

ESG ANNEX 2023





TABLE OF CONTENTS

1

GOVERNANCE

1	Independence of the Board of Directors	5
2	Grupo UNACEM's Board of Directors Competency Matrix	9
3	Risk and Crisis Management	11
4	Materiality	20
5	Fiscal Commitment	21
6	Lobbying and Trade Associations: Climate Alignment	22
7	ESG Supplier Program	24
8	Supplier Selection	25
9	Supplier Assessment	26

2

ENVIRONMENTAL

10	Environmental Policy and Commitments	28
11	Energy Management Programs	31
12	Waste Management Programs	33
13	Water Management	35
14	Climate Action	37
15	Biodiversity	43
16	Product Management	46

3

SOCIAL

17	Intervention Procedure for Incidents of Discrimination and/or Harassment	49
18	Employee Support Programs	51
19	Human Rights Impact Management	53
20	Human Rights Mitigation and Remediation	59
21	Occupational Health and Safety Programs	62
22	Stakeholder Engagement Policy	63
23	Stakeholder Engagement Program	65
24	Work Environment Survey	67
25	Employee Development Programs	69
26	Type of Performance Assessment	71

004

4

ESG INDICATORS

Table 1:	Matrix of Relevant Issues and Stakeholders for the UNACEM Group Value Chain	55
Table 2:	Summary Matrix of Relevant Human Rights Issues for the Grupo UNACEM Value Chain	56
Table 3:	Summary Matrix of Relevant Human Rights Issues for the Grupo UNACEM Supply Chain	58
Table 4:	Opportunities for Improvement in Due Diligence Sub-Processes	59
Table 5:	Main Mitigation Plans for Human Rights Risks in the Grupo UNACEM Value Chain	60
Table 6:	Processes Implemented to Mitigate Human Rights Risks in UNACEM Peru's Supply Chain	61
Table 7:	Historical GHG Emissions and Coverage – Cement Sector	73
Table 8:	Total Water Consumption History	74
Table 9:	Co-Processing Rate	75
Table 10:	Water Consumption in Water-Stressed Areas	76
Table 11:	Climate-Related Management Incentives	77
Table 12:	Training and Development Indicators 2023 – DJSI Evidence: Breakdown by gender, age, and management level	78
Table 13:	Human Capital Return on Investment – DJSI Evidence for the Grupo UNACEM	79
Table 14:	Hiring of Employees – DJSI Evidence by Group: Breakdown by gender, age, and nationality	80
Table 15:	Employee Turnover Rate – DJSI Evidence by Group: Breakdown by gender, age, nationality, and management level	81
Table 16:	Human Rights Assessment – Value Chain – Grupo UNACEM	82
Table 17:	Gender Pay Ratio – Grupo UNACEM	82
Table 18:	Required Information on eligible Grupo UNACEM activities – Colombian Taxonomy	84
Table 19:	Grupo UNACEM Eligible Activities by Business Unit according to the Colombian Taxonomy – Cement Sector	85
Table 20:	Grupo UNACEM Activities Aligned with Energy Efficiency according to the Colombian Taxonomy – Cement Sector	86
Table 21:	Grupo UNACEM Eligible Activities according to the Colombian Taxonomy – Energy Sector	87
Table 22:	Average Tenure Time of the Board of Directors – Grupo UNACEM	88
Table 23:	Increased Grupo UNACEM Contributions and Expenditures – DJSI Indicator	89
Table 24:	Supplier Selection KPIs for UNACEM Peru and UNACEM Ecuador	91
Table 25:	KPIs for Supplier Assessment at UNACEM Peru	91
Table 26:	Coverage and Scope of UNACEM Peru's Suppliers with Corrective Action Plans	92
Table 27:	Coverage and Scope of UNACEM Peru's Suppliers in Capacity Building Programs	92
Table 28:	Grupo UNACEM Tax Return – DJSI Evidence	93
Table 29:	Grupo UNACEM Effective Tax Rate – DJSI Evidence	94
Table 30:	Information security breaches	94

072

1

GOVERNANCE

1	Independence of the Board of Directors
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4	Materiality
5	Fiscal Commitment
6	Lobbying and Trade Associations: Climate Alignment
7	ESG Supplier Program
8	Supplier Selection
9	Supplier Assessment

1

INDEPENDENCE OF THE BOARD OF DIRECTORS

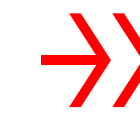
The Internal Regulations of the Board of Directors of Grupo UNACEM lay out the criteria for qualifying an independent director based on Resolution No. 016-2019-SMV/01 of the Superintendency of the Securities Market (page 13). https://www.cnc.gob.pe/images/cnc/doing_business/normas/rs-n-016-2019-smv.pdf.

Declaration of Independent Directors

- Jose Antonio Payet Puccio: <https://grupounacem.com/wp-content/uploads/2024/03/Criterios-de-director-independiente-Jose-Antonio-Payet.pdf>
- Elmer Cuba Bustinza: <https://grupounacem.com/wp-content/uploads/2024/03/Criterios-de-director-independiente-Elmer-Cuba.pdf>
- Jorge Ramírez del Villar López de Romaña: <https://grupounacem.com/wp-content/uploads/2023/08/Jorge-Ramirez-del-Villar.pdf>

The three (3) independent members of Grupo UNACEM's Board of Directors meet seven (7) of the nine (9) requirements of the Dow Jones Sustainability Index (DJSI) Corporate Sustainability Assessment (CSA):

- The director must not have been employed by the company in an executive capacity within the last five (5) years.
- The director must not have been a partner or employee of the company's outside auditor during the previous year.
- The director must not be a family member of an individual who was employed by the company or by any parent or subsidiary of the company as an executive officer.
- The director must not be affiliated with a significant customer or supplier of the company.
- The director must not be (and must not be affiliated with a company that is) an adviser or consultant to the company or a member of the company's senior management.
- The director must not have any other conflict of interest that the board itself determines to mean they cannot be considered independent.
- The director must have no personal services contracts with the company or a member of the company's senior management.



THE THREE (3) INDEPENDENT MEMBERS OF GRUPO UNACEM'S BOARD OF DIRECTORS **MEET SEVEN (7) OF THE NINE (9) REQUIREMENTS OF THE DOW JONES SUSTAINABILITY INDEX (DJSI) CORPORATE SUSTAINABILITY ASSESSMENT (CSA).**



Compliance by Independent Directors Grupo UNACEM	Requirements for Independent Directors of the Dow Jones Sustainability Index (DJSI) Corporate Sustainability Assessment ¹	Independent Director Requirement Internal Regulations of the Board of Directors – Grupo UNACEM ²
Compliant	The director must not have been employed by the company in an executive capacity within the last year.	No haber sido director, miembro de la Alta Dirección, empleado de la sociedad, de una sociedad del mismo grupo económico o en cualquier sociedad accionista de la sociedad con participación igual o superior al cinco por ciento (5.0%) de su capital social, salvo que hubiera contado con tres (3) años desde el cese de dicha relación. Esta restricción no se aplica en el caso de un director que haya tenido un estatus independiente en los últimos tres (3) años.
Non-Compliant	The director must not accept or have a "Family Member who accepts any payments from the company or any parent or business unit of the company in excess of US\$ 60,000 during the current fiscal year," other than those permitted by SEC Rule 4200 Definitions, including i) payments arising solely from investments in the company's securities; or ii) payments under non-discretionary charitable contribution matching programs. Payments that do not meet these two criteria are disallowed.	----
Compliant	The director must not be a "Family Member of an individual who is [...] employed by the company or by any parent or business unit of the company as an executive officer."	The director must not be a spouse, nor be related in the first or second degree of consanguinity, or in the first degree of affinity, with shareholders, members of the Board of Directors, or Senior Management of the company.

¹ Independent Directors: are non-executive directors that are independent by meeting at least four (4) of the nine (9) criteria (of which at least two (2) of the three (3) first criteria) listed below:

² Criteria based on https://www.cnc.gob.pe/images/cnc/doing_business/normas/rs-n-016-2019-smv.pdf.



Compliance by Independent Directors Grupo UNACEM	Requirements for Independent Directors of the Dow Jones Sustainability Index (DJSI) Corporate Sustainability Assessment ¹	Independent Director Requirement Internal Regulations of the Board of Directors – Grupo UNACEM ²
Compliant	The director must not be (and must not be affiliated with a company that is) an adviser or consultant to the company or a member of the company's senior management.	
Compliant	The director must not be affiliated with a significant customer or supplier of the company.	The director must not have, or have had within the last three (3) years, a commercial or contractual relationship, whether direct or indirect and of significant nature, with the company or any other company within the same group.
Compliant	The director must have no personal services contracts with the company or a member of the company's senior management.	
Compliant	The director must not have been a partner or employee of the company's outside auditor during the previous year.	The director must not have been, during the last three (3) years, a partner or employee of the outside auditor or the auditor of any company within the same group.
Non-Compliant	The director must not be affiliated with a not-for-profit entity that receives significant contributions from the company.	----

¹ Independent Directors: are non-executive directors that are independent by meeting at least four (4) of the nine (9) criteria (of which at least two (2) of the three (3) first criteria) listed below:

² Criteria based on https://www.cnc.gob.pe/images/cnc/doing_business/normas/rs-n-016-2019-smv.pdf.



Compliance by Independent Directors Grupo UNACEM	Requirements for Independent Directors of the Dow Jones Sustainability Index (DJSI) Corporate Sustainability Assessment ¹	Independent Director Requirement Internal Regulations of the Board of Directors – Grupo UNACEM ²
Compliant	The director must not have any other conflict of interest that the board itself determines to mean they cannot be considered independent.	<p>The director must not participate simultaneously as an independent director in more than five (5) companies with at least one (1) security registered with the Public Registry of Securities Market (RPMV). Exceptionally, an independent director may maintain this status in more than five (5) companies with securities registered with the RPMV, provided they all belong to the same economic group.</p> <p>The director must not be a shareholder with a percentage greater than one percent (1.0%) of the company's capital stock, must not have the capacity to exercise the right to vote in such a percentage or have any agreements that allow the acquisition of the company's shares in such a percentage.</p> <p>The director must not have more than ten (10) continuous or alternate years within the last fifteen (15) years as an independent director of the company or any company within its economic group.</p> <p>The director must not be a spouse, nor be related in the first or second degree of consanguinity, or in the first degree of affinity, with shareholders, members of the Board of Directors, or Senior Management of the company.</p> <p>The director must not be a director or member of the Senior Management of another company in which any director or member of the Senior Management of the company is a member of the Board of Directors.</p>

1 Independent Directors: are non-executive directors that are independent by meeting at least four (4) of the nine (9) criteria (of which at least two (2) of the three (3) first criteria) listed below:
 2 Criteria based on https://www.cnc.gob.pe/images/cnc/doing_business/normas/rs-n-016-2019-smv.pdf.



2 GRUPO UNACEM'S BOARD OF DIRECTORS COMPETENCY MATRIX

	RICARDO RIZO PATRÓN DE LA PIEDRA	ALFREDO GASTAÑETA ALAYZA	MARCELO RIZO PATRÓN DE LA PIEDRA	MARÍA ELENA RIZO PATRÓN DE LA PIEDRA	CARLOS UGÁS DELGADO	JAIME SOTOMAYOR BERNÓS	DIEGO DE LA PIEDRA MINETTI	MARTÍN RAMOS RIZO PATRÓN	JORGE RAMÍREZ DEL VILLAR LÓPEZ DE ROMAÑA	JOSÉ ANTONIO PAYET PUCCIO	ELMER CUBA BUSTINZA
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Experienced as a senior manager in publicly traded companies with an international presence.

✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
---	---	---	--	---	---	---	---	---	---	---	---

Experienced in building materials, engineering, and construction.

✓	✓	✓	✓	✓	✓	✓	✓				
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Knowledgeable about sustainability issues (environmental, social, and economic).

✓	✓				✓	✓					✓
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Experienced in risk assessment and risk management.

✓	✓				✓	✓		✓			✓
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Experienced in compliance and ethical management.

										✓	
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	RICARDO RIZO PATRÓN DE LA PIEDRA	ALFREDO GASTAÑETA ALAYZA	MARCELO RIZO PATRÓN DE LA PIEDRA	MARÍA ELENA RIZO PATRÓN DE LA PIEDRA	CARLOS UGÁS DELGADO	JAIME SOTOMAYOR BERNÓS	DIEGO DE LA PIEDRA MINETTI	MARTÍN RAMOS RIZO PATRÓN	JORGE RAMÍREZ DEL VILLAR LÓPEZ DE ROMAÑA	JOSÉ ANTONIO PAYET PUCCIO	ELMER CUBA BUSTINZA
Has completed high-level studies in financial, administrative, economic, or sector-related topics.	✓	✓				✓		✓	✓	✓	✓
Possesses analytical or managerial skills.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Experienced in digital systems and cybersecurity.						✓	✓	✓	✓		
Knowledgeable about or experienced in corporate governance.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Knowledgeable about or experienced in strategic planning.				✓	✓	✓	✓	✓			✓
Knowledgeable about or experienced in innovation.						✓	✓	✓	✓		



3 RISK AND CRISIS MANAGEMENT

Grupo UNACEM is committed to comprehensive and aligned risk management across all business units to promote good corporate governance, strengthen stakeholder confidence, and ensure compliance with the company's commitments.

Risk Governance

Clear responsibilities and roles in risk management are established to ensure the identification, assessment, and treatment of risks that threaten the Group's strategy. The organizational structure is overseen by the Board of Directors and the Risk and Compliance Committee. Corporate Governance Structure: Corporate Governance – Grupo UNACEM.

The Board of Directors: Promotes a comprehensive risk management culture for Grupo UNACEM, approves the risk appetite, and periodically reviews the risk management strategy to ensure alignment with corporate strategies and objectives. As the highest decision-making body of the company, its members must have the necessary knowledge and vision for effective risk management.

Risk and Compliance Committee of the Board of Directors: Created in March 2023, the committee assists the Board of Directors in the following aspects:

- Contributing to the consolidation of a decision-making culture based on corporate values, the code of ethics and conduct, as well as comprehensive risk management, to develop a sustainable business.
- Implementing, assessing, and monitoring the comprehensive risk and compliance management system, and aligning operations

to identify, prevent, and/or mitigate potential events affecting the Group's strategy.

The committee members have experience and knowledge of the company's business lines and the main risks to which the Group is exposed. The Chairman of the Committee provides a quarterly summary to the Board of Directors.



Grupo UNACEM is committed to comprehensive and aligned risk management across all business units to promote good corporate governance, strengthen stakeholder confidence, and ensure compliance with the company's commitments.”

- The Risk and Compliance Committee is comprised of:
 - Elmer CUBA BUSTINZA (Independent Director) – Chairman
 - José Antonio PAYET PUCCIO (Independent Director)
 - Alex ALVARADO ARAUZO (Independent Director)
 - Alfredo GASTAÑETA ALAYZA (Vice-Chairman of the Board of Directors)
 - Carlos UGÁS DELGADO (Director)

Specific Operational Risk Management Duties: Grupo UNACEM has a risk governance framework with dedicated operational risk management duties.

