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ETHICS CODE FOR SUPPLIERS AND CONTRACTORS

1. INTRODUCTION

We are Corporación Aceros Arequipa S.A. (CAASA), a Peruvian steel manufacturing company engaged in the manufacturing, marketing, distribution and sales of iron, steel and other materials. The quality of our products, our environmental, social and governance standards and the excellent relation with our stakeholders position us as a leading company in the country and in the region.

This successful track record has been possible thanks to the ethical values and principles that guide our decisions and business relations and which are expressed in our Corporate Ethics Code.

We face ever more demanding and challenging environments; therefore, we have prepared this **Ethics Code** that seeks to strengthen the relationship with our business partners, suppliers and contractors in order to grow together based on an honest and responsible management of our value chain.

2. OBJECTIVE

In this document, we establish the behavior guidelines, values and responsible business practices that we expect our suppliers and contractors will guarantee for the development of their businesses and relations with third-party companies and institutions.

3. SCOPE

This code extends to all suppliers and contractors of CAASA and their subsidiaries, regardless of the region or country where they operate.

Furthermore, we require our suppliers and contractors to make this code or similar behavior standards extensive to their own supply chain and to respect it not only with CAASA, but in all their business relationships.

4. ETHICAL BEHAVIOR PRINCIPLES

We expect our suppliers and contractors to comply with the current laws and to act in an honest, fair and transparent manner, rejecting emphatically any acts of corruption, fraud, asset laundering, terrorism financing and any other unfair competitive practices.

Fight against corruption

Our suppliers and contractors are forbidden to deliver, promise, offer or receive payment or valuable articles (money, gifts, donations, favors, or other) directly or through third parties, to obtain undue advantage, whether personal or business related.

Within the framework of business agreements with CAASA, no payments are allowed to expedite or speed up formalities or licenses with public entities.

Gifts, hospitality, traveling and entertainment

Our suppliers and contractors are not allowed to request, accept or deliver gifts, invitations, trips, hospitalities or equivalent benefits to any employee of CAASA and its subsidiaries that may influence or be perceived as a form of inappropriate influence on a commercial decision.

Similarly, under no circumstances, suppliers acting on behalf of CAASA should make such attentions to public officials or State entities.

Each supplier must implement internal policies and controls as may be required to prevent the use of gifts as a mechanism of undue influence.

Fraud

We expect our suppliers and contractors to always act in good faith. They must not avoid the truth to obtain benefits or favorable situations of any kind. Some examples of dishonest practices they must avoid are tax frauds, the use of false or inaccurate documents in bidding processes, the omission of relevant information on their products and services, the undue use of assets, equipment or inventory, obtaining information by different means regarding the financial proposal of competitors participating in the bidding process, among others.

Contributions to political parties or campaigns

We recommend that our suppliers and contractors abstain from participating in the financing of political parties, candidates or campaigns, or from promoting activities that may be intended as political propaganda. However, if they should decide to do so, they must make sure to comply with the laws in force and have high transparency levels.

Asset laundering and terrorism financing

Our suppliers and contractors are not allowed to participate, finance or promote unlawful activities such as asset laundering and terrorism financing. Consequently, they must implement the internal policies and controls required to prevent this kind of situations.

Unfair practices

Our suppliers and contractors must compete freely in the markets where they operate. They must avoid to incur in behaviors that affect fair competition, including price-fixing agreements, market fixing, misleading advertising, collusion with officers or employees of CAASA or of other companies, as well as requesting or sending sensitive information of any company to third parties.

Conflict of interest

In the event of a possible conflict of interest related to CAASA, which could cause the freedom, objectivity or independence of the supplier to be affected due to family, personal, financial or other interests, the supplier must promptly inform about it to his counterparty in the company or to the channel www.lineaeticaacerosarequipa.com, where it will be evaluated and the way to proceed will be defined.

Handling of information

Our suppliers and contractors must protect and guarantee the confidentiality of the private information of their clients, business partners, suppliers and contractors and employees. They must not access such information without their consent or save it or use it for purposes other than those agreed by the parties involved. They must also respect the intellectual property rights of their clients and business partners, determine if they are protected and take adequate measures to protect them.

Undue use of company assets

Our suppliers and contractors must use CAASA assets, facilities and resources to fulfill the work established, preventing any direct or indirect use for own, or for third-party benefit; or the possibility that it may be used to promote actions that may cause us damages.

5. LABOR PRACTICES AND HUMAN RIGHTS

We expect our suppliers and contractors to work under a logic of respect for human life and to consider the impact on persons before taking business decisions. Among other objectives, they must comply with the laws in force, offer safe working conditions, be respectful of differences and offer development opportunities for all their employees.

Human Rights

Our suppliers and contractors must respect and promote the people's fundamental rights, both in performing their activities and in their relationships with their stakeholders. In this respect, we expect them to establish adequate processes to identify, prevent and mitigate risks and/or possible impacts to human rights along their value chain.

