is any doubt as to which body should exercise a certain function or attribution, it shall correspond to the General Shareholders' Meeting, unless the General Companies Act contains a provision assigning that function or attribution to another body of the Company.

### **GENERAL SHAREHOLDERS MEETING**

Article 24°. - The General Shareholders' Meeting is the supreme body of the corporation and is composed of all the shareholders who, following these Bylaws, have the right to attend and vote at the aforementioned meetings.

The General Shareholders' Meeting is governed by the provisions of the law and these Bylaws. The decisions of the Shareholders' Meeting are taken under the law and these Bylaws are binding on all shareholders and take precedence over the decisions of the other bodies of the corporation.

Article 25°. - The General Shareholders' Meetings shall be held in the city of Lima, at which only the matters contemplated in the notice of the meeting may be discussed, except as provided in Article 34 of these Bylaws.

Likewise, non-face-to-face sessions of the General Shareholders' Meeting may be held through written, electronic, or other means that allow communication and guarantee the authenticity of the resolutions.

Non-presential sessions of the General Shareholders' Meeting shall be recorded in minutes, which shall be issued following the rules outlined in Article 41 of these Bylaws.

Article 26°. - The Annual Stockholders' Meeting shall be held at least once a year, within three (3) months following the closing date of the annual fiscal year.

Corresponds to the Annual Stockholders' Meeting:

1. To express an opinion on the corporate management and economic results of the previous fiscal year expressed in the financial statements of the previous fiscal year.
2. Resolve on the application of profits, if any.
3. To elect and remove, when appropriate, the members of the Board of Directors.
4. Appoint or delegate to the Board of Directors the appointment of external auditors, when appropriate; and
5. To decide on other matters, following the Bylaws and on any other matters outlined in the notice of meeting.

Article 27°. - The General Shareholders' Meeting may hold an extraordinary meeting at any time. It is incumbent upon the General Shareholders' Meeting:

1. To amend the bylaws.
2. Increase or decrease capital.
3. Issuance of debentures.
4. To agree on the disposal, in a single act, of assets whose book value exceeds fifty percent (50%) of the company's capital.
5. Arrange for special investigations and audits.
6. To agree on the transformation, merger, spin-off, reorganization, dissolution, and liquidation of the Company.
7. Removing members of the Board of Directors
8. Resolve in those cases in which the law or the Bylaws provide for its intervention and in any other cases required by the corporate interest, provided that these have been indicated in the notice of meeting.

Article 28°. - The Board of Directors shall call a General Shareholders' Meeting when so ordered by law, deemed convenient to the corporate interests, or requested by a notary public by several shareholders representing at least twenty percent (20%) of the subscribed shares with voting rights. In the latter case, the Meeting must be called using a notice to be published within fifteen (15) days of receipt of the request.

The Meeting shall be convened to be held within fifteen (15) days following the publication of the notice of meeting.

Article 29°. - The notice convening the Annual General Meeting of Stockholders must be published not less than ten (10) days before the date set for the meeting; in all other cases, except those in which the law establishes longer terms, the notice of the meeting shall be not less than three (3) days before the date set for the meeting.

The notice of call must specify the place, day, and time of the General Meeting, as well as the matters to be discussed. The notice may also state the place, day, and time at which, if appropriate, the Meeting shall be held on the second call. The second meeting must be held not less than three (3) days nor more than ten (10) days after the first meeting.

Article 30°. - The notices shall be published in the Official Gazette "*El Peruano*" and a newspaper of major circulation in Lima. Notwithstanding the foregoing, the administration may decide that the notices shall also be published by digital and electronic means to favor the timely communication of the notices.

Article 31°. - The notice of the call of the General Shareholders' Meeting shall indicate the means and terms by which any shareholder may obtain from the Company the documents to be submitted for its approval, which shall also be available at the Company's offices or at the place where the Meeting is to be held, as indicated in said notice, according to the provisions of Article 130 of the General Corporations Law.

Article 32°. - The Board of Directors or General Management shall be obliged to provide the information requested according to Article 31. Additionally, the Board of Directors shall deliver all those reports or clarifications requested by the shareholders in connection with the matters of the call, unless the dissemination of such reports or clarifications, in the opinion of the Board of Directors, may harm the corporate interest and/or may cause damage to the Company. The latter exception shall not apply when the request is made by shareholders representing at least 25% of the subscribed voting shares.

Article 33°. - If the duly called General Shareholders' Meeting is not held on the first call, nor has the date of the second call been foreseen in the notice, it shall be announced with the same advertising requirements as the first call and with the indication that it is a second call, within ten (10) days following the date of the Meeting not held and at least three (3) days before the date of the meeting.

