

# Board Independence

In Cementos Pacasmayo, Independent directors can bring new insights and balance that improve the performance of a company through their objective view of the company's health and operations. It is considered they can also bring specific expertise from their experience as well as provide additional accountability.

## DEFINITION OF AN INDEPENDENT DIRECTOR:

The term "Independent Director" is used to identify those Directors that are not linked to majority shareholders (within the second degree of consanguinity or affinity), or with the corporate steering team. They have an impartial view, free of conflict of interest, are not subject to personal, capital or financial interests, and are called to join the Board due to their professional career, good reputation, sufficiency and economic independence, and disassociation from the Company, its shareholders or its executives.

To be considered as "Independent Director", a person shall not fall under any of the following assumptions:

- a. Is, or has been within the last three (3) years, Director of Cementos Pacasmayo or any company of its consolidated group or any parent company of Cementos Pacasmayo with an ownership equal or greater than five percent (5%) of its share capital.
- b. Is, or has been within the last three (3) years, executive officer or employee of Cementos Pacasmayo or any company of its consolidated group or any parent company of Cementos Pacasmayo with an ownership equal or greater than five percent (5%) of its share capital, or has an immediate family member who is, or has been within the last three (3) years, an executive officer of Cementos Pacasmayo.
- c. Has been for ten (10) years, continued or not, within the last fifteen (15) years, Director of Cementos Pacasmayo or any company of its consolidated group.
- d. Is a shareholder with an ownership equal or greater than one percent (1%) of the share capital of Cementos Pacasmayo, or has the capacity to exercise voting rights in said percentage or has (an) agreement(s) that allows the exercise the right to acquire shares in said percentage
- e. Has or had or has an immediate family member who has or had, within the last three (3) years, a direct or indirect significant commercial or contractual business relationship with Cementos Pacasmayo or any company of its consolidated group.
- f. Is a Director or executive officer of another company where any Director or executive officer of Cementos Pacasmayo is a Director, except when he is an Independent Director of Cementos Pacasmayo.
- g. Is or has an immediate family member who is, or has been within the last three (3) years, an executive officer of any company where any of the current executive officers of Cementos Pacasmayo is or has been at the same time member of the compensation committee of said company.
- h. Serves as an Independent Director simultaneously in more than five (5) companies that have at least one security registered at the Stock Market Public Registry (*Registro Público del Mercado de Valores – RPMV*), except when all the companies in which he serves as an Independent Director are part of a consolidated group.
- i. Is or has been within the last three (3) years, partner or employee of a firm that serves as external auditor for Cementos Pacasmayo or any company of its consolidated group; or has an immediate family member who: (i) is a current partner of such firm; (ii) is a current employee of such a firm and personally works on the audit of Cementos Pacasmayo or any company of its consolidated group; or (iii) was within the last three (3) years a partner or employee of such firm and personally worked on the audit of Cementos Pacasmayo or any company of its consolidated group within that time.

- j. Is, or has an immediate family member who is, a debtor or creditor of Cementos Pacasmayo, or is a partner or employee of a company that is an important debtor or creditor of Cementos Pacasmayo.
- k. Is, or has an immediate family member who is, an employee of a foundation, educational institution or nonprofit organization that receives important donations from Cementos Pacasmayo.
- l. Is the spouse or maintains a de facto union in accordance with article 326 of the Civil Code, as amended, or maintains an analogous relation of affectivity, or is a relative within the second degree of consanguinity or affinity to shareholders with an ownership equal or greater than five percent (5%) of its share capital, to Directors or executive officers of Cementos Pacasmayo.