- **First Line:** Risk Officers / Information Security Officers – Business Units
As risk owners, they are responsible for identifying risks that may impact the Group's business continuity, and for mitigating and implementing the P&P.
- **Second Line:** Corporate Risk and Compliance Department / Corporate Manager of Integral Risk Management / Corporate Cybersecurity Manager (CISO)



Grupo UNACEM comprehensive risk management process uses a standardized approach to establish a systematic and sustainable method for identifying, assessing, and mitigating risks that could threaten the business's strategy and objectives.”

They facilitate and monitor the implementation of the Corporate Risk Program.

- **Third Line:** Internal Audit

It ensures that first- and second-line efforts are consistent with expectations and effectively mitigate risks.

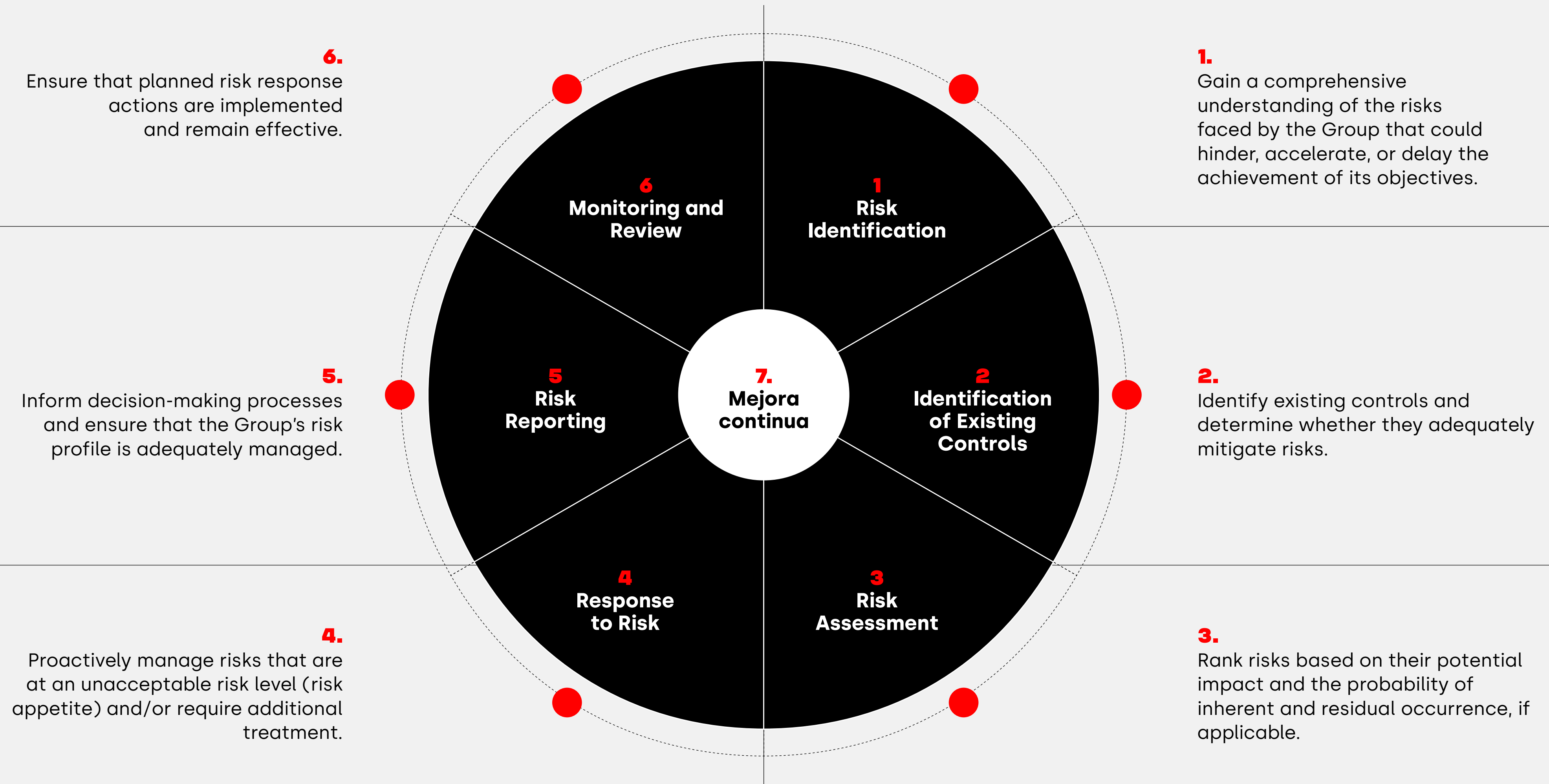
Risk Management Processes

Grupo UNACEM utilizes the COSO Internal Control 2013, COSO Enterprise Risk Management 2017, NIST CSF (CyberSecurity Framework), ISO 27001:2022 Information Security, Cybersecurity and Privacy Protection standard, and ISO 31000:2018 Risk Management standard as its reference framework.

Grupo UNACEM comprehensive risk management process uses a standardized approach to establish a systematic and sustainable method for identifying,

assessing, and mitigating risks that could threaten the business's strategy and objectives. This process is executed in coordination with the Corporate Center and Business Units, taking multiple perspectives into account. The organization maintains a central risk repository with information that is standardized, regularly reviewed, and updated.

A unique methodology is used, aligned with Good Corporate Governance standards and best practices. Protocols are established to prioritize, report, review, and approve risk matrices and mitigation plans. Risk assessment is integrated with the strategic planning process and the review and approval of investment projects (CAPEX).



Risk Reviews: Grupo UNACEM uses analytical tools such as scenario analysis to identify strategic risks. This type of analysis typically establishes the Free Cash Flow (FCF) of the project's financial model based on three scenarios: (i) Base case scenario, (ii) Best case scenario, and (iii) Worst case scenario. These scenarios are developed through a coherent understanding of the main triggers and/or most important hypotheses of the project.

- **Risk Appetite:** The potential impact is quantitatively estimated based on the current year's budgeted EBITDA of the relevant Business Unit. If EBITDA is close to zero or negative, it is replaced by net sales or another measure established by the Risk and Compliance Committee. Additionally, the potential impact is also estimated in qualitative terms, such as reputational impact.

The level of risk is determined by combining the potential impact and the probability of occurrence of the risk. It should be noted that the level of risk is the main prioritization criterion in risk management.

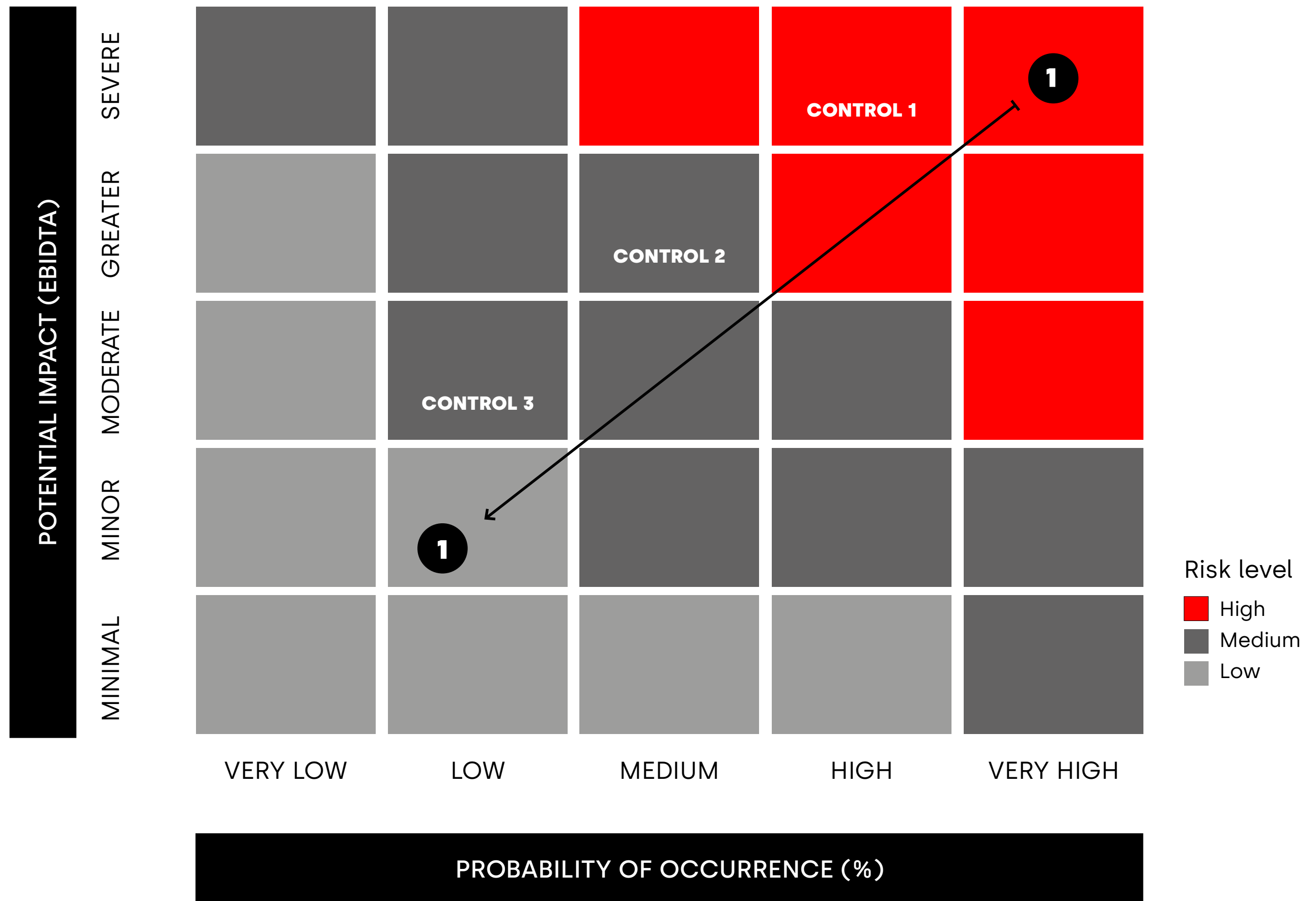


Grupo UNACEM uses analytical tools such as scenario analysis to identify strategic risks. This type of analysis typically establishes the Free Cash Flow (FCF) of the project's financial model based on three scenarios: (i) Base case scenario, (ii) Best case scenario, and (iii) Worst case scenario.”

- Heat Map:** The response to inherent risk, i.e., control, should aim to reduce the residual risk to an acceptable level. For example, in this heat map, Risk "1" at a High Inherent Risk Level (severe impact, very high probability) is mitigated by three (3) controls that address both the impact and probability of the risk, thereby reducing Risk "1" to a Low Residual Risk Level (minor impact, low probability).

Exposure to Risk: Annually, a formal assessment or self-assessment is conducted, complemented by feedback from the Corporate Risk Committee and/or the Audit, Risk, and Compliance Committee on the effectiveness of the risk management process. This approach aims to identify opportunities for improvement to manage risks more effectively and efficiently. This evaluation includes, at a minimum, a review of compliance with the Corporate Integrated Risk Management Manual.

Risk Management Process Audit The third line of defense (internal audit) ensures that the efforts of the first and second lines of risk management are consistent with expectations and effectively mitigate risks. Additionally, an external financial audit is conducted annually to ensure the integrity and adequacy of the financial statements. UNACEM Perú and UNICON started the cybersecurity audit process in August 2024.



Risk Culture: Building a strong risk culture is crucial for Grupo UNACEM to integrate risk processes, procedures, and employee awareness throughout the organization. This is approached as follows:

- **Regular Risk Management Training for Directors**
 - We conducted seven (7) training sessions for the Board of Directors on various (actual and/or potential) risks, including: (i) cybersecurity; (ii) antitrust risks; (iii) corruption risks; and (iv) risks in transactions with related parties.
 - The Finance-Risk Workshop was held to review the approach to identifying project risks.
- **Focused Organization-Wide Training on Risk Management Principles**
 - We conduct training workshops with critical personnel exposed to high cybersecurity risks
 - We also train our business units on risk policies related to antitrust matters. These training sessions are conducted in person within each business unit and are targeted at individuals with responsibilities related to the governance of each corporate policy on these issues.

- **Incorporation of Risk Criteria in Product and Service Development**

- Grupo UNACEM monitors strategic risks such as non-competitive production processes and accelerated equipment obsolescence.
- UNACEM Perú's Risk Management Procedure includes assessments of its products and environmental aspects. They also have a risk and opportunity matrix for cement manufacturing, which covers risk/opportunity identification, risk/opportunity analysis, actions to address risks and opportunities, and risk re-assessment.

- **Financial Incentives Incorporating Risk Management Metrics**

- In 2023, 100.0% of senior management in both business units and at the corporate level participated in the performance management process and received their annual bonus. The bonus payment model retained its structure from the previous year, with safety indicators representing 70.0% of the business unit's annual target. Additionally, in some business units, executives had the Lives First program as a safety indicator within their individual objectives.

Grupo UNACEM also has a long-term incentive program (LTI) for senior management that aims to reward the achievement of objectives aligned with the strategy of the business units and the corporate strategic plan during the strategic cycle, which lasts three (3) years. 2023 marked the final year of the first LTI program, which included safety indicators for the Group's business units in its model structure.

- Additionally, 98.0% of first-line managers, both in the business units and at the corporate level, participated in the performance management process and received their annual bonus. Similar to senior management, the safety indicator is a component of business units' results, accounting for 60.0% of the bonus target.

Strategic Risks: The primary risks faced by Grupo UNACEM and their mitigation actions are outlined below:

	Risk 1	Risk 2	Risk 3	Risk 4
Risk	Disruption of operations due to IT infrastructure vulnerabilities	Loss of market share and/or profitability due to external factors	Adverse macroeconomic conditions and cement demand reduction	Decrease in the availability of raw materials or significant increase in raw material costs
Category	Cybersecurity	Market	Market	Market
Related material issues	Corporate governance	Corporate governance Operational eco-efficiency	Corporate governance Operational eco-efficiency	Corporate governance Operational eco-efficiency
Risk Description	Cybersecurity Program aligned with the NIST cybersecurity framework, structured in four layers: incident monitoring and response; cybersecurity technology; visibility (operation and configuration); and governance.	Development and implementation of strategies geared toward: <ul style="list-style-type: none"> Strengthening the value offer in the traditional channel Improving the quality of service in the industrial channel Achieving synergies at Grupo UNACEM level 	Continually develop partnerships with customers, participate in strategic projects, and take steps to expand our portfolio and strengthen our value offerings.	Working to strengthen the supply chain, develop new sources of inputs, and constantly review and update inventory policies.



	Risk 1	Risk 2	Risk 3	Risk 4
Impact Description	Impact on Grupo UNACEM operational continuity and information due to cyber-attacks against the company's information, infrastructure, and/or data.	Disruptions due to the entry of new competitors.	Changes in cement demand due to economic, demographic, or public policy factors, which may significantly affect the industry.	Lack of access to essential raw materials, such as limestone and other inputs, due to supply problems or geopolitical constraints, which can affect production and increase operating costs, negatively impacting profitability and the ability to meet market demand.
Mitigation actions	Significant financial losses, and reputational damage to the company affecting business continuity and customer confidence.	Reduced revenues and reduced competitiveness.	Reduction in revenues and impact on cost structure.	Reduced profitability and potential reputational damage.