Article 34°. - Notwithstanding the provisions of the preceding articles, the Meeting shall be deemed to have been called and shall be validly constituted, provided that shareholders representing all the subscribed shares with voting rights are present and those attending unanimously accept the holding of the Meeting and the matters proposed to be discussed thereat.

Article 35°. - The holders of registered shares registered in the "Share Register" shall have the right to attend the General Shareholders' Meeting up to two (2) days before the date of the General Shareholders' Meeting.

The Directors and the Chief Executive Officer who are not shareholders may attend the General Meeting with a voice but without a vote.

The Bylaws, the General Shareholders' Meeting itself, or the Board of Directors may provide for the attendance, with voice, but without a vote, of officers, professionals, and technicians in the service of the corporation or other persons having an interest in the proper conduct of corporate affairs.

Article 36. - The right to vote may not be exercised by the shareholder in those cases in which he/she has a conflicting interest with that of the corporation on his/her behalf or on behalf of third parties. In this case, the suspension of the voting right shall operate exclusively concerning the vote on the matter in which the conflict of interest exists.

However, shares in respect of which voting rights cannot be exercised are computable to form the quorum of the Meeting but shall not be computed to establish the majority in voting.

Article 37°. - Corporations or legal entities in general that are shareholders shall be represented by their legal representatives or attorneys-in-fact, following the provisions of the General Corporations Law and these Bylaws.

Shareholders in general may be represented at the General Meetings by proxies, with a simple power of attorney being sufficient for this purpose, with a special power of attorney for each Meeting. If it is desired to grant a permanent power of attorney that will serve for all the Shareholders' Meetings, it must be granted by Public Deed.

The proxies must be registered with the corporation no less than twenty-four (24) hours before the time set for the holding of the Meeting.

Article 38.- The quorum shall be computed and established at the beginning of each Meeting. Once the quorum has been verified, the Chairman declares the meeting to be installed.

At General Shareholders' Meetings called to deal with matters which, according to law or the Bylaws, require different attendance, when a shareholder expressly so indicates and leaves a record at the time the attendance list is prepared, his shares shall not be counted to establish the quorum required to deal with any or some of the matters referred to in Articles 26 and 27 of these bylaws.

The shares of shareholders who enter the Meeting after it has been installed are not counted to establish the quorum, but the right to vote may be exercised concerning them.

The quorum for the General Shareholders' Meetings will be formed by at least fifty percent of the subscribed shares with voting rights. If a quorum is not obtained at the first call, a new Meeting will be called, and the attendance of any number of subscribed shares with voting rights will be sufficient.

At the General Shareholders' Meetings that deal with the matters referred to in Article 27 of these bylaws, shareholders representing at least two-thirds (2/3) of the subscribed shares with voting rights are required to attend at first call. On the second call, the attendance of shareholders representing three-fifths (3/5) of the subscribed shares with voting rights shall be sufficient.

Resolutions shall be adopted by an absolute majority of the subscribed voting shares represented at the Meeting. In the case of the matters referred to in the preceding paragraph, the resolution must be adopted by several shares representing at least an absolute majority of the subscribed voting shares.

Article 39 - The General Shareholders' Meetings shall be presided over by the Chief Executive Officer of the corporation, or by the Chairman of the Board of Directors, if no Chief Executive Officer has been elected, and in his absence, by the Vice-Chairman. If the latter is also absent, the Meeting shall be presided over by the oldest Director in office who is present.

The General Manager shall act as Secretary. If the latter is also absent, any manager who is present shall act as Secretary, and in his absence, the shareholder designated by the President.

Article 40<sup>o</sup>. - At the request of shareholders representing at least twenty-five percent (25%) of the subscribed shares with voting rights, the General Shareholders' Meeting shall be adjourned once, for no less than three (3) nor more than five (5) days and without the need for a new call, to deliberate and vote on matters on which they do not consider themselves sufficiently informed.

Regardless of the number of meetings into which a Meeting may be divided, it shall be considered as a single meeting, and a single set of minutes shall be taken.

Article 41°. - The meetings of the General Shareholders' Meeting and the resolutions adopted thereat shall be recorded in a minute book or on loose sheets legalized following the law.