For the purposes of the above-mentioned assumptions, the following must be taken into account:

- The commercial or contractual business relationship includes, among others, those of supply, consulting and advisory, whether the Company's counterpart is a person, a legal entity or is carried through an association contract. The term "significant" refers to income from the commercial or contractual business relationship: (a) when in a direct relationship, income in excess of: (i) one percent (1%) of the annual income of the Company or five percent (5%) of the annual income of the person to be designated as Independent Director; or (ii) US\$120,000 in any twelve (12) month period within the last three (3) years, without regard to any compensation they may receive as Directors or members of a committee appointed by the Board; or (b) when in an indirect relationship, income in excess of: (i) one percent (1%) of the annual income of any of the parties; or (ii) the greater than US\$1'000,000 or two percent (2%) of the Company's consolidated gross revenue of either of them, in any of the last three (3) fiscal years. The commercial or contractual relationship is indirect when the person to be designated as Independent Director is a shareholder with more than five percent (5%) of the share capital, Director, employee or partner of the legal entity with which the Company or any company of its consolidated group has or has had a significant commercial or contractual relationship, or has an immediate family member who is a member of the Senior Management of said company. The Audit Committee may allow exceptions when, in its opinion, the Director's independence is maintained.
- The term "important" refers to customers, suppliers, debtors or creditors who have made payments to, or received payments from, the Company for goods or services in an amount exceeding the limit established in section (b)( ii ) of the preceding paragraph. The Audit Committee may allow exceptions when, in its opinion, the Director's independence is maintained.
- The term "relative within the second degree of consanguinity or affinity" includes the spouse, parents, children, grandparents, grandchildren, siblings (relatives within the second degree of consanguinity) as well as the spouse's parents, spouse's children, spouse's grandparents, spouse's grandchildren, spouse's siblings, stepchildren, stepparents, stepbrothers and step-siblings (relatives within second degree of affinity), and any person (other than a tenant or domestic employee) who shares that person's household.
- The term "immediate family member" includes a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person's home.
- The term "Senior Management" refers to the Chief Executive Officer or any vice president or officer that reports directly to the Chief Executive Officer.
- The restriction established under paragraph a) does not apply when the signatory of this affidavit is an Independent Director that is being reelected in Cementos Pacasmayo or designated as an Independent Director in a company of its consolidated group or if he is a Director that has had the condition of Independent Director within the last three (3) years.

- The restriction under paragraph f) does not apply when the signatory of this affidavit is an Independent Director of the company where he coincides in the Board of Directors with the Director or executive officer of Cementos Pacasmayo, as long as both companies are part of the same consolidated group.

It should be stressed that in foregoing items, when referring to the Company, it includes the person or persons that constitute the consolidated group to which the Company belongs.

A shareholder that has no significant influence, or command, nor is he related to the steering team of the Company, may be considered as an Independent Director.

Persons designated as “Independent Directors” shall sign an affidavit of compliance with the requirements in order to be considered as such (see model in Annex 2). This affidavit shall be made at the time of their appointment by the Shareholders' General Meeting and the document shall be filed in their respective personal files.

The assessment of Independence will be conducted annually by the Board under the self- evaluation of the good corporate governance practices. In assessing the independence of a director, the Board will consider all the relevant circumstances or facts, including business, industrial, banking, consulting, legal, accounting, charitable and domestic relationships or other criteria that in the opinion of the Board may have a relation with this issue.

If, during the course of the year, an event occurs that reduces the Independent Director’s independence, he must inform the Board in full as soon as possible.

**The following pages display** The independence statements:


## Independent Director Affidavit

I, Venkat Krishnamurthy, identified with Passport N° 545735329, declare under oath the following:

1. That I am familiar with the definition and scope of the position of "Independent Director" contained in the "Manual of Responsibilities, Legal Rights and Obligations of the Directors" of Cementos Pacasmayo S.A.A ("Cementos Pacasmayo").
2. That I understand that the term "Independent Director" is used in the particular case of Cementos Pacasmayo to identify those Directors who are not included in any of the following cases:
  - a. Is, or has been within the last three (3) years, Director of Cementos Pacasmayo or any company of its consolidated group or any parent company of Cementos Pacasmayo with an ownership equal or greater than five percent (5%) of its share capital. <sup>i</sup>
  - b. Is, or has been within the last three (3) years, executive officer or employee of Cementos Pacasmayo or any company of its consolidated group or any parent company of Cementos Pacasmayo with an ownership equal or greater than five percent (5%) of its share capital, or has an immediate family member who is, or has been within the last three (3) years, an executive officer of Cementos Pacasmayo.
  - c. Has been for ten (10) years, continued or not, within the last fifteen (15) years, Director of Cementos Pacasmayo or any company of its consolidated group.
  - d. Is a shareholder with an ownership equal or greater than one percent (1%) of the share capital of Cementos Pacasmayo, or has the capacity to exercise voting rights in said percentage or has (an) agreement(s) that allows the exercise the right to acquire shares in said percentage.
  - e. Has or had, or has an immediately family member who has or had, within the last three (3) years, a direct or indirect significant or contractual business relationship with Cementos Pacasmayo or any company of its consolidated group.
  - f. Is a Director or executive officer of another company where any Director or executive officer of Cementos Pacasmayo is a Director, except when he is an Independent Director of Cementos Pacasmayo. <sup>ii</sup>
  - g. Is or has an immediately family member who is, or has been within the last three (3) years, an executive officer of any company where any of the current executive officers of Cementos Pacasmayo is or has been at the same time member of the compensation committee of said company.
  - h. Serves as an Independent Director simultaneously in more than five (5) companies that have at least one security registered at the Stock Market Public Registry (*Registro Público del Mercado de Valores - RPMV*), except when all the companies in which he serves as an Independent Director are part of a consolidated group.
  - i. Is or has been within the last three (3) years, partner or employee of a firm that serves as external auditor for Cementos Pacasmayo or any company of its consolidated group; or has an immediately family member who: (i) is a current partner of such firm; (ii) is a current employee of such a firm and personally works on the audit of Cementos Pacasmayo or any company of its consolidated group; or (iii) was within the last three (3) years a partner or employee of such firm and personally worked on the audit of Cementos Pacasmayo or any company of its consolidated group within that time.
  - j. Is, or has an immediately family member who is, a debtor or creditor of Cementos Pacasmayo, or is a partner or employee of a company that is an important debtor or creditor of Cementos Pacasmayo.

- k. Is, or has an immediately family member who is, an employee of a foundation, educational institution or nonprofit organization that receives important donations from Cementos Pacasmayo.
  - l. Is the spouse, or maintains a de facto union in accordance with article 326 of the Civil Code, as amended, or maintains an analogous relation of affectivity, or is related by blood or marriage up to the second degree to shareholders with an ownership equal or greater than five percent (5%) of its share capital, to Directors or executive officers of Cementos Pacasmayo.
3. That I have not been sentenced in final judgement imposed by a national or foreign judicial authority, for a willful crime.
  4. That I have not been sanctioned by the Stock Market Superintendence (*Superintendencia del Mercado de Valores - SMV*) or the Banking, Insurance and AFP Superintendence (*Superintendencia de Banca, Seguros y AFP - SBS*), that is final in the administrative procedure, or by equivalent institutions abroad, corresponding to: i) grave infractions within the last ten (10) years, counted from the date the sanction became firm; or ii) very grave infractions.
  5. That I am not included in the Office of Foreign Assets Control of the Treasury Department of the United States of America (OFAC) list, which includes countries, people and / or entities that collaborate with terrorism and illicit drug trafficking.
  6. That I do not register debts past due for more than one hundred and twenty (120) calendar days or judicial collection, in both cases, greater than two (2) Tax Units (*Unidad Impositiva Tributaria - UIT*).
  7. That no more than fifty percent (50%) of my debts are qualified as doubtful, loss or other equivalent, in any company of the financial system or in any risk central, national or foreign.
  8. That no more than fifty percent (50%) of my assets are affected by precautionary measures derived from judicial or administrative proceedings.
  9. That I have no pending lawsuit with Cementos Pacasmayo or its affiliates as plaintiff, nor am I subject to a social responsibility action initiated by Cementos Pacasmayo or its affiliates, nor am I prevented by an injunction order issued by judicial or arbitration authority.
  10. That I am not involved, directly or indirectly, in a judicial proceeding that could endanger the reputation of Cementos Pacasmayo and its affiliates.
  11. That as soon as I identify that I have come to find myself in one of the above cases, I will communicate it opportunely to the other Directors so that they are informed and my consideration as Independent Director ceases under the terms accepted by Cementos Pacasmayo.