Emerging Risks

	Emerging risk 1	Emerging risk 2
Risk name	Threats due to natural or other global events that compromise the portfolio	Sudden imposition of a price on greenhouse gas emissions
Category	Continuity	Political/legal
Risk Description	<ul style="list-style-type: none"> Portfolio diversification: Invest in a variety of sectors and geographies to reduce exposure to specific risks. Business continuity plans: Develop and maintain robust plans to ensure continued operation during and after disruptive events. Risk monitoring and assessment: Implement continuous monitoring systems to identify and assess emerging risks, enabling a rapid and effective response. 	Adopt carbon footprint reduction measures to achieve carbon neutrality by 2050. To this end, Grupo UNACEM Cement Roadmap for 2030 has been developed based on five pillars: reduction of the clinker factor; use of alternative fuels; electrical and thermal efficiency; carbon capture and offsetting; and innovation and development.
Impact Description	Natural catastrophes and global crises, including climatological phenomena, pandemics, and wars, which represent a significant threat to the stability of the portfolio.	Imposition of a tax on greenhouse gas emissions as a measure to accelerate compliance with each country's contributions.
Mitigation actions	Financial losses and reputational damage to the company that affect business continuity and customer confidence.	Impact on profitability, competitiveness, and/or requiring additional investment.



4 MATERIALITY

The materiality process helps Grupo UNACEM manage its impacts as a priority and contributes to its resilience, adaptation, and success in a constantly changing environment. This process is carried out at least once every two years.

Identification of Material Issues: The materiality identification process is aligned with international frameworks such as MSCI,³ SASB, Dow Jones Sustainability Index, industry best practices, and the review of business unit materialities. This identification

is also aligned with the material issues of Grupo UNACEM sustainability strategy.

Prioritization of Material Issues: The materiality assessment and prioritized material issues are integrated into risk management action plans and OKRs. Material issues are publicly disclosed in a prioritization list according to the results of the ESG Optimizer tool (See pages 183-186 of the Integrated Report). [V-ING-Grupo-UNACEM_2023.pdf \(grupounacem.com\)\)](#).

Approval: The results of Grupo UNACEM materiality assessment process have been reviewed and approved by the Management Committee (CODIR) to ensure that material issues are covered and aligned with the Group's operational impacts. Grupo UNACEM, focusing on raising the level of maturity in its ESG management practice, will begin the process of updating its material issues considering the dual materiality approach by the end of 2024.

“ The materiality process helps Grupo UNACEM manage its impacts as a priority and contributes to its resilience, adaptation, and success in a constantly changing environment. This process is carried out at least once every two years. ”

3 MSCI (Morgan Stanley Capital International) Benchmark.



5 FISCAL COMMITMENT

Grupo UNACEM fiscal management is oriented towards compliance with the legal regulations of the countries in which it operates. It seeks to meet its tax obligations, combat tax erosion, and prevent the transfer of profits resulting from elusive and evasive practices. In line with this, Grupo UNACEM assumes the following commitments:

➤ COMPLY WITH THE LITERAL INTERPRETATION AND SPIRIT OF THE TAX REGULATIONS IN THE COUNTRIES WHERE GRUPO UNACEM OPERATES.

➤ NOT TRANSFER VALUE CREATED TO TAX HAVENS OR COUNTRIES WITH LOW OR NO TAXATION, NOR USE STRUCTURES AIMED AT REDUCING THE TRANSPARENCY OF OPERATIONS, EVADING OR AVOIDING THE PAYMENT OF TAXES.

➤ APPLY THE ARM'S LENGTH⁴ PRINCIPLE IN TRANSACTIONS BETWEEN THE GROUP'S BUSINESS UNITS AND IN ACCORDANCE WITH THE TRANSFER PRICING REGULATIONS OF EACH COUNTRY WHERE GRUPO UNACEM OPERATES.

⁴ Transactions between related companies should be conducted as if they were unrelated parties, considering market values. OECD, 2006, Annual Report on the OECD Guidelines for Multinational Enterprises: Conducting Business in Weak Governance Zones, OECD, and Paris.



6 LOBBYING AND TRADE ASSOCIATIONS: CLIMATE ALIGNMENT

In 2023, Grupo UNACEM reinforced its commitment to transparency and best practices in climate lobbying, ensuring that its partnerships and lobbying activities align with the objectives of the Paris Agreement and decarbonization goals. Additionally, Grupo UNACEM

advanced towards carbon neutrality, aligned with the GCCA and FICEM, as well as the roadmaps of local associations such as ASOCEM, INECYC, and ICH. These associations support the Paris Agreement, promote low-carbon products, endorse carbon pricing, and

recognize the need for advanced technologies such as Carbon Capture, Use, and Storage (CCUS) for the decarbonization of the cement industry.

	Scope				
	Global	Global	Peru	Ecuador	Chile
Association	Global Cement and Concrete Association (GCCA) ⁵	Inter-American Cement Federation (FICEM)	Cement Producers Association (ASOCEM)	Ecuadorian Cement and Concrete Institute (INECYC)	Chilean Cement and Concrete Institute (ICH)
Support for the Paris Agreement and the Carbon Neutrality Agenda	✓	✓	✓	✓	✓
Promotion of low-carbon and net-zero products	✓	✓	✓	✓	✓
Support for carbon pricing mechanisms	✓	✓	✓	✓	✓
Carbon-neutral roadmap for the cement industry	✓	✓	✓	✓	✓
Recognition of advanced technologies (including CCUS)	✓	✓	✓	✓	✓

5 Member & Association Partners: GCCA (gccassociation.org)



Management System: Grupo UNACEM manages its lobbying activities and participation in trade associations under a robust management system, guided by the Code of Ethics and Conduct, Corporate Policy on Conflict-of-Interest Management, Corporate Policy on Human Rights, and Corporate Anti-Corruption Policy, among others. Globally, the Group has been a member of the Global Cement and Concrete Association (GCCA) since 2019. In 2021, it committed to the Climate Ambition with the goal of reducing the CO₂eq footprint of its operations and products, aiming for carbon neutrality by 2050. This system ensures that its lobbying activities and interactions with trade unions and trade associations across all cement business units are aligned with its climate and sustainability objectives.

Governance for Commitment to Public Policies and Responsibilities: Grupo UNACEM has a solid governance structure to oversee and manage its activities related to public policymaking. The approval of participations, contributions, or partnerships is the responsibility of the Corporate General Management, ensuring that any involvement in the development of standards or regulations is aligned with its climate and sustainability strategy.

Position Statement on Public Policies Related to Climate Change, Aligned with the Paris Agreement: Grupo UNACEM is firmly committed to the objectives of the Paris Agreement, which aims to keep the global temperature increase below 2 C, with a target limit of 1.5 C. The Group respects applicable regulations on climate change mitigation and adaptation and actively works to ensure its lobbying activities and trade association participation reflect this commitment, seeking alignment with commitments made at both national and international levels.

Review and Monitoring: Grupo UNACEM continuously reviews and monitors its commitments and public policies to evaluate the alignment of its lobbying activities and participation in trade unions and trade

associations with the Paris Agreement, as well as its climate action strategy. This includes generating partnerships to address climate objectives.

Report on Climate Policy Positions and Trade Association Activities: Grupo UNACEM publicly reports its climate commitments and lobbying activities related to climate change. This includes its affiliation with organizations such as the GCCA, involvement in public policy development, and efforts to align association activities with the Paris Agreement commitments. It also periodically reviews national and international regulatory trends to assess their impact on the industry and ensure alignment with climate objectives.



Grupo UNACEM has a solid governance structure to oversee and manage its activities related to public policymaking.”



7 ESG SUPPLIER PROGRAM

Governance

Grupo UNACEM aims to develop an integrated and sustainable supply chain. The Ethics and Corporate Governance Committee oversees the implementation of the Code of Conduct for Suppliers and Contractors, as well as the ESG program strategy and management. This supervision is delegated to the Supply Chain Managers of each business unit.

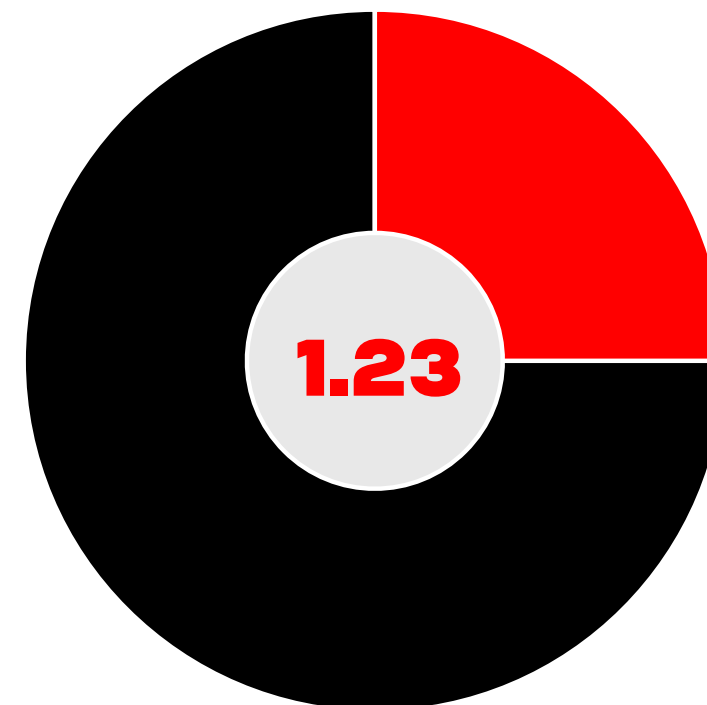
Sustainable Procurement

Grupo UNACEM management and purchasing policy follows the guidelines of ISO 20400, establishing a reference and regulatory framework that adds value across the supply chain. This framework employs best practices for timely and quality sourcing of required goods and services, in accordance with the code of ethics and ESG best practices. Procurement practices are conducted with integrity, through a transparent process, and are based on cost, quality, service, deadlines, safety, health, environmental impact, and the prevention of involvement in illegal acts. These practices are continuously reviewed to ensure alignment with the Code of Conduct for Suppliers and Contractors.

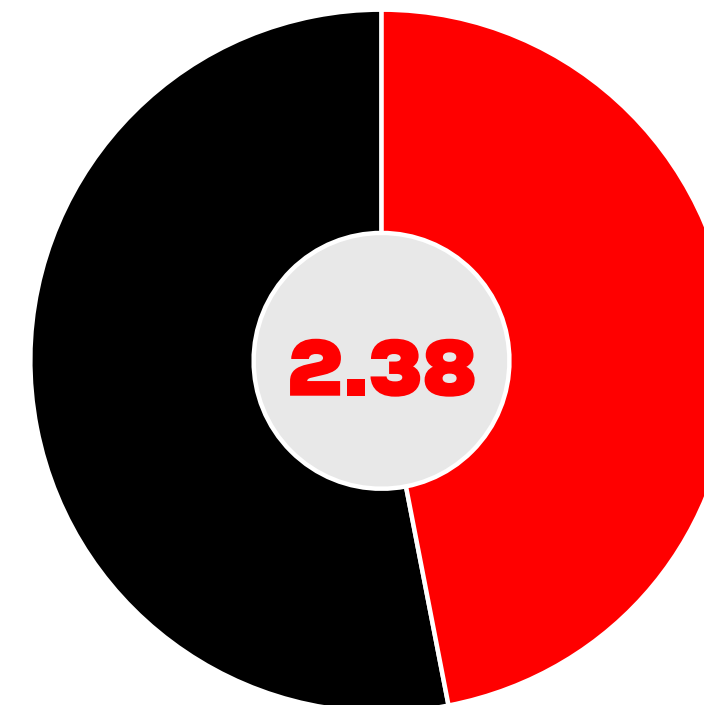
As part of the sustainable procurement framework, UNACEM Perú and UNACEM Ecuador provided sustainable procurement training to their procurement teams. CELEPSA, as part of its Sustainable Supplier Development Program, standardized the integration

of ESG criteria throughout the procurement process. Additionally, UNACEM Perú conducted a diagnosis of ESG suppliers and business maturity to 144 suppliers, resulting in the following scores:

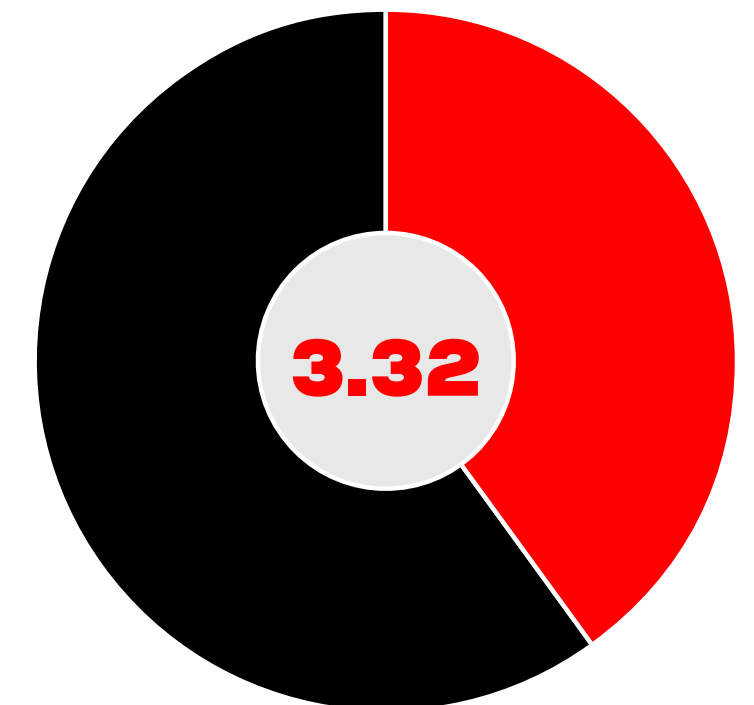
ENVIRONMENTAL



SOCIAL



GOVERNANCE



- INICIAL (0 A 1)
- INCIPIENT (1 A 2)
- DEFINED (2 A 3)
- PREDICTABLE (3 A 4)
- OPTIMIZED (4 A 5)



8 SUPPLIER SELECTION

Suppliers are required to comply, at a minimum, with the Code of Ethics and Conduct for Suppliers and Contractors, applicable legal provisions, and management systems. Additionally, based on their classification, they must adhere to the following minimum requirements and standards:

SOCIAL:

Within the framework of the Corporate Lives First Program, compliance with health and safety training, optimal working conditions of tools and equipment, and a safety plan are required. It is also required to address issues such as discrimination, child labor, human rights, forced labor, and freedom of association.

GOVERNANCE:

Adherence to labor legislation, legal compliance, ethics, and transparency.

ENVIRONMENTAL:

Waste management, pollution control, and efficient use of resources. os.

BUSINESS RELEVANCE:

Consideration of financial variables.

Assessment of specific risks related to the countries where Grupo UNACEM operates, including political, social, economic, or environmental conditions. Assessment of sustainability risks linked to the supplier's industry.

UNACEM Perú conducts the approval process based on the supplier's current risk assessment. Non-critical suppliers are assessed internally by the team, while critical suppliers are assessed externally on the CIAL platform of Dun & Bradstreet Inc. At UNACEM Ecuador, the supplier qualification process is carried out by an external supplier. CELEPSA is also implementing its supplier standardization process through the CIAL platform of Dun & Bradstreet Inc.



9 SUPPLIER ASSESSMENT

Supplier performance assessments take into account technical, health, safety, and environmental aspects. As part of the Lives First Program, suppliers are required to comply with training that includes the safety rules specific to Grupo UNACEM unit. The business unit has the right to assess the capabilities and experience of contractors concerning local conditions and can play an active role in encouraging contractors to provide adequate training to their employees.