The following rules shall be observed for the minutes:

1. The minutes of each Meeting must indicate the place, date, and time at which it was held; an indication of the call; the names of the persons who acted as Chairman and Secretary; the form of the resolutions, the results of the votes, if any, and the resolutions adopted.
2. The list of those attending the Meeting must be inserted or added, and if applicable, an indication of the dates and newspapers in which the notices of convocation were published; or proof that all the shareholders were present and had agreed to hold the Meeting and to deal with the matters in question.
3. The shareholders in attendance or their representatives, and the persons entitled to attend the General Shareholders' Meeting, are entitled to request that the sense of the opinions and the votes they have cast be recorded in the minutes.
4. When for any reason the minutes cannot be recorded in the book or the loose sheets, as the case may be, they shall be drawn up and signed by all the shareholders present in a special document, which shall be attached or transcribed to the book or loose sheets as soon as they are available, or in any other form permitted by law. The special document shall be delivered to the General Manager, who shall be responsible for complying with the above in the shortest possible time.
5. When the minutes are approved at the same Meeting, they must contain such approval, and at least be signed by the Chairman, the Secretary, and a Shareholder designated for such purpose.
6. When the minutes are not approved at the same Meeting, the Meeting shall specially designate no less than two shareholders to review, approve, and sign them together with the Chairman and the Secretary.
7. The minutes must be drafted, approved, and signed within ten (10) days following the Meeting and made available to the attending shareholders, or their representatives, who may record their observations or disagreements through a notarized letter.
8. Any attending shareholder may sign the Minutes if he/she so desires.
9. The minutes have legal force from the moment they are approved.

Article 42 - The Company shall have a Shareholders' Regulation, which shall be approved by the Board of Directors and then submitted to the General Shareholders' Meeting for approval.

#### OF THE BOARD OF DIRECTORS

Article 43°. - The Board of Directors shall be governed by the provisions of the law, these Bylaws, and the Rules and Regulations of the Board of Directors approved by the Board of Directors.

Article 44°. - The Board of Directors is a collegiate body and constitutes the highest management and administrative body of the Company; it shall be elected by the



General Shareholders' Meeting and shall be composed of a minimum of six (6) members and a maximum of twelve (12), and the General Shareholders' Meeting shall determine the number of Directors to be elected for each term before their election.

The directors may participate in the meetings in a non-presential manner, through written, electronic, or other means that allow communication and guarantee the authenticity of the agreement, a letter addressed to the Chairman of the Board of Directors in advance is sufficient for this purpose.

It is not necessary to be a shareholder to be a Director.

Article 45°. - The Board of Directors shall be composed entirely of Directors who do not perform any executive function in the Company, and therefore do not have any form of employment relationship as employees or officers of the Company, with the sole exception of the Chief Executive Officer.

The term of office of directors shall be three (3) years and they may be re-elected indefinitely. At the end of said period, their functions shall be understood to be extended until a new appointment is made and those elected accept the position.

Article 46. - Directors may not be Directors:

1. The incapable.
2. The bankrupts.
3. Those who because of their functions are prohibited from engaging in commerce.
4. Officials and employees of the public administration and state business sector entities whose functions are related to the company's activities.
5. Those who have a lawsuit pending with the company as plaintiffs or are subject to a social action of liability initiated by the company and those who are prevented by a precautionary measure dictated by a judicial or arbitration authority.
6. Those who have a position, relationship, or interest with companies that have interests opposed to those of the Company or with companies that are competitors of the Company or its subsidiaries, as considered by the Board of Directors.
7. Those which, due to their financial situation or deteriorated public image, in the opinion of the Board of Directors, could affect the relations of the Company or its subsidiaries with its different stakeholders.
8. Those who are employees, officers, or executives or have any relationship with the Company as stipulated in Article 45 of these Bylaws.
9. Any other duties prescribed by law.

Persons who are subject to any of the aforementioned impediments may not accept the position and if they have already been elected and the impediment exists or arises, they must resign immediately. Otherwise, any shareholder or director shall be entitled to request the General Shareholders' Meeting to immediately remove him/her from office. Pending the meeting of the General Meeting, the Board of Directors may suspend the director in such impediment.

Article 47°. - The Board of Directors shall be constituted with minority representation or

shall be elected unanimously. When the Board of Directors is constituted with minority representation, each share is entitled to as many votes as there are Directors to be elected, and each voter may accumulate his votes in favor of a single person or distribute them among several.

The Directors shall be proclaimed Directors who obtain the highest number of votes, following the order of these votes.

If two or more persons obtain an equal number of votes and cannot all form part of the Board of Directors because the number of Directors to be elected does not allow it, it shall be decided by drawing lots which of them shall be appointed as Directors.

The elected Directors shall accept office at the same General Shareholders' Meeting, if they have attended it, or at a later date if they have not attended the Meeting.

Article 48°. - The office of the Director shall be vacated by death, resignation, or removal for failure to attend three consecutive sessions without leave of absence, and if any of the impediments outlined in Article 46, the Board of Directors shall be responsible for the qualification of these causes.

In the event of vacancy and until a new election is held, the same Board of Directors may complete its number, on a provisional basis.

At the first General Meeting, the appointment made by the Board of Directors shall be confirmed or another appointment shall be made in its place.

Article 49°. - The remuneration of the Board of Directors is six (6) percent of the net income before taxes and after deduction of the legal reserve calculated following the Law, as the case may be.

