

Suppliers Classification

CEMENTOS PACASMAYO 2022



At Pacasmayo we are aware of the importance of our critical suppliers within our value chain, as they contribute to the continuity of our operations. In this sense, we have two types of criteria when selecting our suppliers:

Importance and Sustainability Risk

- Purchases up to 534 millions and impact on value of 46.1% of total purchases

Purchase volumen*

- Type A: Purchases up to S/ 372 millions and impact of value of 32.1% of total purchases
- Type B: Purchases up to S/ 184 millions and impact of value of 16% of total purchases
- Type C: Purchases up to S/ 67 millions and impact of value of 5.8% of total purchases

POLICY

Purchase of spare parts, supplies, fixed assets, raw materials and services

[Available here:](#)

Cementos Pacasmayo SAA and subsidiaries (Supply Chain and Administration / Supply Goods, Services and M.Prima.	POLITICS PURCHASE OF SPARE PARTS, SUPPLIES, FIXED ASSETS, RAW MATERIALS AND SERVICES	Code: G-CS-POL-03 Version:03 / Date: 31/01/2021 Page: 1 / 5
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1. OBJECTIVE

Establish a reference framework that must be met by the different areas in the Purchasing Process seeking to supply internal users in a timely manner according to the required conditions of price, time and quality for: spare parts, supplies, fixed assets, raw materials and services.

2. DEFINITIONS AND ABBREVIATIONS

- **Operations:** Production or administrative units of Cementos Pacasmayo S.A.A., Cementos Selva S.A., Fosfatos del Pacifico S.A., Distribuidora Norte Pacasmayo S.R.L and Dinoseiva Iquitos SAC.
- **Goods:** These are all materials and physical products that are acquired from external suppliers, which are cataloged in: Spare Parts, Supplies, Fixed Assets and Raw Materials.
- **Services:** These are all activities or actions that are acquired from external suppliers, which in many cases require specialized technical knowledge.
- **Acquisition:** Purchase of Goods and Services; necessary for production or administrative processes.
- **Plans:** Projection of consumption, purchase of materials or purchase of services.
- **Users:** Collaborators who need Goods and Services to carry out their activities or those of their area.
- **Applicants:** Collaborators who generate requirements for Goods and Services.
- **Purchasing Managers:** Collaborators of Supply Chain or other areas that manage the acquisition of Goods and Services.
- **Request for Purchase (Solped):** Document in SAP with which an area requests the Corporate Purchasing area to acquire Goods and Services.

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- This classification methodology is given according to what is established in our Policy of Corporative Purchase where it is determined that the selection of suppliers is made according to what is detailed above and that for a supplier classified as a strategic partner, a more detailed operational control is maintained with the support of the Functional Areas of the company; where parameters of compliance are incorporated into the bidding conditions. areas of the company, where environmental and social compliance parameters are included in the bidding conditions, with defined controls and indicators. and social compliance parameters with defined controls and indicators to be met by the winning bidder(s) with the risk of being risk of being able to terminate the contract for non-compliance.

PROCEDURE

Selection of new suppliers

[Available here](#)

- 7. Description of Activities:
 - 7.5: In order for the New Supplier to be selected, the Purchasing Manager requests the following documents:
 - a. RUC file where the legal representative of the company is evidenced
 - b. **G-GAS-D-03 Affidavit for Suppliers**
 - c. Legal Constitution of the Company
 - d. Cover Letter.
 - e. Product Evaluation (only if applicable)

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- We also have a selection procedure for new suppliers where we take into account the ESG risks that this means for our company. Therefore, one of our activities is to review the supplier's background in order to mitigate any risk. This review is carried out with the use of the tool World Check de Thomson Reuters which is a reliable and accurate source of risk information available that helps us in the decision making process for the selection of our suppliers.

DOCUMENT

Affidavit for providers

[Available here](#)

Cementos Pacasmayo SAA and subsidiaries	DOCUMENT Affidavit for suppliers	Code: G-GAS-D-03
Management system Anti-bribery and Compliance		Version: 02 / 01 June 2023 Page 1 / 5

AFFIDAVIT FOR SUPPLIERS OF CEMENTOS PACASMAYO S.A.A AND SUBSIDIARY COMPANIES.

COMPLIANCE WITH STANDARDS OF ETHICAL CONDUCT, ADMINISTRATIVE RESPONSIBILITY OF LEGAL PERSONS AND PREVENTION OF MONEY LAUNDERING AND FINANCING OF TERRORISM

Consteporelpresentedocumentoladeclaración,bajojuramento,querealiza

.....with Tax ID: No,with address in
....., district of, province and Department
.....,
.....duly represented by
..... identified (a) with DNI No.....
powers duly registered in the Item Electronics N°del Registration of Persons
Legal of(.....onwards "THE PROVIDER") .

THE SUPPLIER expressly declares that it knows and undertakes to periodically review the updates, understand and comply with the Good Corporate Governance and Compliance Policies of Cementos Pacasmayo S.A.A. and its subsidiaries or affiliates (hereinafter THE COMPANY), which are available at the following web link: https://www.cementospacasmayo.com.pe/Aplicaciones/Web/webpacasmayo.nsf/xsp_cumplimiento_xsp?tab=54 which includes strict compliance with the regulations on administrative liability of legal entities as well as the regulations on Prevention of Money Laundering and Financing of Terrorism (PLAFT).

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- On the other hand, within the actions of our procedure, all suppliers must submit the affidavit where they commit to complying with ethical conduct standards, administrative responsibility of legal persons and prevention of assets laundering and financing of terrorism in matters of anti-corruption, business ethics, prevention of assets laundering and financing of terrorism, anti-fraud, free competition, payment auditing, work policy, relationship and/or kinship.
 - Our objective is that our suppliers are aligned with our commitment to mitigate ESG risks. For this reason, within the affidavit there are commitments to comply with governance, environmental and social issues.

Environmental Aspects

- Supplier's responsibility: Our suppliers must comply with all applicable legal requirements of safety, health at work and the environment in force and with the requirements established in the contractor entry procedure for services provided to the company and others establish.

Social Aspects

- Work Policy: Cementos Pacasmayo strongly supports and promotes the eradication of: (i) practices of work similar to slavery and illegal work of children and adolescents, (ii) practices of Discrimination in the hiring and promotion of employees, except as permitted by law current Peruvian law and (iii) practices harmful to the environment.

Governance Aspects

- Ethical conduct standards
- Administrative responsibility of legal persons and prevention of assets laundering and financing of terrorism in matters of anti-corruption
- Business ethics
- Prevention of assets laundering and financing of terrorism
- Anti-fraud
- Free competition
- Payment auditing
- Work policy, relationship and/or kinship.