No discrimination

Our suppliers and contractors must promote a positive, diverse and inclusive work environment, with equal opportunities for everybody based on merit. We expect them to reject any and all kinds of discrimination based on race, color, gender, religion, political opinion, social origin, economic level or other differences.

Sexual harassment and/or abuse of authority

Our suppliers and contractors must guarantee a safe work environment, free of violence. We expect them to have zero tolerance in situations that may affect the dignity of the people, such as abuse of authority or sexual, physical, verbal or emotional harassment or intimidation.

Child labor

Our suppliers and contractors must forbid and reject any and all forms of child labor and contribute to its eradication in the world by not buying and denouncing goods or services of companies that employ underage children in their operations.

Forced labor and human trafficking

Our suppliers and contractors must firmly reject any and all kinds of forced labor, slavery or human trafficking. Withholding of identification documents is not allowed, or engaging in other intimidating practices that may restrain the freedom of movement of persons or their right to change their employment.

Labor rights and fair compensation

Our suppliers and contractors must comply with applicable labor legislation and offer decent working conditions, considering aspects such as working hours, respect for resting periods and vacation time, payment of fair salaries and inclusion of social benefits (such as insurance, retirement, among others), as applicable.

Freedom of association and collective bargaining

Our suppliers and contractors must recognize and respect the right of their employees and contractors to freedom of association and collective bargaining within the applicable legal framework and regulations.

Occupational safety and health

Our suppliers and contractors must guarantee safe and healthy working conditions for their employees, contractors and surrounding communities. In that respect, we expect them to promote a prevention culture across the company, to train their teams, assess their risks from time to time and establish effective control and mitigation measures.

6. SOCIAL BEHAVIOR

We expect our suppliers and contractors to build relationships of trust with their stakeholders based on respect and dialogue.

Promotion of development

Our suppliers and contractors seek to contribute to the social development of their surrounding communities, especially through the generation of employment, provision of goods and services to meet their needs, capacity building, and the promotion of values among their stakeholders.

Dialogue and transparency

Our suppliers and contractors must respect the rights of the communities they establish relations with and must foster transparent dialogue processes to listen to them, offer clear answers to their needs, and involve them in the different social development initiatives.

7. ENVIRONMENTAL BEHAVIOR

We expect our suppliers and contractors to protect and take care of the environment, based on a prevention approach and the management of the main environmental risks, **according to the company's context, capabilities and available resources.**

Respect for environmental regulations

Our suppliers and contractors must comply with the applicable environmental legislation and have in place all permits and licenses required to operate.

Operational eco-efficiency

Our suppliers and contractors must promote an environmentally responsible culture and establish internal policies and procedures to prevent and manage their environmental risks, including climate change risk.

It is also recommended that they calculate, monitor and implement initiatives to reduce energy consumption and greenhouse gas emissions.

They must also encourage the use of technology and innovation to achieve greater efficiency in the use of resources and better environmental performance (water, air, energy, emissions, biodiversity and residues).

Waste management

We recommend that our suppliers and contractors ensure proper management of their waste from its calculation to its disposal, according to applicable regulations, promoting recycling and reuse of waste with a circular economy approach for their main production processes. In addition, we recommend that they implement waste management practices that minimize waste generation and promote recycling and reuse.

Biodiversity and no deforestation

Our suppliers and contractors pledge to protect biodiversity in the surroundings of their operations, to abstain from deforesting our forests and, if strictly necessary, to compensate any deforestation with the planting of new green areas.

8. REPORTING MECHANISMS

Any supplier who, in good faith, should consider that a potential breach of the internal policies of CAASA has occurred, including the Ethics Code for Suppliers and Contractors, may lodge a complaint or concern through our ethics channel:

- Website: Virtual form: www.lineaeticaacerosarequipa.com
- Electronic mailbox: denuncias@lineaeticaacerosarequipa.com
- Telephone line: Available 24/7
 - * +51-1-0800-18-134 (Free of charge).
 - * +51-1-219-7134 (Local cost call).
- WhatsApp: They may contact an independent advisor of the company from Monday to Friday, from 8:30 a.m. to 6:30 p.m. at the following number: (+51) 989-043-514.

We guarantee that their complaint will be treated confidentially and will be investigated in a professional and fair manner, ensuring that no reprisals will occur.

9. NON-COMPLIANCE

CAASA will define the level of non-compliance with the guidelines of this code and within a reasonable period of time, the supplier or contractor must remedy or support the reasons for non-compliance, which will be evaluated by the ethics committee, and then it will recommend to the General Management the actions to be taken.

10. EFFECTIVENESS AND ANNULMENTS

This Code will be revised and updated when the management office in charge identifies a substantial change in the content. This Code was approved by the Board of Directors Meeting held on May 27, 2021, **was updated and approved by the Board of Directors on August 29, 2024, and has been effective from the date of its approval.**