This remuneration shall be distributed among the Directors as follows: Forty percent (40%) of the total amount of the remuneration shall be distributed among the Directors in proportion to the number of sessions attended, and the other sixty percent (60%) remaining shall be distributed equally among all the incumbent Directors.

Article 50°. - At its first meeting, the Board of Directors shall elect a Chairman from among its members, who shall preside over its meetings and the General Shareholders' Meetings. Likewise, the Board of Directors shall elect a Vice-Chairman, who shall perform the duties of the Chairman of the Board of Directors in the event of his absence or impediment. In the absence of the Chairman and the Vice-Chairman, these functions are exercised by the oldest Director in office, with seniority being computed as of the first appointment, even if the period is not continuous. The General Manager, or whoever the Board of Directors may designate, acts as Secretary.

It may also designate the President as Executive President, who shall have the powers established in the Bylaws.

The term of office of the Executive President or Chairman of the Board of Directors shall be three (3) years and may be extended indefinitely. At the end of such period, their functions shall be understood to be extended until a new appointment is made and the person elected accepts the position.

Article 51°. - The Board of Directors shall preferably meet in the city of Lima or any other place in the country or abroad, if so determined in the call.

The meetings shall be held whenever the business of the corporation so requires, in the

judgment of any of its members or the General Manager, and must meet at least once a month and hold their sessions in Spanish.

The notice of the meeting shall be issued by the President or the person acting in his stead, by letter or any other means that allows proof of receipt, which shall contain the place, day, and time of the meeting and the matters to be discussed, and shall be notified with acknowledgment of receipt or by notarized letter.

The notice shall be issued no less than five (5) business days before the date set for the first meeting and three (3) business days before the second meeting.

Notwithstanding the foregoing paragraph, Board meetings may be held without the need for prior notice, when all the Directors are present and the minutes record their unanimous consent to meet and the matters to be discussed.

In addition, and unless any director objects, the Board of Directors may hold non-face-to-face meetings through written, electronic, or other means that allow communication and guarantee the authenticity of the resolutions adopted.

A director who is unable to attend a meeting of the Board of Directors may only delegate another director to represent him or her by sending a proxy or an e-mail, provided that it is duly registered with the company.

Article 52°. - The quorum for the Board of Directors shall be one-half plus one of its members; if the number of Directors is odd, the quorum shall be the whole number immediately higher than one-half of the Board.

Resolutions shall be adopted by an absolute majority of votes of the participating Directors. In the event of a tie, the Chairman of the Board of Directors shall have the power to cast the deciding vote assigned exclusively to his position and role on the Board of Directors.

The members of the Board of Directors shall abstain from deliberating, resolving, and voting on matters in which they have an interest contrary to the Company, or their spouse, relatives by blood up to the fourth degree, and relatives by blood up to the second degree. Abstentions thus produced shall not affect the quorum or majorities.

Article 53°. - The meetings of the Board of Directors and the resolutions adopted thereat shall be recorded in a minutes book or on legalized loose sheets, following the Law. The minutes of the Board of Directors shall state the date, place, and time of the meeting, the names of the attendees, the matters discussed, the manner and circumstances in which the resolutions were adopted, the number of votes cast in the event of a vote, the resolutions adopted and the records that the Directors wish to leave.

Article 54°. - The Corporation may not grant credits, loans, or guarantees in favor of the following persons unless such transaction is approved by a two-thirds majority of the Board of Directors:

1. The members of its Board of Directors.
2. Their managers or proxies.
3. Directors, managers, and attorneys-in-fact of related companies.
4. Spouses, descendants, and relatives within the third degree of consanguinity or second degree of affinity of the aforementioned.

Article 55°. - The Board of Directors has all the powers of legal representation and management necessary for the administration of the Company within the scope of its purpose, with the sole exception of those matters that the law or these Bylaws attribute to the General Shareholders' Meeting.

Therefore, and without this list being restrictive but merely enunciative, the Board of Directors has the following powers and responsibilities:

- a) To call the General Shareholders' Meeting.
- b) Appoint and remove the General Manager and other officers of the corporation, approve their remuneration and benefits, as well as establish their powers.
- c) The hiring of highly responsible or highly remunerated workers may not be delegated to the Management or another officer. Managers are considered to be employees of high responsibility. High basic monthly remuneration is considered to be that which exceeds eight Tax Units (UIT) per month. Evaluate the management's performance and determine compliance with its objectives and goals.
- d) To oversee all the business of the corporation, having the power to review the accounting books of the corporation and any other documents or information it deems necessary for its purposes, as well as the plants, warehouses, and other physical properties of the corporation, its assets, and property.
- e) To authorize the acquisition and sale of real and personal property and machinery and equipment essential to the Company's business and the mortgage or pledge thereof as collateral for loans granted by Peruvian and/or foreign banking or financial institutions, when such transactions exceed the amounts authorized to management.
- f) Rental of real estate, machinery, and equipment essential to the company's activity, when these operations exceed the amounts authorized to management.
- g) To regulate its operation according to the best practices of Good Corporate Governance.
- h) Present annually to the shareholders, the annual report, the balance sheet, and the profit and loss account, recommending the application to be made of the profits.
- i) Ensure the integrity of the financial statements and accounting systems and the existence of risk control systems.
- j) To agree on the distribution of interim dividends on account of the results of the fiscal year, when the Board delegates such powers to it.
- k) Evaluate, approve, define, and direct the Strategic Plan, corporate objectives, investment and divestment policies and strategies; the Business Plan, the Company's annual budgets, management objectives, and goals.
- l) Establish the Board committees and appoint their members.
- m) Analyze and monitor the market situation, trends in the sector, and the social, economic, and political environment affecting the management and development of the Company's business.

- n) Decide on all those commercial, financial, and administrative matters that are convenient for the achievement of corporate purposes without limitation as to the amount.
- o) To dispose and/or dispose of company assets whose book value at the time of disposal does not exceed 50% of the Company's capital.
- p) To establish the information policy both inside and outside the Company to ensure transparency and timeliness for the information provided to the market, while at the same time safeguarding confidentiality concerning the Company's strategic or sensitive data or information; and to supervise compliance with the policy established for the handling of confidential information, whether reserved or privileged, following the rules issued by the Company and the regulatory entities and agencies.
- q) Define corporate policies to ensure ethical business behavior and the development of socially responsible conduct.
- r) To ensure compliance with the Company's Code of Ethics and approve any changes or amendments thereto.
- s) Monitor and control the evolution and results of the Company's development.
- t) To constitute guarantees in general, such as movable guarantees, mortgages, sureties, warrants, guarantees, among others, on movable and immovable property of the Company, to guarantee the different operations of the Company and its subsidiaries or affiliates, as well as to modify the terms of the guarantees granted and to agree on the subscription by the Company of the necessary documents for the constitution, modification, and lifting of such guarantees.
- u) Periodically evaluate its management; and define policies for evaluating the performance and results of the Board of Directors.
- v) To regulate, analyze, and decide on possible conflicts of interest, significant transactions, and operations between related companies of the Company.
- w) To ensure the proper management and satisfaction of the identified expectations of the company's different stakeholders and, in general, to implement principles, policies, and standards of good corporate governance.
- x) Control and reduce the risks of investments and assets, prevent as many as possible problems, risks, and occurrence of relevant contingencies; as well as monitor, control and reduce risks.
- y) To delegate to the Directors, Committees, and/or officers of the Company the power to execute the resolutions adopted by the Board of Directors, who are expressly authorized to sign the public and private documents required in the exercise of such legal representation and to carry out the steps and formalities necessary to implement such resolutions. However, in no case may the rendering of accounts or the presentation of financial statements to the General Shareholders' Meeting be delegated, unless expressly authorized by the latter.
- z) In general, to perform all functions necessary for the proper administration and conduct of the affairs of the Company and the achievement of its purposes, which are not explicitly within the competence of the General Shareholders' Meeting.

- aa) To grant power of attorney delegating the powers conferred by these bylaws, in whole or in part, except for the powers mentioned in the second paragraph of paragraph b) and in paragraphs e) and f) of this Article. For these limitations, machinery and equipment fundamental to the activity of the company are considered to be those whose value exceeds seven hundred Tax Units (UIT).

Article 56. Directors must perform their duties with due diligence, always acting in the best interest of the corporation. They are obliged to keep absolute confidentiality concerning any information about the Company to which they have access in the course of their duties. Consequently, the director is duly warned that it is strictly forbidden to disclose to third parties any confidential information of the company or its subsidiaries, of which he/she has become aware in his/her capacity as a member of the Board of Directors or of any Committee of which he/she is a member on behalf of that collegiate body.

If it is proven that a director has failed in his duty of loyalty and reserve to the company and its shareholders, he may be suspended from his position by resolution of the Board of Directors, which shall be brought to the attention of the Shareholders' Meeting for the consequent legal purposes, without prejudice to the liability that may be attributed to him as a consequence of such fact.

They are unlimitedly and jointly and severally liable before the Company, the shareholders, and third parties, for damages caused by acts or agreements contrary to the law, the bylaws, or those made with fraud, abuse of powers, or gross negligence. There is no gross negligence when the director cast his vote in good faith, using his judgment and based on reasonable information presented by the management of the corporation.