At UNACEM Perú, approved suppliers classified as critical will be assessed annually by a third-party auditor.

2

ENVIRONMENTAL

10	Environmental Policy and Commitments
11	Energy Management Programs
12	Waste Management Programs
13	Water Management
14	Climate Action
15	Biodiversity
16	Product Management

10 ENVIRONMENTAL POLICY AND COMMITMENTS

Grupo UNACEM reaffirms its environmental commitment to society, aiming for a more sustainable future by conducting its business activities in an environmentally responsible manner. This **Sustainability Statement** is available at: https://grupounacem.com/wp-content/uploads/2024/05/V-ESP-GRUPO-UNACEM_2023-1.pdf. Within these key environmental management tools, Grupo UNACEM covers the following key elements:

Commitment and Oversight in the Implementation of the Environmental Policy

The Board of Directors, the Ethics and Corporate Governance Committee, and the Risk and Compliance Committee are responsible for overseeing behavior and compliance with internal and external environmental regulations. Through the provision of necessary resources, Grupo UNACEM implements an Integrated Compliance System across all its business units.

- UNACEM Perú adheres to its Quality and Environmental Management System Policy, consolidating the quality of its products and services as well as environmental care. This policy is available at: [UNACEM Peru's IMS Policy](#).

- UNACEM Ecuador implements its own Quality and Environmental Management System (available at: [UNACEM Ecuador's Management System](#)). In this context, in 2023, it signed an agreement with the Ministry of Environment, Water, and Ecological Transition (MAATE) by adhering to the Ecuador Zero Carbon Program, establishing its goal of quantifying the carbon footprint per product. More details can be found at: [UNACEM Ecuador's Ecological Transition](#).
- CELEPSA has its Occupational Health and Safety, Environmental Protection, and Quality Policy, which is part of its Safety and Environmental Management macro-process, also covering energy efficiency.
- UNICON published its Sustainability Policy (<https://www.unicon.com.pe/wp-content/uploads/POLITICA-DE-SOSTENIBILIDAD-1.pdf>) in 2024, which specifies its role within the Integrated Quality, Occupational Health and Safety, and Social Environmental Management System.

Roles and Responsibilities

Each area within Grupo UNACEM business units is responsible for complying with the established environmental commitments. All areas are involved in protecting the environment and preventing pollution as part of their operational activities.

Compliance with Environmental Standards and Regulations

Grupo UNACEM is governed by strict compliance with all applicable environmental laws and regulations in the countries where it operates (Peru, Ecuador, Chile, USA). Through internal and external audits, regulatory compliance is continuously verified, and the Group holds international certifications such as ISO 14001. UNACEM Perú has this certification ([UNACEM Peru's ISO 14001 certification](#)). Similarly, UNACEM Ecuador had the 14001 certification in 2023, verified by SGS (Certificate No. EC18/81841545).

Commitment to Continuous Improvement:

Grupo UNACEM is dedicated to continuously enhancing its processes to ensure they are more sustainable and efficient. This dedication permeates all business units and is clearly outlined in the **Sustainability Statement**.



Establishment of Objectives to Reduce Environmental Impacts

Grupo UNACEM has designed its Cement Roadmap to 2030⁶ with the objective of achieving **carbon neutrality by 2050**. This plan aligns with FICEM's (Inter-American Cement Federation) Carbon Neutrality Roadmap to 2050 and includes measurable targets for greenhouse gas emission reductions, energy efficiency, and the responsible use of natural resources.

Stakeholder Awareness

Grupo UNACEM raises awareness of its environmental policy among employees and suppliers through the **Interactive Safety Classroom**. In 2023, suppliers were evaluated under environmental parameters to ensure compliance with environmental commitments. The Group also developed **Education and Cultural Heritage Programs**, involving external groups in environmental and cultural conservation.

Employee Training

Providing adequate training and continuous advice on internal policies and external regulations governing plant operations is part of the 10 pillars of Grupo UNACEM Integrated Compliance System. In 2023,

employees received training focused on efficient waste and water management, promoting a culture of environmental responsibility at all business units.

Coverage of the Environmental Management Policy

Grupo UNACEM Environmental Management is implemented across all business units, covering critical areas of business activity and ensuring alignment with international standards. More information is provided below:

Production Operations and Business Centers

Grupo UNACEM policy, through its Sustainability Statement and Code of Ethics and Conduct, is applied in all production plants and business units in Peru, Ecuador, the USA, and Chile. The environmental control mechanisms are aligned with the Group's environmental management guidelines.

Products and Services:

Grupo UNACEM ensures that its products and services comply with its Sustainability Statement, promoting the efficient use of resources and minimizing environmental impact throughout the product life cycle.

Distribution and Logistics:

Grupo UNACEM also covers distribution operations, optimizing transportation routes to reduce CO₂ emissions and promote energy efficiency in logistics.

Waste Management:

Grupo UNACEM implements rigorous measures for the responsible management of waste generated in its operations, including minimization, segregation, and proper disposal in accordance with the regulatory frameworks of the countries where it operates.

Suppliers, Services, and Contractors:

Grupo UNACEM ensures that its suppliers and contractors adopt practices aligned with its environmental policy to comply with sustainability standards through periodic assessments. This commitment is reinforced by the Group's Code of Ethics and Conduct and the Code of Conduct for Suppliers and Contractors, which mandates compliance by suppliers with the environmental regulatory frameworks of the countries where they operate. Additionally, the Group promotes socially responsible practices jointly with its suppliers. Grupo UNACEM ESG Program evaluates suppliers, assessing

⁶ See page 49 of Grupo UNACEM Integrated Report for more details.



their potential environmental and social impacts.

Other Key Business Partners:

Under Grupo UNACEM Integrated Compliance System, business partners are expected to adhere to a high standard of environmental responsibility in all their dealings.

Verification of the Environmental Management System:

Grupo UNACEM has implemented an Environmental Management System (EMS) that is audited and verified through various mechanisms, ensuring

compliance with international standards, third-party verifications, and internal audits. The extent of coverage of the certified environmental management system, considering the scope of the environmental dimension, is shown below.

Certification by International Standards:

Certification by International Standards: UNACEM Perú (Certificate No. PE24/00000217) and UNACEM Ecuador (Certificate No. EC18/81841545) are business units of Grupo UNACEM certified under the international ISO 14001 standard. ISO 14001 certification covers 85.14% of Grupo UNACEM total global production operations,

ensuring that its processes comply with international environmental management and continuous improvement requirements.

This certification guarantees that Grupo UNACEM Environmental Management System is thoroughly verified, particularly in its most significant business unit in terms of production levels (85.14%), with a focus on continuous improvement and a commitment to sustainability in all its operations. Additionally, the operations of UNACEM Chile, Drake Cement, UNICON, and CELEPSA are aligned with ISO 14001.

Environmental Management Certification – ISO 14001		
Coverage	Business Units (%)	Production Level – Cement and Clinker (%)
ISO 14001 Certification	40.0%	85.14%
ISO 14001 Aligned	100.0%	100.0%



11 ENERGY MANAGEMENT PROGRAMS

Grupo UNACEM has robust energy management programs aligned with its Sustainability Statement under its climate action pillar and contribution to SDG 7 (Affordable and Clean Energy). These programs include the implementation of clean energy and investment in innovation to reduce energy consumption in operations. The Carbon Neutrality Roadmap has specific targets per year until 2030, including the shift to a renewable energy matrix in cement and clinker operations.

Energy Audits: Grupo UNACEM has undergone external verification of ISO 14064, which includes a review of the energy consumed in each of its business units, where Scope 2 emissions are derived from the kWh consumed during the year. This ISO 14064 certification identifies opportunities to improve the energy performance of operations and reduce energy consumption. UNACEM Perú and UNACEM Ecuador hold this certification, with the latter also being recognized by the Ecuador Zero

Carbon Program for its use of power plant generators for energy generation. In addition, UNACEM Perú, CELEPSA, and UNICON have achieved certification for emissions reduction. This achievement was confirmed by the awarding of the Third Star in the Carbon Footprint program by the Peruvian Ministry of the Environment.

UNACEM Perú		UNACEM Ecuador	
Statement	PE24/00000277	Statement	EC23/00000121
Company name	UNACEM PERÚ S.A.	Company name	UNACEM ECUADOR SA
Location	Peru	Location	Ecuador
Company address	UNACEM PERÚ S.A. – AV. ATOCONGO NRO. 2440 (CARCA AL CAMPAMENTO DE UNACEM) Departament:	Company address	UNACEM ECUADOR SA – Km 1 ½, Via Selvalegre, sector Perugachi
Accreditation body	UNACC	Accreditation body	UNACC
Standard name and description	ISO 14064-1:2018	Standard name and description	ISO 14064-1:2018
Scope	HC	Scope	View translation



Quantified Energy Savings Goals: Grupo UNACEM has established quantified goals to reduce energy consumption in its operations as part of its Carbon Neutrality Roadmap. These goals are reviewed annually and are aligned with long-term sustainability objectives. In 2023, thermal consumption was reduced by 7.8%, and electricity consumption was reduced by 12.1% compared to 2010.

Actions to Reduce Energy Use: Grupo UNACEM has implemented several actions to reduce energy consumption, including:

- Raising awareness about the efficient use of energy on campsites and facilities.
- Modernizing equipment in production lines.
- Optimizing energy resource management in hydroelectric power plants.
- Maintaining and increasing the use of clean fuels, such as natural gas.

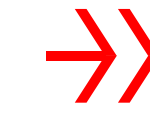
Evaluation of Progress in the Reduction of Energy Consumption: Grupo UNACEM constantly monitors its progress in reducing energy consumption, reporting internally and externally. Regular reports are published

with key indicators on energy efficiency improvements.

Use of Clean or Green Energy: Grupo UNACEM is committed to increasing the use of clean energy. In 2023, more than 90.0% of electric power came from renewable sources, and 65.0% of kiln heat energy consumption was based on cleaner fuels. The objective is to transition to a completely renewable energy matrix in the cement units. These objectives align with its Cement Roadmap to 2030 and CO₂ emissions reduction targets, focusing on energy efficiency, the use of alternative fuels, carbon capture, and reducing the clinker factor.

Investments in Innovation and R&D: Grupo UNACEM has allocated resources to research and development of new technologies to reduce its energy consumption and increase the efficiency of its production processes. These investments include projects in renewable energy and energy efficiency technologies.

Energy Efficiency Training for Employees: Training programs are offered to employees to raise awareness about the importance of reducing energy consumption in their daily activities. This training includes good practices in the efficient use of energy and the impact of their work on the company's overall consumption.



GRUPO UNACEM IS COMMITTED TO INCREASING THE USE OF CLEAN ENERGY. IN 2023, MORE THAN

**MÁS DEL
90.0%**

OF ELECTRIC POWER CAME FROM RENEWABLE SOURCES, AND

65.0%

OF KILN HEAT ENERGY CONSUMPTION WAS BASED ON CLEANER FUELS.



12 WASTE MANAGEMENT PROGRAMS

One of the five (5) pillars of Grupo UNACEM Sustainability Statement is Circular Economy, which includes waste recycling, the use of construction waste as aggregates, and packaging management. In 2023, 9,994 tons of waste were recycled, which is 3,000 tons more than what was reused in 2022, achieving a ratio of 1.94 more than the non-recyclable waste generated. Grupo UNACEM is in the planning stage for using waste-derived fuels, involving detailed waste management to maintain historic traceable information on the types and quantities of waste generated.

Regarding the business units, UNACEM Perú has a Waste Management Program that includes a commitment to reduce the use of single-use plastics and a Solid Waste Management Plan for the Amancay Sanctuary Private Conservation Area, which belongs to UNACEM Perú.

Waste Audits: Grupo UNACEM business units comply with the specific environmental regulations of the countries in which they operate, ensuring that their waste management practices are optimal and efficient. UNACEM Perú, CELEPSA, and UNICON report annually to the Solid Waste Management Information System (SIGERSOL), a platform of the Peruvian Ministry of the Environment, which reviews and verifies that the entire waste collection, transportation, and final

disposal process is carried out in accordance with the regulatory framework. At UNACEM Chile, the process is regulated by the Ministry of Environment, while at UNACEM Ecuador, the responsible authority is the Ministry of Environment, Water, and Ecological Transition.

Action Plans to Reduce Waste Generation: As stated above, UNACEM Perú has a Solid Waste Management Plan that establishes activities to achieve its goals, and these initiatives are disseminated on social networks to increase awareness. The company aims to reduce the amount of waste generated in its operations through the implementation of new technologies, optimization of production processes, composting plants, and the promotion of a culture of reduction and reuse. Additionally, UNACEM Perú conducted a Waste Management Study for the year 2023.

Quantified Goals to Minimize Waste: As part of its Sustainability Statement, Grupo UNACEM aims to achieve 100.0% waste recyclability. The Group has also established measurable objectives to reduce waste generation, which are reviewed annually as part of its commitment to continuous improvement.

Investment in Innovation and R&D to Minimize Waste: Grupo UNACEM invests in research and development to identify new ways to reduce the amount of waste

generated in its operations. This includes circular economy projects that seek to reincorporate by-products of the production process into the value chain. These innovation projects include the RDF (Refuse Derived Fuels) study, which proposes generating energy from the use of waste as fuel, potentially reducing the use of fossil fuels. UNACEM Ecuador, as part of its project to use waste from other industries to replace traditional raw materials and alternative fuels, has achieved the highest rate of co-processing of a cement plant in Latin America.

Waste Reduction Training: Each business unit within Grupo UNACEM establishes a Solid Waste Management Plan that includes awareness-raising talks and workshops on solid waste segregation, handling, and management. In addition, awareness is enhanced by teaching the 6R rule (reduce, reuse, recycle, recover, rethink, restructure, and redistribute), significantly reducing the amount of non-hazardous, non-usable waste sent to landfills.

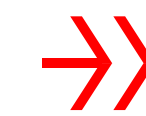
Integration of Recycling Programs: Grupo UNACEM has implemented a comprehensive recycling program throughout the entire production chain, managing waste with companies registered and authorized by the Ministry of the Environment (MINAM) and local recycling associations.



UNACEM Perú's "Recycle to Help" initiative was recognized with the YANAPAY award by the Association for Assistance to Burned Children (ANIQUEM). In 2023, the initiative collected 175,856 kilograms of recyclable waste, equivalent to more than S/ 96,000 (Ninety-Six Thousand Soles), which contributed to financing various therapies for the children of ANIQUEM.

UNACEM Ecuador manages recycling through the Association of Environmental Managers of the Perugachi Community (AGACP).

Dumpsite Waste Diversion Certification: The final disposal of waste is carried out in collaboration with Waste Operating Companies authorized by the competent authorities of the countries where Grupo UNACEM operates. These companies report all their activities and work exclusively with authorized landfills, ensuring compliance with national regulations and standards for waste management, and are certified for the final disposition of waste.



IN 2023, THE INITIATIVE COLLECTED

**175,856
KILOGRAMS**

OF RECYCLABLE WASTE,
EQUIVALENT TO MORE THAN

S/ 96,000.

(NINETY-SIX THOUSAND SOLES),
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UNACEM Perú's "Recycle to Help" initiative was recognized with the YANAPAY award by the Association for Assistance to Burned Children (ANIQUEM).”