Lima; 05 September, 2022.



Venkat Krishnamurthy  
Passport N° 545735329

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i This restriction does not apply when the signatory of this affidavit is an Independent Director that is being reelected in Cementos Pacasmayo or designated as an Independent Director in a company of its consolidated group or if he is a Director that has had the condition of Independent Director within the last three (3) years.

ii This restriction does not apply when the signatory of this affidavit is an Independent Director of the company where he coincides in the Board of Directors with the Director or executive officer of Cementos Pacasmayo, as long as both companies are part of the same consolidated group.

## Independent Director Affidavit

I, Ana Maria Botella Serrano, identified with Passport N° PAH907522, declare under oath the following:

1. That I am familiar with the definition and scope of the position of "Independent Director" contained in the "Manual of Responsibilities, Legal Rights and Obligations of the Directors" of Cementos Pacasmayo S.A.A ("Cementos Pacasmayo").
2. That I understand that the term "Independent Director" is used in the particular case of Cementos Pacasmayo to identify those Directors who are not included in any of the following cases:
  - a. Is, or has been within the last three (3) years, Director of Cementos Pacasmayo or any company of its consolidated group or any parent company of Cementos Pacasmayo with an ownership equal or greater than five percent (5%) of its share capital. <sup>i</sup>
  - b. Is, or has been within the last three (3) years, executive officer or employee of Cementos Pacasmayo or any company of its consolidated group or any parent company of Cementos Pacasmayo with an ownership equal or greater than five percent (5%) of its share capital, or has an immediate family member who is, or has been within the last three (3) years, an executive officer of Cementos Pacasmayo.
  - c. Has been for ten (10) years, continued or not, within the last fifteen (15) years, Director of Cementos Pacasmayo or any company of its consolidated group.
  - d. Is a shareholder with an ownership equal or greater than one percent (1%) of the share capital of Cementos Pacasmayo, or has the capacity to exercise voting rights in said percentage or has (an) agreement(s) that allows the exercise the right to acquire shares in said percentage.
  - e. Has or had, or has an immediately family member who has or had, within the last three (3) years, a direct or indirect significant or contractual business relationship with Cementos Pacasmayo or any company of its consolidated group.
  - f. Is a Director or executive officer of another company where any Director or executive officer of Cementos Pacasmayo is a Director, except when he is an Independent Director of Cementos Pacasmayo. <sup>ii</sup>
  - g. Is or has an immediately family member who is, or has been within the last three (3) years, an executive officer of any company where any of the current executive officers of Cementos Pacasmayo is or has been at the same time member of the compensation committee of said company.
  - h. Serves as an Independent Director simultaneously in more than five (5) companies that have at least one security registered at the Stock Market Public Registry (*Registro Público del Mercado de Valores - RPMV*), except when all the companies in which he serves as an Independent Director are part of a consolidated group.
  - i. Is or has been within the last three (3) years, partner or employee of a firm that serves as external auditor for Cementos Pacasmayo or any company of its consolidated group; or has an immediately family member who: (i) is a current partner of such firm; (ii) is a current employee of such a firm and personally works on the audit of Cementos Pacasmayo or any company of its consolidated group; or (iii) was within the last three (3) years a partner or employee of such firm and personally worked on the audit of Cementos Pacasmayo or any company of its consolidated group within that time.
  - j. Is, or has an immediately family member who is, a debtor or creditor of Cementos Pacasmayo, or is a partner or employee of a company that is an important debtor or creditor of Cementos Pacasmayo.