Directors once elected represent all shareholders and their actions are not limited to defending the interests of the shareholders who elected them. At all times, the director prioritizes the interests of the Company over his interests or those of related third parties, including the interests of the shareholders who elected them. All directors are prohibited from taking advantage, in favor of themselves or related third parties, of any business opportunity that they become aware of in the course of their duties and are prohibited from participating, directly or through related third parties, in activities that compete with the Company unless they obtain express authorization from the Board of Directors to do so. A director who has an interest in a matter that is contrary to or in conflict with the Company's interests must declare it and refrain from participating.

The Regulations of the Board of Directors establish the procedure and guarantees for the Company to carry out acts and contracts with related companies or persons.

Article 57°. - The Board of Directors shall approve a Regulation of the Board of Directors which shall contain rules related to its operation and the rules of conduct to be observed by its members in the performance of their duties.

Article 58°. - Right to information.

Each Director has the right to be informed by the Management of everything related to the progress of the Company. This right must be exercised within the Board of Directors and in such a way as not to affect corporate management.

#### OF THE COMMITTEES

Article 59°. - The Board of Directors shall be responsible for the creation and continuity of the committees it deems pertinent for the proper functioning of the Company and the

approval of their operation. For each Committee, the necessary functions and scope shall be established for them to carry out their duties, in such a way that they perform their work within the areas of responsibility entrusted to them, which shall be defined in the Regulations of the Board of Directors and/or in an operating manual prepared especially for each Committee to be created, which shall be developed and proposed for approval to the Board of Directors by the Committee itself.

The Board of Directors shall have at least the following standing committees:

- 1) Audit and Risk Committee
- 2) Nominating, Compensation, and Human Resources Committee

The Board of Directors may also have such other committees as it deems necessary.

#### OF THE EXECUTIVE CHAIRMANSHIP OF THE BOARD OF DIRECTORS

Article 60°. - The Board of Directors may appoint an Executive President. The position of Executive President is compatible and shall be held by the Chairman of the Board of Directors.

Article 61°. - The position of Executive President shall be remunerated independently from that which may correspond to him/her as director according to Article 49.

Article 62°. - The Chief Executive Officer represents the Corporation and shall be vested with the powers assigned to him by the Board of Directors.

The Chief Executive Officer, together with the Board of Directors, is responsible for the strategic direction of the company.

Together with the Board of Directors, the Chief Executive Officer is responsible for the direction and supervision of the Chief Executive Officer.

It also oversees the due execution by the Chief Executive Officer of the resolutions of the General Shareholders' Meeting and the Board of Directors, as well as the proper attention to the requirements of the shareholders that are included within the scope established by the applicable regulations.

Article 63°. - The Executive Chairman shall perform executive duties in the Company independently or jointly with the Chief Executive Officer. The Board of Directors shall determine the powers to be delegated to the Executive Chairman and these are described in detail in the Board Regulations.

Notwithstanding the foregoing, the principal powers of the Chief Executive Officer are listed below:

- Provide strategic direction, and lead the management of growth in the medium and long term.
- Collaborate so that the Board achieves maximum productivity and adds value to the company.
- To achieve sustained growth and increase the value of the company.
- Regularly communicate the company's performance and represent the company to key stakeholders including Board members, shareholders, regulatory and

governmental authorities, capital markets, and the community.

- Lead the General Manager selection process with the Nominating, Compensation, and Human Resources Committee of the Board of Directors to define the selected candidate and the salary and benefits package to be proposed to the Board of Directors for ratification and appointment.
- Oversee and evaluate the performance of the General Manager and maintain communication with company committees and the Board of Directors as a whole.
- Promote and lead the communication, dissemination, and permanent implementation of the company's values, ensuring compliance with them at all levels and their full assimilation into the corporate and individual culture developed by the company.
- Define, together with the Board of Directors, the major corporate goals for the main variables that are linked to the value of the company.
- Define strategic priorities for the long term.
- Formulate policies for strategic management
- Together with the General Management, define the organizational structure needed in the company to implement the growth strategy.
- Promote a highly demanding, high-performance, and aligned teamwork model.
- Lead the unified culture of the organization based on corporate values and the company's Code of Ethics.
- Collaborate with the General Management in the development of general and specific strategies to achieve the proposed objectives and goals.
- Coordinate, propose, and define, together with the General Management, the annual, monthly, and quarterly agenda to be discussed at the Board of Directors meetings.
- In those cases, in which the Chief Executive Officer is unable to participate in the Board of Directors' meetings and General Shareholders' Meetings, he/she shall communicate the decisions adopted to the General Management, as well as follow up on the execution of such decisions by the Management within the terms and conditions agreed upon.
- To become the highest level leader in strategic and management aspects, and to strengthen the leadership of the General Management in the execution, management, and operation of the company.

#### OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

Article 64.- The Chairman of the Board of Directors shall be the Chairman of the Board of Directors:

- a) Convene the Board of Directors.
- b) To preside over the Board of Directors and resolve cases in which a matter submitted



to a vote results in a tie, with the power to cast the deciding vote.