13 WATER MANAGEMENT

Water Use Efficiency Programs

Grupo UNACEM has efficient water management programs aimed at reducing consumption, improving wastewater quality, and promoting the reuse of water resources in its operations. By 2023, 6.3% of the water used in processes will be recycled or recirculated. Under the "Environment and Biodiversity" pillar of the Group's Sustainability Statement, specific water management objectives have been set, with UNACEM Perú, UNACEM Ecuador, and CELEPSA making significant progress in managing water quantity, quality, and risks.

Water Use Assessment: UNACEM Perú and CELEPSA (Certification) have been recognized as water-responsible companies since 2018 through the Blue Certification granted by the National Water Authority (ANA). This certification assesses the comprehensive use of water in operating plants through reports of reduction and shared value projects in water under the Water Footprint – Blue Certificate program. This process includes the analysis of water sources, consumption in operations, and environmental impact.

Actions to Reduce Water Consumption: UNACEM Perú has implemented several actions to optimize water consumption in its operations. These include utilizing

efficient technology in industrial processes, such as technified irrigation systems that reuse treated water and water-saving faucets and toilets. In addition, improvements were made to water infrastructure, such as the improvement of irrigation canals in strategic areas, and support was provided for the construction of dams and reservoirs in the upper basin of the Santo Domingo de Olleros River, which has reduced its freshwater demand by 25.0% by 2023.

Improved Wastewater Quality: Grupo UNACEM treats 100.0% of the effluents generated in its operations, equivalent to more than 200,000 m³ per year. These efforts ensure that wastewater meets the highest regulatory standards before discharge, safeguarding the environment. Additionally, the Group promotes the reuse of treated water in industrial processes, such as technified irrigation, contributing to both reduced environmental impact and efficient use of water resources.

Establishment of Goals to Reduce Water Use: Grupo UNACEM has established quantifiable goals to reduce water consumption in alignment with its sustainability strategy. At UNACEM Ecuador, water use was reduced by 43.64% due to the water treatment and recirculation system. Meanwhile, at UNACEM Perú, targets have

been set to recycle 25.0% of extracted water, and these goals are reviewed annually to ensure steady progress towards greater water efficiency.

Water Recycling Application: Water recycling and recirculation are fundamental to Grupo UNACEM operations. UNACEM Perú managed to recycle 25.0% of the 794,899 m³ of fresh water extracted in 2023, while UNACEM Ecuador recycled 68.0% of the water used in its processes. This recycled water is primarily used in cooling and cleaning systems, significantly reducing dependence on freshwater sources and minimizing environmental impact.

Training on Water Use Efficiency: Grupo UNACEM provides ongoing training programs for its employees, focusing on awareness and efficient water management practices. These training sessions help reduce consumption in facilities and promote a culture of sustainability throughout the company. The programs promote the use of efficient technologies, such as water-saving faucets and toilets, and technified irrigation systems that utilize treated water.

Water Risk Management Program

Through UNACEM Perú, its most representative business unit, the Group has implemented a robust water risk



management program that includes specific actions in its operations. The key components of this program, along with the supporting projects, are as follows:

Water-Related Dependency Risks: Systems such as the Water Footprint Reduction Program have been implemented, including irrigation technology, flow meters, and water-saving faucets to optimize resource use in plants.

Water-Related Impact Risks: The Condorcocha Sanitation Project has improved access to drinking water and sanitation in the community, reducing environmental and social impacts. Additionally, improvements have been made to the Wastewater Treatment Plants (WWTP).

Assessment of Future Quantities of Water Available: CELEPSA, intervenes in projects such as the construction of dams and reservoirs in the upper basin of the Cañete River, while UNACEM Perú develops projects to improve irrigation canals in the areas of Las Palmas and Cotosh, ensuring that there is enough water for future needs. Both the company and the local communities.

Risk Assessment Related to Future Water Quality: By controlling algae in WWTPs and installing gravel filters, the quality of treated water is assured, preventing future pollution risks and protecting the resource quality.

Assessment of Impacts on Local Stakeholders: The Condorcocha Sanitation Project not only improves the living conditions of the community but also engages local stakeholders in planning and execution, ensuring mutual benefits.

Assessment of Potential Regulatory Changes at the Local Level: The Condorcocha Sanitation Project, financed by the Works for Taxes mechanism, complies with current regulations and anticipates future regulatory changes in water management.

These initiatives demonstrate the company's comprehensive management of water risks in its operations, ensuring both resource sustainability and long-term regulatory compliance. The scope of risk assessment mainly covers the following aspects:

Own Operations: The company assesses and manages water use risks at its plants and production sites. This includes implementing advanced water-saving technologies and wastewater treatment systems, as well as optimizing water infrastructure projects. In addition, works are executed in watersheds—such as improving water collection and constructing dams—to ensure sustainable resource availability for the UNACEM Perú's plant production processes. These actions ensure efficient water management in its operations and availability for future needs.

14 CLIMATE ACTION

Greenhouse Gas Emissions

UNACEM Perú and Ecuador have been externally verified under the ISO 14064 standard, corresponding to the Carbon Footprint measurement by SGS. This verification ensures the accuracy and reliability of the reports generated. The certification under this ISO standard can be found with the codes: Statement [PE24/00000277](#) for UNACEM Perú and Statement [EC23/00000121](#) for UNACEM Ecuador. In Peru, the Ministry of the Environment recognizes business units by awarding them the Third Star of Peru's Carbon Footprint program: [UNACEM Peru](#), [CELEPSA](#), and [UNICON](#).

In the cement sector, UNACEM Perú is the first cement company in the country to achieve this recognition, granted to companies that have calculated and verified their greenhouse gas emissions for at least two (2) consecutive years and achieved a reduction between the two (2) measurements.

Grupo UNACEM has set an ambitious goal of reducing emissions to 500 kg CO₂eq/t of cementitious material by 2030, with a final goal of carbon neutrality by 2050. Therefore, as a Group, we continue to measure the Carbon Footprint within the business units.

Climate Governance

Grupo UNACEM's Board of Directors plays a key role in overseeing and managing climate issues. Climate change is considered a high-priority strategic factor, integrated into organizational plans and decisions. This oversight includes identifying and managing climate-related economic, environmental, and social risks and opportunities. Since 2021, the Board of Directors has approved a Sustainability Statement reflecting its long-term commitment to sustainability and carbon footprint reduction. In addition, Grupo UNACEM is committed to achieving carbon neutrality by 2050, a goal reaffirmed with specific targets, such as reducing CO₂ emissions to 500 kg per ton of cement by 2030. This level of commitment and oversight aligns with the United Nations Sustainable Development Goals and is made public through Grupo UNACEM annual reports.

Supervision by the Board of Directors: Grupo UNACEM has established a strong governance structure with three (3) specific committees overseeing climate issues:

- **Strategy and Sustainability Committee:** Responsible for assessing and reviewing the Strategic Plan and major investment decisions, this committee ensures the integration of climate issues into sustainability policies and

strategies. Additionally, it promotes innovation and efficiency in the use of resources, with a special focus on sustainability.

- **Risk and Compliance Committee:** Focused on consolidating a decision-making culture based on ethics and integrated risk management, this committee assists the Board of Directors in implementing and monitoring the risk management system, including climate risks.
- **Nominating and Compensation Committee:** It oversees appointment and compensation policies, ensuring that compensation aligns with the achievement of strategic goals related to climate change.

This structure ensures that climate issues are monitored through various strategic, legal, and operational perspectives.

Grupo UNACEM's Board of Directors addresses climate issues at least annually. In 2023, a meeting was held specifically to discuss sustainability management, including climate issues. This annual review not only enables the sharing of best practices and action plans but also ensures that decisions align with carbon reduction and climate neutrality commitments for 2050.

Management's Responsibility: The implementation

of action plans related to climate change is the responsibility of each business unit's management within Grupo UNACEM. Each manager is tasked with establishing and implementing necessary actions within the framework of the sustainability and climate management strategy established by the Board of Directors to meet the Group's climate goals. Moreover, the Group is strengthening its climate governance at the management level by identifying key roles responsible for overseeing climate change-related issues, including:

- **Vice President of Finance:** Monitors climate impacts in the budget and ensures that an internal carbon price is included in financial assessments, directly influencing investment decisions on sustainable projects.
- **Vice President of Industrial Operations:** Develops and manages the climate change strategy in the supply chain, establishing synergies and guidelines for carbon footprint measurement.
- **Risk and Compliance Director:** Monitors climate risks that could affect the Group's business strategies, proposing necessary improvements to mitigate them.

This management structure ensures that climate change is integrated into all operational areas of the Group, from finance to industrial operations, ensuring compliance with established climate targets.

TCFD Disclosure

Grupo UNACEM applies the TCFD (Task Force on Climate-Related Financial Disclosures) framework for managing risks and opportunities related to climate change. This approach is aligned with its strategy to achieve carbon neutrality by 2050 and has been integrated into its governance, strategy, and risk management framework. A detailed description of the key aspects is provided below:

Strategy: Grupo UNACEM has identified short-term risks (i.e., rising energy and fuel costs), and the need to adapt to products with a lower carbon footprint. In the medium term, it faces risks such as the imposition of a carbon price and greater demands from investors, with opportunities in renewable energies. In the long term, risks include asset impairment and extreme weather events, with opportunities to adopt clean technologies and green hydrogen.

These risks and opportunities directly impact Grupo UNACEM strategy, prioritizing the reduction of the clinker factor and the use of renewable energies. In financial planning, the internal carbon price influences investment decisions, while mitigation technologies such as carbon capture are evaluated to meet the 2050 carbon neutrality target.

In this line of thought, scenarios like Net Zero 2050 (1.5 C) have been assessed by Grupo UNACEM, anticipating stricter policies and costs for carbon emissions. Although these risks could lead to operating losses, the company is implementing measures to mitigate impacts and accelerate emissions reductions.

Risk Management: Grupo UNACEM fully incorporates climate risks into its corporate risk management system, assessing both physical and transitional risks. The multidisciplinary approach applied, which is supported by a corporate risk management policy, identifies and assesses various risks, including political and technological risks. The Group has also developed a risk inventory and established a risk tolerance range that facilitates decision-making on risk mitigation and control.



Metrics and Goals: To assess climate-related risks and opportunities, Grupo UNACEM uses metrics aligned with its risk management strategy and process. These include the domestic carbon price, which varies by country: US\$ 7.17 per ton of CO₂eq in Peru, US\$ 5 in Chile, and emerging standards in Ecuador. In addition, the clinker/cement factor, greenhouse gas emissions, waste management, and energy and water consumption are monitored to assess environmental impacts.

In 2023, Grupo UNACEM reported greenhouse gas emissions of 5,376,143 tCO₂eq for Scope 1; 214,485 tCO₂eq for Scope 2; and 237,723 tCO₂eq for Scope 3. These metrics reflect the significant carbon footprint of its operations and the associated risks in managing and reducing emissions.

Grupo UNACEM has also set ambitious targets for managing climate risks and opportunities. By 2030, it aims to reduce CO₂ emissions to 500 kg per ton of cement. By 2050, targets include achieving zero net emissions, using 10.0% alternative fuels, reducing the clinker factor by 10.0%, and ensuring that all electricity used is clean, leading to carbon-neutral operations.

Climate Risk Management

Grupo UNACEM has integrated climate risks into its overall risk management system. Climate change-related risks and opportunities are part of a documented, multidisciplinary process covering all aspects of the business, including legal, reputational, environmental, and operational risks.

Types of Climate Risks Included in the Risk Assessment:

- **Current Regulation:** Risks related to existing carbon emission laws and other climate regulations are monitored. Grupo UNACEM keeps track of regulatory changes and assesses their impact on the company.
- **Emerging Regulation:** Risks include potential future policies, such as carbon taxes or new emissions regulations, with a medium- to long-term horizon. For example, carbon pricing mechanisms could become more stringent as countries meet their climate commitments.
- **Technological Risk:** There is a risk that current technologies, such as fossil-fuel-fired cement kilns, will become obsolete due to the transition

to cleaner energy alternatives, such as hydrogen. Grupo UNACEM is preparing for these changes.

- **Legal Risk:** The risk of potential future lawsuits or legal changes due to non-compliance with new climate action regulations is also considered.
- **Market Risk:** The company recognizes risks arising from market changes, such as increased demand for low-carbon products, rising energy costs, and investor expectations for decarbonization.
- **Reputational Risk:** There is a risk of reputational damage if Grupo UNACEM is perceived as lagging in its climate commitments or failing to meet sustainability expectations.
- **Acute Physical Risk:** This risk includes extreme weather events, such as floods, which could disrupt operations, particularly in quarries and production plants.
- **Chronic Physical Risk:** It includes long-term risks, such as water scarcity, sea level rise, and changes in rainfall patterns, which could affect the water supply for concrete production and hydroelectric power generation.

Stages of the Value Chain Covered by the Climate Risk Assessment:

- **Own Operations:** Grupo UNACEM assessment covers its production sites, supply chain, and energy sources, addressing risks both at the corporate level and within each business unit.
- **Upstream Activities:** The company includes its service providers and raw material suppliers in the risk assessment process, prioritizing key suppliers of cement, energy, and raw materials in the climate risk analysis.
- **Downstream Activities and/or Customers:** The assessment extends to downstream activities, focusing on increasing customer demand for low-carbon construction materials and sustainable construction certifications.

Time Horizon Covered by the Climate Risk Assessment:

- **Short Term (1-4 years):** Key risks include increases in energy and fuel costs due to price fluctuations and regulatory changes, as well as acute physical risks such as heat waves and floods. Projects: Estimation of the financial impact of physical and transitional risks; development of an integrated climate risk management system.

- **Medium Term (5-10 years):** Over this 5 to 10-year horizon, the company expects increased demands from investors and credit rating agencies for robust decarbonization plans. Additionally, there will be increased demand for products with low environmental impact, potentially requiring diversification of cement and concrete supply to align with sustainable construction certifications. Projects: Research for the incorporation of additions in production processes to reduce the clinker factor.
- **Long Term (over 10 years):** In the longer term, risks center on more ambitious regulatory changes, such as the implementation of carbon taxes or stricter regulations requiring greater emission reductions. Projects planned for this period:
 - **2030:** Net emissions of 500 kg CO₂/t of cementitious material.
 - **2030:** Achieve carbon neutrality in all Grupo UNACEM operations.

Financial Opportunities Derived from Climate Change

Grupo UNACEM has identified opportunities related to climate change that have the potential to generate substantial positive change in its business operations, revenues, and expenses. These include the following:

Description of the Opportunity: The most significant project identified is the transition to low-carbon footprint cement production. This opportunity responds to the growing demand for sustainable building materials and new environmental regulations that encourage the reduction of greenhouse gas emissions. By implementing Grupo UNACEM Cement Roadmap to 2030 (page 49), the project aligns with the goal of achieving carbon neutrality by 2050 and with the 2030 target of reducing emissions to 500 kg CO₂eq per ton of cement. This transition will not only improve their competitiveness in the market but could also open up new revenue streams through the sale of certified low-carbon products.

Climate Scenario Analysis

In 2023, Grupo UNACEM conducted a climate scenario analysis under the TCFD methodology, including both qualitative and quantitative analysis. This approach allows for assessing impacts from a conceptual and strategic perspective, as well as modeling financial and operational implications.