- k. Is, or has an immediately family member who is, an employee of a foundation, educational institution or nonprofit organization that receives important donations from Cementos Pacasmayo.
  - l. Is the spouse, or maintains a de facto union in accordance with article 326 of the Civil Code, as amended, or maintains an analogous relation of affectivity, or is related by blood or marriage up to the second degree to shareholders with an ownership equal or greater than five percent (5%) of its share capital, to Directors or executive officers of Cementos Pacasmayo.
3. That I have not been sentenced in final judgement imposed by a national or foreign judicial authority, for a willful crime.
  4. That I have not been sanctioned by the Stock Market Superintendence (*Superintendencia del Mercado de Valores - SMV*) or the Banking, Insurance and AFP Superintendence (*Superintendencia de Banca, Seguros y AFP - SBS*), that is final in the administrative procedure, or by equivalent institutions abroad, corresponding to: i) grave infractions within the last ten (10) years, counted from the date the sanction became firm; or ii) very grave infractions.
  5. That I am not included in the Office of Foreign Assets Control of the Treasury Department of the United States of America (OFAC) list, which includes countries, people and / or entities that collaborate with terrorism and illicit drug trafficking.
  6. That I do not register debts past due for more than one hundred and twenty (120) calendar days or judicial collection, in both cases, greater than two (2) Tax Units (*Unidad Impositiva Tributaria - UIT*).
  7. That no more than fifty percent (50%) of my debts are qualified as doubtful, loss or other equivalent, in any company of the financial system or in any risk central, national or foreign.
  8. That no more than fifty percent (50%) of my assets are affected by precautionary measures derived from judicial or administrative proceedings.
  9. That I have no pending lawsuit with Cementos Pacasmayo or its affiliates as plaintiff, nor am I subject to a social responsibility action initiated by Cementos Pacasmayo or its affiliates, nor am I prevented by an injunction order issued by judicial or arbitration authority.
  10. That I am not involved, directly or indirectly, in a judicial proceeding that could endanger the reputation of Cementos Pacasmayo and its affiliates.
  11. That as soon as I identify that I have come to find myself in one of the above cases, I will communicate it opportunely to the other Directors so that they are informed and my consideration as Independent Director ceases under the terms accepted by Cementos Pacasmayo.

Lima; 06 September, 2022.



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 Ana Maria Botella Serrano  
 Pasaporte N° PAH907522

<sup>i</sup> This restriction does not apply when the signatory of this affidavit is an Independent Director that is being reelected in Cementos Pacasmayo or designated as an Independent Director in a company of its consolidated group or if he is a Director that has had the condition of Independent Director within the last three (3) years.

<sup>ii</sup> This restriction does not apply when the signatory of this affidavit is an Independent Director of the company where he coincides in the Board of Directors with the Director or executive officer of Cementos Pacasmayo, as long as both companies are part of the same consolidated group.

## Independent Director Affidavit


I, Esteban Chong León, identified with DNI N° 08243466, declare under oath the following:

1. That I am familiar with the definition and scope of the position of "Independent Director" contained in the "Manual of Responsibilities, Legal Rights and Obligations of the Directors" of Cementos Pacasmayo S.A.A ("Cementos Pacasmayo").
2. That I understand that the term "Independent Director" is used in the particular case of Cementos Pacasmayo to identify those Directors who are not included in any of the following cases:
  - a. Is, or has been within the last three (3) years, Director of Cementos Pacasmayo or any company of its consolidated group or any parent company of Cementos Pacasmayo with an ownership equal or greater than five percent (5%) of its share capital. <sup>i</sup>
  - b. Is, or has been within the last three (3) years, executive officer or employee of Cementos Pacasmayo or any company of its consolidated group or any parent company of Cementos Pacasmayo with an ownership equal or greater than five percent (5%) of its share capital, or has an immediate family member who is, or has been within the last three (3) years, an executive officer of Cementos Pacasmayo.
  - c. Has been for ten (10) years, continued or not, within the last fifteen (15) years, Director of Cementos Pacasmayo or any company of its consolidated group.
  - d. Is a shareholder with an ownership equal or greater than one percent (1%) of the share capital of Cementos Pacasmayo, or has the capacity to exercise voting rights in said percentage or has (an) agreement(s) that allows the exercise the right to acquire shares in said percentage.
  - e. Has or had, or has an immediately family member who has or had, within the last three (3) years, a direct or indirect significant or contractual business relationship with Cementos Pacasmayo or any company of its consolidated group.
  - f. Is a Director or executive officer of another company where any Director or executive officer of Cementos Pacasmayo is a Director, except when he is an Independent Director of Cementos Pacasmayo. <sup>ii</sup>
  - g. Is or has an immediately family member who is, or has been within the last three (3) years, an executive officer of any company where any of the current executive officers of Cementos Pacasmayo is or has been at the same time member of the compensation committee of said company.
  - h. Serves as an Independent Director simultaneously in more than five (5) companies that have at least one security registered at the Stock Market Public Registry (*Registro Público del Mercado de Valores - RPMV*), except when all the companies in which he serves as an Independent Director are part of a consolidated group.
  - i. Is or has been within the last three (3) years, partner or employee of a firm that serves as external auditor for Cementos Pacasmayo or any company of its consolidated group; or has an immediately family member who: (i) is a current partner of such firm; (ii) is a current employee of such a firm and personally works on the audit of Cementos Pacasmayo or any company of its consolidated group; or (iii) was within the last three (3) years a partner or employee of such firm and personally worked on the audit of Cementos Pacasmayo or any company of its consolidated group within that time.
  - j. Is, or has an immediately family member who is, a debtor or creditor of Cementos Pacasmayo, or is a partner or employee of a company that is an important debtor or creditor of Cementos Pacasmayo.



- k. Is, or has an immediately family member who is, an employee of a foundation, educational institution or nonprofit organization that receives important donations from Cementos Pacasmayo.
  - l. Is the spouse, or maintains a de facto union in accordance with article 326 of the Civil Code, as amended, or maintains an analogous relation of affectivity, or is related by blood or marriage up to the second degree to shareholders with an ownership equal or greater than five percent (5%) of its share capital, to Directors or executive officers of Cementos Pacasmayo.
3. That I have not been sentenced in final judgement imposed by a national or foreign judicial authority, for a willful crime.
  4. That I have not been sanctioned by the Stock Market Superintendence (*Superintendencia del Mercado de Valores - SMV*) or the Banking, Insurance and AFP Superintendence (*Superintendencia de Banca, Seguros y AFP - SBS*), that is final in the administrative procedure, or by equivalent institutions abroad, corresponding to: i) grave infractions within the last ten (10) years, counted from the date the sanction became firm; or ii) very grave infractions.
  5. That I am not included in the Office of Foreign Assets Control of the Treasury Department of the United States of America (OFAC) list, which includes countries, people and / or entities that collaborate with terrorism and illicit drug trafficking.
  6. That I do not register debts past due for more than one hundred and twenty (120) calendar days or judicial collection, in both cases, greater than two (2) Tax Units (*Unidad Impositiva Tributaria - UIT*).
  7. That no more than fifty percent (50%) of my debts are qualified as doubtful, loss or other equivalent, in any company of the financial system or in any risk central, national or foreign.
  8. That no more than fifty percent (50%) of my assets are affected by precautionary measures derived from judicial or administrative proceedings.
  9. That I have no pending lawsuit with Cementos Pacasmayo or its affiliates as plaintiff, nor am I subject to a social responsibility action initiated by Cementos Pacasmayo or its affiliates, nor am I prevented by an injunction order issued by judicial or arbitration authority.
  10. That I am not involved, directly or indirectly, in a judicial proceeding that could endanger the reputation of Cementos Pacasmayo and its affiliates.
  11. That as soon as I identify that I have come to find myself in one of the above cases, I will communicate it opportunely to the other Directors so that they are informed and my consideration as Independent Director ceases under the terms accepted by Cementos Pacasmayo.

Lima; 05 April, 2023.

  
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 Esteban Chong León  
 DNI N° 08243466

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