- c) To ensure compliance with legal and statutory provisions and the resolutions of the General Meeting and the Board of Directors.
- d) To represent the Company before the Public Authorities, legal entities and individuals.
- e) Represent the Company in the public instruments in which it intervenes, except when there is a different agreement or in the case of acts that are the responsibility of the Management.
- f) To adopt, jointly with the Directors and Managers in charge, the extraordinary provisions.

In case of absence or impediment of the President, he shall be replaced by the Vice-President, with the same powers. In the absence of both, the oldest director shall replace him/her.

### MANAGEMENT

Article 65°. - The Company shall have a Chief Executive Officer appointed by the Board of Directors upon proposal of the Nomination, Compensation, and Human Resources Committee. The Company shall have one or more managers, appointed by the Board of Directors upon proposal of the Chief Executive Officer.

They shall be appointed by the Board of Directors and their appointments shall be for an indefinite term unless the appointment provides for a specific term.

Article 66°. - The Chief Executive Officer is the executor of the resolutions of the Board of Directors and the General Shareholders' Meeting and exercises the legal representation of the Company with the general and special powers provided for in the Code of Civil Procedure.

Without prejudice to the powers granted in each case by the Board of Directors or the General Shareholders' Meeting in favor of the Chief Executive Officer, the main powers of this officer are as follows:

- 1) To participate, except in specific cases when the Board of Directors decides otherwise, in the meetings of the Board of Directors with voice but without vote.
- 2) To organize the internal regime of the corporation by appointing managers for subsequent ratification by the Board of Directors.
- 3) Plan and direct the operations of the corporation following the bylaws, the resolutions of the General Meetings, and those of the Board of Directors.
- 4) Translating the Board's objectives and goals into strategies and plans to achieve the expected results.
- 5) Lead the deployment, development, and execution of the strategy in compliance with the policies, objectives, and goals approved by the Board of Directors.
- 6) To enter into ordinary acts and contracts corresponding to the corporate purpose.

- 7) To attend the General Shareholders' Meetings with voice, but without a vote.
- 8) To issue the certificates, declarations, and certifications that it is necessary to issue on behalf of the company.
- 9) To act as secretary of the General Shareholders' Meeting and of the Board of Directors, except in specific cases in which the Board of Directors provides otherwise.
- 10) To take care of the assets and social funds.
- 11) To take care of the existence, organization, order, regularity, and veracity of the accounting books of the company.
- 12) To report to the Board of Directors on the condition and progress of the business and operations of the corporation and collections, indebtedness, investments, and available funds.
- 13) To hire and remove the officers, employees, and workers that the corporation may require, fixing their remuneration, except in those cases in which this function is the responsibility of the Board of Directors.
- 14) Submit to the Board of Directors, in due time, periodic balance sheets, as well as the balance sheet for each year, together with the statement of income and the elements required to prepare the annual report to be submitted to the consideration of the General Shareholders' Meeting.
- 15) Apply for and obtain patents, privileges, concessions, and trademarks.
- 16) To issue correspondence and dictate the provisions for the correct operation of the corporation.
- 17) Order collections and payments; issue receipts and cancellations and give orders for the transfer of funds.
- 18) To account for and inform the Board of Directors of all matters related to the progress of the Company.
- 19) To exercise all those powers that are compatible with the functions it performs and with the provisions of the law and these bylaws, as well as to comply with the assignments conferred on it in each case by the Board of Directors through the granting of powers of attorney.

## **TITLE FIVE**

### AMENDMENT OF THE BYLAWS

Article 67°. - To increase the capital all previously subscribed shares must be fully paid.

In each capital increase, at least twenty-five (25) percent of the par value of the subscribed shares must be paid in cash at the time of subscription.

Article 68°. - In the event of a capital increase, those who are shareholders at that time shall have preference to acquire the new shares; and for that purpose, once the General Shareholders' Meeting has agreed to the capital increase, the new shares shall be

offered to the Company's shareholders, who shall have preferential rights to subscribe them in proportion to the shares they own.

The offer shall be made by written notice and with charge or by notarized letter, stating the terms of payment of such increase.

Shareholders wishing to avail themselves of this privilege must request in writing the subscription of the shares they wish to acquire, up to the limit to which they are entitled. To be valid, the subscription request must be made within the period established by the General Shareholders' Meeting.

To exercise this right, it is necessary to pay twenty-five (25) percent of the nominal value of the shares and the balance in the form and manner agreed by the General Shareholders' Meeting. If there are any unsubscribed shares, those shareholders who have exercised their preemptive right may subscribe to the remaining shares on a pro-rata basis.