Climate Scenarios Used: The scenarios used by Grupo UNACEM include both transitional and physical scenarios, such as:

- **Physical:** Current policy baseline scenario limiting global warming to 3.2 C.
- **Transitional:** Zero Net Carbon Scenario, limiting global warming to 1.5 C, and assuming the implementation of additional climate policies beyond those established under the Paris Agreement to reach zero net emissions by 2050.
- **Physical and Transitional:** Paris Agreement scenario, limiting global warming to 2 °C and assuming compliance with the Nationally Determined Contributions (NDC) established under the Paris Agreement.

Out of the three (3) scenarios, two (2) aim for a temperature rise of 2°C or less, and one exceeds 2°C, as detailed below.

Scenarios of 2 C or less:

- Zero Net Carbon Scenario
- Paris Agreement Scenario

More than 2°C scenarios:

- Current Policy Trend Scenario

Low Carbon Products

At Grupo UNACEM, clinker production is a major source of greenhouse gas (GHG) emissions. To mitigate these impacts, the Group has developed products that use a lower percentage of clinker and incorporate additives and alternative materials. These initiatives have led to a significant reduction in emissions in the cement manufacturing process. In this regard, UNACEM Ecuador offers products such as Magno, Armaduro, Selvalegre, and Campeón, which contain varying amounts of pozzolan. These products represent 100.0% of this business unit's total revenues and allowed the company to avoid 154.81 tons of CO₂ emissions in the year. On the other hand, UNACEM Perú has low-carbon products such as Apu, Andino Ultra, and Andino Forte, which account for 35.3% of its total revenues. Overall, Grupo UNACEM derives 33.77% of its total revenues from low-carbon products.

Internal Carbon Price

Grupo UNACEM employs an internal carbon price to encourage energy efficiency and investments in low-carbon technologies and projects. This reference price incorporates the social and economic costs of greenhouse gas (GHG) emissions in economic assessments, especially in key subsidiaries.

In Peru, the reference value is US\$ 7.17 per ton of CO₂eq, based on a study conducted by Universidad del Pacífico in 2016. This price can be incorporated into the economic assessment of projects and is used as a social value reflecting the benefits and costs associated with emission reductions.

In Chile, the price is US\$ 5 per ton of CO₂. Although Chile has a regulatory framework for the carbon tax, UNACEM Chile is currently exempt from this tax according to the emission criteria established by law.

Internal Carbon Price Objectives:

- **Navigate GHG Regulations:** The price serves as a reference to comply with emission-related regulations.
- **Change Internal Behavior:** Grupo UNACEM is committed to enhancing its environmental behavior and aims to reduce its carbon footprint in all operations.
- **Promote Energy Efficiency:** The price encourages the adoption of clean energy and the optimization of production processes.
- **Identify Low Emission Opportunities:** It provides a basis for assessing investments in low-carbon projects and products.



Zero Net Emissions Commitment

Grupo UNACEM publicly commits to achieving greenhouse gas (GHG) emissions neutrality by 2050. This commitment comprises specific goals that have been set, primarily in Scope 1 activities: Reduce emissions by 18.0% by 2030 compared to 2022.

Grupo UNACEM has defined and set clear and measurable objectives to reduce its greenhouse gas emissions. These objectives are reviewed annually and are outlined in its Cement Roadmap to 2030. They are also aligned with FICEM's Carbon Neutrality Roadmap to 2050, which, in turn, aligns with the Paris Agreement objectives and considers Nature-Based Climate Solutions as a main pillar.

Carbon Neutrality Strategy: To achieve emission reduction targets, several key initiatives were implemented by 2023, including:

- **Environmental Investments:** In 2023, environmental investments totaling S/ 127 million were made, focusing on energy efficiency and emission reduction projects.
- **Renewable Energy:** 66.0% of electricity and 9.1% of total energy consumption come from renewable sources. Although 0.82% of thermal energy comes from renewable sources, Grupo UNACEM continues to work to increase this proportion.
- **Clinker Emissions Reduction:** Grupo UNACEM is reducing the clinker content in its products and promoting the use of additives, aiming to reduce the clinker factor by 10.0%.
- **Recycling and Efficiency:** 64.0% of waste is recycled, and a recycled water use efficiency of 6.3% was achieved.

15

BIODIVERSIDAD

Biodiversity Risk Assessment

At Grupo UNACEM, the biodiversity risk assessment process is implemented across each business unit. For example, UNACEM Ecuador uses the IUCN BIRS tool to assess biodiversity risks. This tool quantifies the status of habitats and biodiversity, helping to monitor management progress and achieve biodiversity targets. The results are expressed as a "quarry biodiversity index" on a scale of 1 to 10, and this process and its results are publicly reported .

CELEPSA also conducts biological and hydrobiological monitoring programs to identify possible risks and impacts on biodiversity. These programs include monitoring river shrimp *Cryphiops caementarius* and trout, as well as voluntary monitoring activities like shrimp restocking and hydrobiological assessments in various areas. This process and its results are publicly reported, with specific activities such as shrimp repopulation monitoring, biological monitoring of minimum flow in Paucarcocha, and hydrobiological monitoring in the Ecological Flow sector and the Northern Yauyos Cochis Landscape Reserve being carried out voluntarily.

Use of a Location-Specific Approach: The BIRS tool assesses the extent of habitats around the quarry, their ecological condition, improvements, and threats, taking into account the regional ecological context.

References to Methodologies or Frameworks Used for Assessment: The methodology includes the IUCN BIRS tool, which follows a 9-step process to assess biodiversity.

Integration into Multi-Disciplinary Risk Management Processes at the Corporate Level: Biodiversity risk assessments are integrated into the company's risk management framework, involving various disciplines to ensure a comprehensive assessment.

Dependency-Related Risks Considered in the Assessment: Dependency-related risks are addressed through the assessment of habitat conditions and the biodiversity index provided by the BIRS tool.

Impact-Related Risks Considered in the Assessment: Impact-related risks are monitored through biological and hydrobiological programs, such as those

conducted by CELEPSA, focusing on specific species and habitat conditions.

Biodiversity-Related Risks Identified: Biodiversity-related risks are identified and monitored through the BIRS tool and CELEPSA's biological and hydrobiological monitoring programs.

Commitment to Biodiversity

Grupo UNACEM, committed to sustainability and biodiversity conservation, has set ambitious medium- and long-term objectives in alignment with the "Environment and Biodiversity" pillar of the Sustainability Statement. By 2050, the Group's business units aim to achieve a net positive impact (NPI) on biodiversity, solidifying their position as a benchmark in ecosystem conservation in the private sector. As a medium-term target for 2030, 100.0% of extractive units should have active biodiversity monitoring programs and conservation plans.

Among the advances toward no net loss of biodiversity, UNACEM Perú manages conservation areas such as



the **Amancay Sanctuary** (787.82 hectares) and the **Lomas de Quebrada Río Seco** conservation area, which protect more than thirty (30) species of flora and thirty-eight (38) species of fauna in the Sechura Desert ecoregion. These areas also contribute to the conservation of key ecosystem services and biodiversity in an environment threatened by urban sprawl and ecosystem degradation. Additionally, in collaboration with the **Lomas de Paraíso Association** and the Metropolitan Municipality of Lima, UNACEM Perú reforested 1,800 m² of protected areas in 2023.

This commitment extends to the CELEPSA business unit, which is part of the **Board of Patrons of the Northern Yauyos Cochis Landscape Reserve**, where the water resources used by its hydroelectric plant are sourced. To ensure the sustainability of the aquatic ecosystem, CELEPSA has implemented a conservation and restoration program that includes sediment purging, conservation of aquatic species, and monitoring of sensitive species such as trout in the Cañete River, helping to minimize impacts on the biodiversity of the ecological flow.

The mitigation hierarchy is applied across all the Group's operations, prioritizing the prevention and minimization of environmental impacts. This approach is integrated into biodiversity risk assessments, with

UNACEM Ecuador using the **IUCN BIRS** tool to assess the ecosystems in and around its quarries, while CELEPSA conducts biological monitoring of sensitive species such as the river shrimp *Cryphiops caementarius*.

The Group's commitment extends beyond its own operations to its partners and suppliers, who are required to comply with its biodiversity policies. This integrated approach ensures that operational activities avoid areas with biodiversity of global or national importance.

Grupo UNACEM commitment to biodiversity reaffirms its corporate responsibility towards sustainability. Implementing nature-based solutions (NBS) as part of the path to carbon neutrality by 2050 is another

example of the group's leadership in protecting biodiversity and ecosystems.

No Deforestation Commitment

Grupo UNACEM is fully committed to the conservation and protection of the ecosystems in which it operates, promoting practices that ensure no deforestation in its operations. As part of this commitment, UNACEM Perú strictly implements the **Conservation Master Plan** in the Private Conservation Area (PCA) **Lomas de Quebrada Río Seco**, whose main objective is to **"maintain the vegetation cover of the hill ecosystem."** In this 70-hectare area, designated as a Limited Use Zone, activities such as grazing, adventure sports, flora and fauna extraction, and the introduction of



Grupo UNACEM commitment to biodiversity reaffirms its corporate responsibility towards sustainability.”



GRUPO UNACEM

045

exotic species are prohibited, ensuring the protection of the ecosystem.

This commitment was formalized through **Ministerial Resolution No. 117-2021-MINAM** (<https://busquedas.elperuano.pe/dispositivo/NL/1971008-1>), granted by the Ministry of the Environment of Peru, which recognizes the PCA for a period of ten (10) years from 2021. Additionally, the area is registered with the National Superintendent of Public Records Offices (SUNARP), reinforcing its protected status. To ensure compliance with the commitments made, UNACEM Perú submits annual progress reports to the **National Service of Natural Areas Protected by the State (SERNANP)**.

In Ecuador, UNACEM manages the Cerro Blanco Forest (100 hectares) and the Cerro Quinde Forest (280 hectares) conservation areas, where community forest rangers are trained to protect these critical

ecosystems. Both areas are monitored using Simpson's index to measure the diversity of flora and fauna. UNACEM Ecuador is also part of the **"One Million Trees for Ecuador" project** (<https://unacem.ec/1-millon-de-arboles-pretenden-garantizar-la-vida-de-las-futuras-generaciones/>), an initiative recognized by Pontificia Universidad Católica del Ecuador. To date, over one million (1,000,000) trees have been planted, and in 2024, **Ecuador's first forestry drone** was used to efficiently disperse thirty thousand (30,000) seeds (<https://unacem.ec/1-millon-de-arboles-pretenden-garantizar-la-vida-de-las-futuras-generaciones/>), enhancing reforestation efforts.

Grupo UNACEM commitment encompasses its operations and extends to its partners and suppliers, who must align with the Group's no-deforestation policy. This ensures that activities impacting vegetation or critical ecosystems are properly regulated and mitigated.



16

PRODUCT MANAGEMENT

046

Construction Material Attributes

Grupo UNACEM is dedicated to environmental sustainability by reducing clinker usage, incorporating alternative materials like pozzolana, and monitoring the carbon footprint of its products. These actions reflect a cleaner, environmentally friendly production policy. Detailed information is shown below:

Materials Extracted or Recovered Locally: At UNACEM Perú, materials like limestone for clinker production are extracted locally, responsibly, and sustainably. In Ecuador, alternative materials like pozzolana—a locally sourced volcanic ash—are used to reduce clinker usage and the carbon footprint of the cement production process.

Low Carbon Materials: Grupo UNACEM has implemented measures to reduce greenhouse gas (GHG) emissions associated with cement production. In Peru, the clinker factor is reduced with added cements such as Apu, Andino Ultra, and Andino Forte, which use less clinker, thereby reducing GHG emissions proportionally. In Ecuador, the

company produces pozzolanic cements with varying percentages of pozzolan (up to 40.0% in Campeón Cement), significantly reducing the carbon footprint. These actions are supported by carbon footprint calculations based on the GHG Protocol and the ISO 14067:2018 standard.

Materials with Low Volatile Organic Compound (VOC) Emissions: The focus on reducing clinker usage and incorporating alternative materials potentially reduces emissions of harmful compounds during manufacturing.

Materials and Packaging that can be Easily Recycled: Grupo UNACEM prioritizes reducing environmental impacts through the use of additives and alternative materials to clinker. In 2023, over 110,000 tons of ash and slag waste were repurposed in the cement manufacturing process, contributing to the sustainability of the materials used. Additionally, 58.0% of recyclable waste comes from disposing of refractory bricks generated during production line maintenance, reinforcing the commitment to recycling and reusing materials in its operations.

Materials that Disclose Environmental Impacts:

Grupo UNACEM ensures transparency in disclosing the environmental impacts of its products through comprehensive and publicly accessible reports. UNACEM Ecuador, part of Grupo UNACEM, calculates the carbon footprint per product following international guidelines of the ISO 14067:2018 standard. Meanwhile, UNICON, thanks to its ISO certifications, complies with the “use of structural ecomaterials” requirement necessary to access the MiVivienda Green Fund.⁸ Additionally, Grupo UNACEM cements support its customers in obtaining sustainable construction certifications, such as LEED, reinforcing the company’s commitment to reducing environmental impacts throughout the product life cycle.

Information on the environmental impact and technical characteristics of the products is detailed in the Material Safety Data Sheets (MSDS) and on product labels, which include data on their composition, properties, and recommendations for use, ensuring clear and precise communication.

Materials that Disclose Potential Health Hazards:

Grupo UNACEM prioritizes communicating potential health hazards associated with its products. The Group provides detailed Material Safety Data Sheets (MSDS) for cement clinker, which include crucial information on the risks associated with exposure, such as skin, eye, and respiratory tract irritation, as well as first aid measures in the event of contact. These sheets describe safe handling procedures, required personal protection, and recommendations to mitigate risks in case of exposure. The company emphasizes the use of appropriate personal protective equipment, such as nitrile gloves and safety glasses, and promotes safe practices to avoid prolonged exposure to clinker dust and wet material. In addition, Grupo UNACEM has implemented measures to ensure the safety of employees and customers, such as installing hand-washing facilities in dispatch areas and placing preventive signage on its premises.

Rapidly Renewable Materials and Materials with Recycled Content:

The use of pozzolana in Ecuador as a clinker substitute represents a naturally renewable material, contributing to the reduction of emissions and the use of more sustainable resources in cement production.



Grupo UNACEM has implemented measures to ensure the safety of employees and customers, such as installing hand-washing facilities in dispatch areas and placing preventive signage on its premises.”

3

SOCIAL

17	Intervention Procedure for Incidents of Discrimination and/or Harassment
18	Employee Support Programs
19	Human Rights Impact Management
20	Human Rights Mitigation and Remediation
21	Occupational Health and Safety Programs
22	Stakeholder Engagement Policy
23	Stakeholder Engagement Program
24	Work Environment Survey
25	Employee Development Programs
26	Type of Performance Assessment

17 INTERVENTION PROCEDURE FOR INCIDENTS OF DISCRIMINATION AND/OR HARASSMENT

Employees of the companies that are part of Grupo UNACEM who suspect a discrimination and/or harassment situation or consider that they have been a victim should take into account the following guidelines:

- **Filing of a Grievance or Complaint:** The facts must be directly reported to the appropriate person as stipulated by the internal procedures of the business units or grievance channels to initiate an investigation procedure that ensures a reserved, confidential, unbiased, and effective investigation that allows the harasser to be punished and the alleged victim to be protected.
- **Research and Analysis:** A complaint may be filed at any time, either orally or in writing. The sooner the case is filed, the better the chances of clarifying, investigating, and resolving the case.

The competent area will execute protection measures in favor of the alleged victim.
- **Resolution:** If discrimination and/or harassment is determined to have occurred, penalties will be imposed based on the specific circumstances and the legal relationship between the company and the individuals involved.

Accordingly, each business unit, depending on its needs, realities, and regulatory frameworks in the country where it operates, has policies and procedures in place to address discrimination and harassment issues. Our business units in Peru, Ecuador, Chile, and the United States have specific public documents related to discrimination and harassment.

Our UNACEM Perú business unit has a Sexual Harassment Complaint Procedure that establishes directives and guidelines for handling sexual harassment complaints. This document is publicly available at the following link: <https://unacem.pe/wp-content/uploads/2023/03/PROCEDIMIENTO-DENUNCIAS-HOSTIGAMIENTO-SEXUAL.pdf>

UNACEM Ecuador has a policy for preventing and eradicating discrimination and harassment in the workplace, aiming to establish standards and guidelines to minimize the risk of the occurrence of workplace and sexual harassment, discrimination, and all forms of violence against women, as well as to establish the procedure for members of the labor community to report these actions of misconduct and punish them, if applicable and within the powers of Grupo UNACEM. This document is publicly available at the following link: <https://unacem.com.ec/integridad/wp-content/uploads/2022/08/Acoso.pdf>

UNACEM Chile, through its Internal Regulations on Order, Hygiene, and Safety, establishes guidelines on discrimination, workplace harassment, and sexual harassment, as well as the investigation and punishment of alleged acts. This document is publicly available at the following link: <https://unacem.cl/wp-content/uploads/2023/07/RIOHS-UNACEM-Chile-S.A.pdf>

UNACEM North America has an Anti-Harassment Policy and Procedure designed to prevent, prohibit, and eliminate workplace harassment by supervisors, managers, co-workers, contractors, suppliers, and any other individuals with whom Drake Cement personnel come into contact through their work. It also ensures necessary steps are taken to prevent harm to employees subjected to unwelcome conduct, including sexual harassment. This document is publicly available at the following link: <https://drakeus.com/wp-content/uploads/2023/07/Anti-Harassment-Policy.pdf>

CELEPSA has an Internal Policy and Protocol to Prevent, Address, and Punish Sexual Harassment, which specifies the guidelines to prevent and avoid acts of sexual harassment, and the corresponding guidelines for the correct handling and punishment of such acts. This includes a Procedure for Investigating and Penalizing Sexual Harassment, detailing actions



for reporting and handling cases. This document is publicly available at the following link: <https://celepsa.com/media/internals/POL-RRH-011-PI-y-Protocolo-para-Prevenir-Atender-y-Sancionar-el-Hostigamiento-GfybdRj.pdf>.

UNICON Perú has a policy that establishes procedures and guidelines to train, prevent, investigate, and punish acts of sexual harassment. It also seeks to protect victims by providing the necessary guarantees during the development of the investigation and punishment procedure. This document is publicly available at the following link: <https://www.unicon.com.pe/wp-content/uploads/Poli%CC%81tica-de-Intervencio%CC%81n-Prevencio%CC%81n-y-Sancio%CC%81n-del-Hostigamiento-Sexual-UNICON.pdf>

CONCREMAX establishes guidelines in its Sexual Harassment Prevention and Punishment Policy to prevent, investigate, and punish any conduct that constitutes sexual harassment, in addition to providing adequate protection to the victim for the procedures and guidelines for training, preventing, investigating, and punishing acts of sexual harassment. This document is publicly available at the following link: <https://www.concremax.com.pe/wp-content/uploads/2023/08/Poli%CC%81tica-de-Intervencio%CC%81n-Prevencio%CC%81n-y-Sancio%CC%81n-del-Hostigamiento-Sexual-CONCREMAX.pdf>

18 EMPLOYEE SUPPORT PROGRAMS

Grupo UNACEM, through the UNA Healthy Life Program, focuses on creating environments where health and wellness are a priority. This labor wellness program supports the physical, emotional, financial, and social needs of both employees and their families. We are committed to cultivating an environment where our employees can grow, prosper, and feel valued.

The program is built on four (4) key pillars:

1

PHYSICAL WELL-BEING:

Promotes physical health through a comprehensive approach, ranging from prevention to promoting an active and healthy lifestyle.

- **Integral Health:** Provides employees with health insurance, preventive check-ups, vaccination campaigns, and cancer prevention.
- **Sports and Health Initiatives:** Encourages initiatives that contribute to overall health through physical activity (meditation, active breaks, and corporate benefits that allow access to gym training), as well as nutritional support. These benefits can be shared with up to three (3) family members.

“ This labor wellness program supports the physical, emotional, financial, and social needs of both employees and their families. ”

2

EMOTIONAL WELL-BEING:

Promotes a healthy balance between personal and professional life, creating an environment that supports the emotional well-being of our employees and their families.

- **Life Balance:** Offers flexibility such as home office options, flexible working hours, and the possibility of extended holidays. Paid parental leave is provided for the primary or non-primary caregiver, as stipulated by law in the countries where the Group operates.
- **Stress Management in the Workplace:** Provide employees with tools to manage their stress levels through mental health campaigns and psychological support.
- **Support for Pregnant Mothers and Breastfeeding:** Offers breastfeeding facilities to exercise the right and responsibility of breastfeeding at work in a quality and welcoming environment.

3

FINANCIAL WELL-BEING:

Supports employees' family economies and promotes the development of healthy financial habits through agreements for corporate discounts, a discount platform for construction products, loans, financial education, and fairs.

4

SOCIAL WELL-BEING:

Fosters good relations among all employees to sustain an excellent work environment. Additionally, we promote the participation of employees' families in various activities and events, celebrating holidays such as International Women's Day, Labor Day, Mother's Day, Father's Day, National Holidays, and Christmas.

19

HUMAN RIGHTS IMPACT MANAGEMENT

In order to build a culture of human rights, between 2023 and 2026, Grupo UNACEM proposed to consolidate a risk assessment of human rights and diversity and inclusion impacts for the entire value chain, including our own operations.

The model has four (4) major sub-processes:

1

Human Rights Impact Risk Management

This sub-process identifies and maps the potential risks of impact on human rights, including:

- Sources of analysis
- Identification of human rights impact risks
- Assessment and prioritization of human rights impact risks
- Analysis of human rights impact risk management

2

Grievance and Complaint System

The focus is on generating information to nurture and support the continuous process of human rights, ensuring an accessible and effective system.

3

Governance

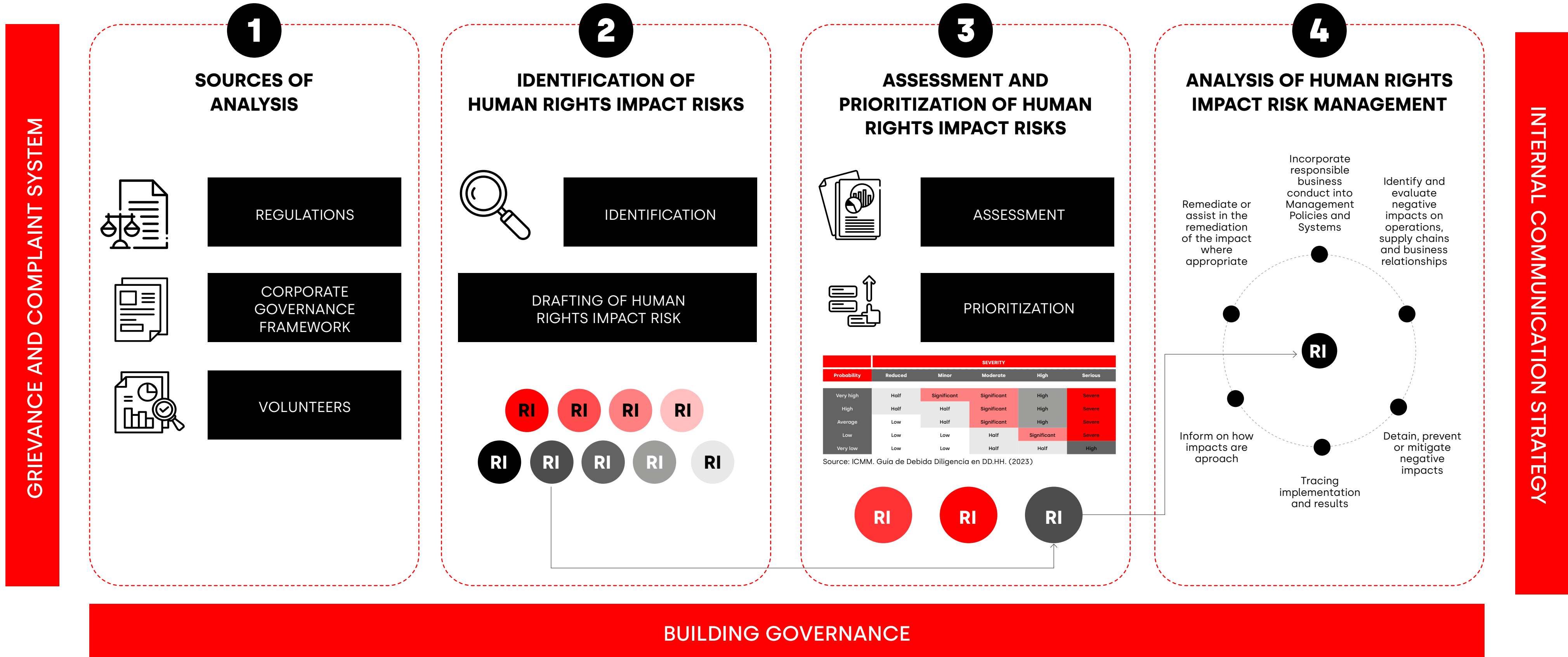
This pillar aims to consolidate the governance of Grupo UNACEM to apply not only a human rights approach in management but also in the continuous process of human rights due diligence.

3

Internal Communication Strategy

The strategy focuses on developing and maintaining internal communications to ensure all employees and stakeholders are informed about human rights and due diligence practices.

HUMAN RIGHTS IMPACT RISK MANAGEMENT



In 2023, we implemented the four (4) stages of the human rights impact risk management process. This comprehensive approach includes analyzing risk and impact management to identify initiatives and mitigation processes that aim to reduce the probability of occurrence or severity of impacts. The focus is on strengthening our controls and risk mitigation throughout the value chain. Notably, the UNACEM business units in Peru and Ecuador have identified human rights-related risks within their suppliers.



Table 1: Matrix of Relevant Issues and Stakeholders for Grupo UNACEM Value Chain

Description	Own Operations	Supply Chain
Relevant Human Rights Issues	<ul style="list-style-type: none"> • Health and Safety • Property • Life and/or Integrity • Free Transit • Food • Discrimination • Environment • Forced Labor • Housing • Equal Remuneration 	<ul style="list-style-type: none"> • Discrimination • Ethics and Integrity • Environment • Workplace Harassment • Forced Labor • Right to Collective Bargaining • Child Labor
Identified Stakeholders	<ul style="list-style-type: none"> • Own Employees • Third-party Employees (Contractors, Contractors' Personnel) • Local Communities • Customers • Consumers 	<ul style="list-style-type: none"> • Children • Own Employees • Third-party Employees (Suppliers, Contractors) • Local Communities • Partners



Own Operations

A summary matrix is presented below with the most relevant human rights issues.

Table 2: Summary Matrix of Relevant Human Rights Issues for Grupo UNACEM Value Chain

Relevant Human Rights Issues	Identified Human Rights Risks	Identified Stakeholders	Existing Controls
Life / Integrity Housing Health and Safety	Impact on the life and/or integrity of nearby communities, own employees, and third-party employees due to transportation incidents or accidents.	Local Communities Own Employees Third-party Employees	<ul style="list-style-type: none"> • Contracts with Suppliers • Safety Awareness for Carriers • Community Relations • Grievance and Complaint Mechanism • Crisis and Communication Committee • Maximum Driving Hours Standard • Vehicle Inspection Checklist • Internal Road Safety Regulations • Corporate Health and Safety Policy • Speed Limit Signage
Environment	Impact on the environment of nearby communities due to noise during operations.	Local Communities Own Employees Third-party Employees	<ul style="list-style-type: none"> • Noise Control Systems at Source • Environmental Monitoring Plan • Preventive and Corrective Maintenance Plan for Plants • Grievance and Complaint Mechanism • Activity Schedule Agreements
Property Housing Life / Integrity Food Health and Safety	Impact on the property, food, life, and/or integrity of nearby communities, own employees, and third-party employees due to operational contingencies or collapse from natural disasters.	Local Communities Own Employees Third-party Employees	<ul style="list-style-type: none"> • Seismic-Resistant Infrastructure • Topographic Monitoring • Preventive and Corrective Maintenance • Civil Liability Insurance against Third Parties • Contingency Plans



Suppliers

In UNACEM Perú and UNACEM Ecuador, due diligence processes focus on identifying risks in the supply chain (suppliers). To this end, there are established procedures that provide guidelines for the registration and ongoing assessment of suppliers and service providers.

The assessment topics include:

- Measures to avoid discriminatory practices
- Measures to eradicate child labor
- Dignified working conditions (e.g., forced labor, labor regulations, safe working conditions, internal policies, compliance with labor obligations, etc.)
- Programs or actions for managing waste generated by company activities
- Carbon and water footprint measurements
- Social Responsibility programs or actions
- Annual Sustainability Report
- Health and Safety Program and/or documents

A summary matrix is presented below, including the most relevant human rights issues identified.


Table 3: Summary Matrix of Relevant Human Rights Issues for Grupo UNACEM Supply Chain

Relevant Human Rights Issues	Identified Human Rights Risks	Prioritized Supply Chain Stakeholders	Existing Controls
Forced Labor	Lack of information on dignified working conditions not properly communicated during the hiring process.	Own Employees Third-party Employees	<ul style="list-style-type: none"> Corporate Code of Conduct for Suppliers and Contractors Internal Work Regulations Corporate Human Rights Policy Employment Contract with Specifications Salary Policy
Discrimination Workplace Harassment	Measures not implemented to ensure a work environment based on respect, non-discrimination, and equality.	Own Employees Third-party Employees	<ul style="list-style-type: none"> Corporate Human Rights Policy Corporate Diversity and Inclusion Policy Corporate Code of Conduct for Suppliers and Contractors Ethics Line Training on Workplace Sexual Harassment Salary Policy
Ethics and Integrity	Non-compliance with local and national laws regarding bribery, corruption, or other unethical business practices.	Partners Third-party Employees (Suppliers / Contractors)	<ul style="list-style-type: none"> Corporate Code of Conduct for Suppliers and Contractors Anti-Corruption Policy
Environment	Impact on natural resources (soil and water) due to activities.	Local Communities	<ul style="list-style-type: none"> Environmental Policy Waste Segregation Procedure
Right to Collective Bargaining	Restriction on the right to form or join unions of their own selection and to bargain collectively.	Own Employees	<ul style="list-style-type: none"> Corporate Code of Conduct for Suppliers and Contractors Internal Work Regulations Corporate Human Rights Policy
Child Labor	Involvement of minors (girls, boys, and young people) in work activities.	Own Employees	<ul style="list-style-type: none"> Corporate Human Rights Policy Ethics Line Corporate Code of Conduct for Suppliers and Contractors

20 HUMAN RIGHTS MITIGATION AND REMEDIATION

Following the implementation of the Human Rights Due Diligence, opportunities for improvement were identified to strengthen our controls and mitigate risks throughout the value chain. Technical sessions were held to implement the mitigation plans.