## **TITLE SIX**

### **OF THE BALANCE SHEET, DISTRIBUTION OF PROFITS, DISSOLUTION, LIQUIDATION, WINDING UP AND EXTINCTION**

Article 69° . - The Board of Directors is obliged to formulate the annual report, the financial statements, and the proposal for the distribution of profits, if any.

Article 70° . - A minimum of ten (10) percent of the distributable profit of each year, net of income tax, must be allocated to a legal reserve until it reaches an amount equal to one-fifth of the capital. The excess over this limit does not have the status of legal reserve.

Losses for the year are offset against unrestricted earnings or reserves. In the absence of such reserves, they are offset against the legal reserve. In the latter case, the reserve must be replenished.

The company may capitalize on the legal reserve and is obliged to replenish it. The legal reserve is replenished by appropriating profits from subsequent years.

Article 71 - Dividends may only be paid on account of profits actually obtained or freely distributable cash reserves, provided that the net worth is not less than the paid-in capital. The resolution to distribute interim dividends is valid, in which case the General Shareholders' Meeting may delegate to the Board of Directors the power to decide on the payment of an interim dividend per the economic situation of the company at the time such resolution is adopted.

The distribution of dividends to shareholders will be made in proportion to their shares in the capital of the company.

The right to request payment of overdue dividends expires three (3) years after the date on which, as agreed by the General Shareholders' Meeting, payment is due.

Dividends whose collection has lapsed will increase the legal reserve, except for dividends corresponding to Investment Shares, which in the event of lapsing of the statute of limitations will increase the Investment Shares Account. The Board of Directors is empowered to distribute interim dividends during the year out of the profits earned at the time the distribution is made.

If the final year results in a loss or a profit lower than the interim dividends, the amounts

will be deducted from unrestricted reserves or future profits.

The distribution of the Investment Shares shall be made in the same opportunity and under the same conditions indicated for the holders of the shares representing the capital stock.

Article 72°. - The distribution of cash dividends up to an amount equal to half of the distributable profit of each fiscal year, after deducting the amount to be applied to the legal reserve, is mandatory, if so requested by shareholders representing at least twenty (20) percent of the total subscribed shares with voting rights. This request may only refer to the profits of the immediately preceding fiscal year.

The right to request such dividend distribution may not be exercised by holders of shares that are subject to the special dividend regime.

Article 73°. - When the corporation is dissolved for the causes established by law, the bylaws, the articles of incorporation, or the resolution adopted by the General Shareholders' Meeting, the liquidation process shall begin, in which case an odd number of members of the Board of Directors shall act as liquidators, after election by the Meeting.

In the event of an even number, the youngest Director shall not act as liquidator. Upon liquidation and dissolution, it shall be taken into account that the Investment Shares shall have, according to their par value, the same rights as the shares representing the capital stock in the distribution of the balance of the net worth, once the corporate obligations have been satisfied. In the distribution of the balance, the par value of the labor shares will be preferentially covered.

The procedure for dissolution, liquidation, and extinction of the company will be governed by the current provisions of the General Companies Law.

## **TITLE SEVEN**

### **ARBITRATION**

Article 74°. - Any controversy, disagreement, or claim arising between the Company, the shareholders, the administrators, and third parties subject to this clause, related to or derived from these Bylaws or the operation of the Company, including those related to its arbitration clause, shall be resolved by an Arbitration Tribunal, comprised of three (03) members who shall be appointed following the provisions of the Regulations of the Arbitration Center of the Lima Chamber of Commerce.

Arbitration shall be at law and shall be conducted under the organization and administration of the bodies of the Arbitration Center of the Lima Chamber of Commerce, following its Regulations.

The Arbitral Tribunal shall resolve any questions of jurisdiction raised using a partial award before the merits of the dispute.

The Award issued in the arbitration process shall be final and not subject to appeal. The party that deems it convenient to challenge the Award through an appeal for annulment before the Judiciary, shall attach to its claim a joint and several, irrevocable and automatically executed bonds for the amount that the Award has ordered it to pay, in favor of the opposing party or, in the case of a claim of undetermined amount, the Arbitral Tribunal shall fix in the Award the amount to be paid by the aforementioned bond.

For any intervention of the ordinary judges and courts within the arbitration mechanism, the parties expressly submit to the jurisdiction of the judges and courts of the city of Lima, waiving the jurisdiction of their domiciles.

## **TITLE EIGHT**

### **GENERAL PROVISIONS**

Article 75°. - Corporación Aceros Arequipa Sociedad Anónima" is subject to the General Corporations Law and other legal provisions relating to corporations, and any errors, gaps, or deficiencies in these Bylaws shall be corrected by such provisions.

Likewise, these Bylaws shall be deemed to be automatically modified by the issuance of subsequent laws that are incompatible with the provisions contained herein.