The main opportunities for improvement and proposed mitigation actions are presented below:

Table 4: Opportunities for Improvement in Due Diligence Sub-Processes

Subprocess	Main Opportunities for Improvement
Governance	<ul style="list-style-type: none"> From the recognition of human rights impact risks identified and assessed in the due diligence process, emphasize the supply chain, as suppliers are key actors in the identified undesired events. Create internal management documents to ensure each business unit acts diligently in human rights concerning its customers.
Grievances and Complaints	<ul style="list-style-type: none"> Develop prioritization criteria for addressing incoming grievances and complaints. Measure the performance impact of grievance and complaint mechanisms in each business unit to generate lessons learned, facilitating improvement and adaptability of these mechanisms.
Internal Communication	<ul style="list-style-type: none"> Incorporate human rights issues and progress into onboarding programs for personnel, suppliers, and contractors. Implement a human rights training program for all employees. Disseminate documents on human rights issues internally within business units.



Own Operations

Table 5: Main Mitigation Plans for Human Rights Risks in Grupo UNACEM Value Chain

Relevant Human Rights Issues	Identified Human Rights Risks	Mitigation Plans for Human Rights Risks
Life / Integrity Housing Health and Safety	Impact on the life and/or integrity of nearby communities, own employees, and third-party employees due to transportation incidents or accidents.	<ul style="list-style-type: none"> • Implementation of a bonus for good driving practices • Identification and diagnosis of critical areas for signage and other measures • Community awareness program • Awareness program for carriers • Audits and inspections • Emergency response protocol • Implementation of fatigue identification mechanisms • Implementation of the "Safe Wheel" program • Installation of a satellite telephone to ensure uninterrupted communication
Property Housing Life / Integrity Food Health and Safety	Impact on the property, food, life, and/or integrity of nearby communities, own employees, and third-party employees due to operational contingencies or collapse from natural disasters.	<ul style="list-style-type: none"> • Implementation of drills • Assess the scope of insurance and the likelihood of event occurrences • Implementation of an early warning system • Evacuation plan • Communications plan
Environment	Impact on the environment of nearby communities due to noise during operations.	<ul style="list-style-type: none"> • Evaluation of encapsulation for equipment and machinery • Identification of equipment generating over 82 decibels • Assessment of operational processes for noise reduction
Number of sites with mitigation plans		Six (6) operations in the business units: UNACEM Perú (Atocongo and Condorcocha plants); UNICON (San Juan plant, Ancieta and Yerba Buena quarries); and CELEPSA (El Platanal hydroelectric power plant).



Supply Chain

At UNACEM Perú, opportunities for improvement in human rights issues were identified to reduce the probability of potential negative impacts. In this regard, technical sessions were held to implement the respective improvement plans. The main proposed mitigation actions are presented below:

Table 6: Processes Implemented to Mitigate Human Rights Risks in UNACEM Perú's Supply Chain

Relevant Human Rights Issues	Identified Human Rights Risks	Mitigation Plans for Human Rights Risks
Forced Labor Discrimination Workplace Harassment Ethics and Integrity Environment	<ul style="list-style-type: none"> Falta de información sobre las condiciones dignas laborales que no son debidamente informadas durante el proceso de contratación. Medidas no implementadas para garantizar un clima laboral basado en el respeto, no discriminación y desigualdades. 	<ul style="list-style-type: none"> Personalized advice and support to each supplier Technical Assistance for the implementation of documents on ethics and integrity, anti-corruption, and human rights issues Human rights training Preparation of sustainability reports
Right to Collective Bargaining Child Labor	<ul style="list-style-type: none"> Non-compliance with local and national laws regarding bribery, corruption, or other unethical business practices. Impact on natural resources (soil and water) due to activities. Restriction on the right to form or join unions of their own selection and to bargain collectively. Involvement of minors (girls, boys, and young people) in work activities. 	<ul style="list-style-type: none"> Development of tools for verification and follow-up of the implementation of action plans Implementation of the following documents: <ul style="list-style-type: none"> Code of Conduct for Suppliers and Contractors Grievance Procedure and Channel Human rights policies and procedures aligned with the UDHR and the principles of the Global Compact Risk matrices aligned with the Global Compact, ILO Conventions, current labor legislation, best practices, and the regulatory framework
Number of sites with mitigation plans		Thirty-two (32) suppliers of UNACEM Perú

21

OCCUPATIONAL HEALTH AND SAFETY PROGRAMS

The “Lives First” program is the cornerstone of the Corporate Safety Vision and supports all of the Group’s operations. Within this program, the corporate guide “Safety Management with Contractors” is developed as a corporate standard.

Safety Management with Contractors

- **Roles:** The contract and/or contractor administrator is responsible for ensuring that the requirements of this guide apply to the contract and/or contractor they administer.
- **Basic Requirements:** All contractor personnel must be adequately trained in the health and safety aspects of their tasks and must receive appropriate on-site onboarding training. All tools and equipment used by the contractor must be in safe working condition in accordance with the manufacturer’s specifications. Contractors

are responsible for ensuring that their subcontractors comply with Grupo UNACEM safety requirements and are adequately trained.

- **Hiring:** All hired services are formalized through a contract signed by both parties (or, in certain situations, another binding document). This contract includes health and safety clauses clarifying the contractor’s responsibility to comply with legal obligations and Grupo UNACEM own health and safety rules. The contract will also indicate the right of Grupo UNACEM to stop activities in case of situations that endanger employees. The contract will include a description of penalties or fines related to noncompliance with these rules.

It should be noted that both UNACEM Perú⁹ and UNICON Perú maintain their ISO 45001:2018 certification.

9 <https://unacem.pe/wp-content/uploads/2024/08/ISO-45001-2018-Esp.pdf>

22 STAKEHOLDER ENGAGEMENT POLICY

Aligned with our corporate vision of social management, Grupo UNACEM reinforces its commitment to long-term value creation for various stakeholders—including communities, local entities, and vulnerable groups—through its Sustainability Statement and Corporate Diversity and Inclusion Policy. Within this framework, each business unit is tasked with enhancing or implementing processes for stakeholder identification, participation strategies, and grievance and complaint mechanisms tailored to their specific needs, operational realities, regulatory framework, and identified socio-environmental risks.

This commitment, endorsed by the Shareholders' Meeting in the 2021 Sustainability Statement, underscores the Group's dedication to fostering a more sustainable future for its stakeholders. Pillar five of the statement, "social management," focuses on local development and improving the quality of life in the areas surrounding our operations.

Scope of the Policy

- **Supply Chain**

Grupo UNACEM maintains a Code of Conduct for Suppliers and Contractors, which outlines behavioral guidelines for community engagement.

- **Own Operations**

Our corporate Code of Ethics and Conduct recognizes the importance of respecting the culture, traditions, and values of local communities, especially those neighboring our operations. We are committed to maintaining transparent, relevant communication grounded in mutual respect and dialogue. In 2023, we began implementing human rights due diligence, focusing on local communities as stakeholders. This process has enabled us to identify, prevent, mitigate, and respond to actual or potential negative impacts on people caused by the Group's activities.

Within the specific guidelines that are handled in some of the business units, at UNACEM Perú, the Sustainability Policy reflects the company's commitment and sets the guidelines for social management. <https://unacem.pe/wp-content/uploads/2023/03/Politica-de-Sostenibilidad-UNACEM.pdf>.

At UNACEM Ecuador, our Social and Environmental Responsibility Policy ([Sustainable Development – UNACEM Ecuador](#)) outlines the general principles of social and environmental management, aimed at creating value for both

stakeholders and shareholders. In addition, the Community Relations Program strengthens relationships with various stakeholders through communication mechanisms and strategies that promote local development.

CELEPSA, for its part, has guidelines and processes supporting social management, which fosters sustainable development, community welfare, and strategic alliances for changes in the development of the different local stakeholders and the region ([CELEPSA | Bringing Sustainable Energy to the Peruvian Market](#)). In addition, they have a Grievance and Complaint Procedure that classifies and responds to stakeholder communications within established deadlines.

Policy Aspects

- **Identification of Affected Communities, Local Stakeholders, and Vulnerable Groups as part of the Identification Process**

UNACEM Perú conducts social stakeholder mapping assessments to define the social impact on local stakeholders and communities. This framework enables the identification and assessment of local stakeholders and



communities to plan prevention, control, and mitigation actions for social viability. The methodology includes six (6) steps:

- Identification and sectorization in the affected territory
- Identification and prioritization of local stakeholders and communities
- Analysis of social network behavior and media access
- Assessment of identified local stakeholders and communities
- Definition of the type of interaction
- Definition of specific activities to be performed

As part of its social management, CELEPSA uses the "social climate matrix" tool to assess and analyze social relations between the business unit and local stakeholders and communities. Additionally, activities conducted in its operational territory follow a project management methodology, which includes assessing the technical, financial, and social feasibility of initiatives or projects, developing a logical framework for implementation follow-

up, and creating a risk matrix to determine mitigation strategies for potential negative impacts on project execution.

UNACEM Ecuador has implemented a community risk management system to monitor the social climate and identify opportunities to improve community relations. The analysis consists of five (5) steps:

- Compilation of monthly topics addressed
- Relationship levels
- Impact estimation and probabilities
- Calculation of community risk in operations
- Reporting

- **The engagement strategy includes local stakeholders**

There are permanent face-to-face and virtual dialogue channels with local stakeholders to establish and strengthen solid, mutually beneficial relationships. This strategy fosters communication, collaboration, and trust to achieve common goals and enhance the overall well-being of local stakeholders and Grupo UNACEM.

- **Grievance and Complaint Mechanism Available to Communities**

Grupo UNACEM maintains an Ethics Line that is a channel for reporting grievances and complaints and is available to all stakeholders. ([Ethics Line – Grupo UNACEM](#)).

UNACEM Perú has established a Communication Procedure detailing guidelines and actions for receiving, registering, and analyzing grievances, complaints, reports, and general inquiries. See UNACEM Perú's Integrated Report, pages 125-126 ([UNACEM-2023_INGLES_JULIO-26-1-compressed.pdf](#)). In turn, CELEPSA ensures timely and efficient handling of these matters through its specific process for managing requests, grievances, and complaints.

23

STAKEHOLDER ENGAGEMENT PROGRAM

In line with its social management principles, Grupo UNACEM runs programs, projects, and social initiatives in its operational areas to improve the quality of life and foster economic and social progress among local stakeholders and communities. These efforts aim to achieve autonomy, generate shared value, and contribute to the Sustainable Development Goals.

Impact Assessments

Assessments are conducted to define the social impact in areas of influence. This approach is reflected in the development of stakeholders through social investment projects designed to meet the needs of stakeholders and communities. The goal is to innovate and achieve more impactful results through joint action, generating value in the operational environment using a territorial development approach in collaboration with various sectors (public, private, civil society, multilateral organizations, etc.) and social actors.

UNACEM Perú has three (3) focus areas for its social investment programs:

- **Research for Conservation:** In this approach, initiatives and research spaces are developed to support the conservation of the ecosystem of the hills and the country's cultural heritage.

Results include sensitizing 1,850 students and 90 teachers, conducting 1,368 hikes in the Private Conservation Area, and attracting 9,437 sports enthusiasts with 1,880 participants in sporting events.

- **Well-being:** Focuses on actions aimed at improving the living conditions of vulnerable individuals. Efforts include strengthening the capacities of diverse groups to facilitate access to quality education, health services, and income generation, as well as to promote friendly coexistence. Results include benefiting 34,981 people through projects improving pedagogical, artistic, sports, entrepreneurial, and organizational management skills, and providing 63,241 preventive medical checkups to 13,482 people through 48 health campaigns, fairs, and workshops.
- **Urban Planning:** In collaboration with local governments, the community, and various public and private institutions, efforts are made to reduce the infrastructure gap. These projects promote recreation and integration, improve quality of life, and contribute to orderly population growth. In 2023, 85,800 people benefited from 152 infrastructure projects.

See more detailed information on the social investment projects in [UNACEM-2023_INGLES_JULY-26-1-compressed.pdf \(pages 129-221\)](#).

UNACEM Ecuador's community relations plan is built on five pillars:

- **Educación y capacitación:** Education and Training: The objective is to support children and young people from local communities, particularly indigenous people and women, in completing primary and secondary education, and in some cases, gaining access to university studies. This program has benefited 161 students.
- **Health:** This approach enhances the health and quality of life of stakeholders and communities through infrastructure improvements, the provision of medical supplies and equipment, and the implementation of preventive medicine programs. Services provided include obstetrics, general medicine, pediatrics, dentistry, Pap smears, COVID-19 vaccination, and audiometry. A total of 850 people have benefited from these services.
- **Generation of Opportunities:** The aim is to support the long-term economy of community families and promote the transfer of technology



and knowledge through theoretical and practical workshops. The following programs include mushroom planting and harvesting, beekeeping, and dairy cattle raising, benefiting 32 families.

- **Environmental Conservation:** This initiative raises awareness among local communities about the importance of protecting the environment, forests, and biodiversity through training and reforestation activities in collaboration with academia and other institutions. A total of 115 families have benefited from this program through strategic alliances.
- **Social Infrastructure:** These programs focus on enhancing social infrastructure, as this component is crucial to the community's quality of life. Under this approach, the following projects have been developed: water system infrastructure (benefiting 930 families), road improvements (690 families), and housing and space enhancements (benefiting 2,869 families).

Communication Mechanisms (Channels, Surveys, Reviews, Meetings, and Capacity Building)

UNACEM Perú has face-to-face and virtual dialogue channels to maintain permanent communication with local stakeholders and communities. These spaces are implemented through virtual mechanisms such as institutional e-mail exclusively for document procedures and inquiries from individuals or legal

entities, and social networks for contact with the public and inquiries. They also create spaces for dialogue to foster adequate interaction and conduct perception surveys, which allows for the parties involved to jointly identify and develop solutions, consolidating mutual trust. To strengthen communication skills, workshops on leadership and assertive communication are offered.

CELEPSA has guidelines and processes for social management with local stakeholders and communities, including tools for interaction and sensitization, dialogue, and management mechanisms, as well as communication capacity-building initiatives to ensure efficient actions and a favorable social climate.

UNACEM Ecuador promotes dialogue, dissemination, and participation of local stakeholders and communities in their development, respecting their cultural traditions, worldviews, and identity. Through the "communication and dialogue" action line of the community relations program and the procedure for managing internal and external communications, they facilitate communication, review participation strategies, and exchange ideas to understand needs and interests, ensuring the implementation of specific solutions. The communication and dissemination strategy includes the community magazines "Mashikuna" and "Quinde," two-way communication and meetings, as well as strengthening assertive and effective communication skills.

Grievance Follow-up

Likewise, Grupo UNACEM maintains an Ethics Line, which is a channel for reporting grievances and complaints and is available to all stakeholders. This platform is just one of the options available to channel grievances and complaints. Stakeholders can also use the phone number provided by the business unit or the available e-mail address.

In turn, CELEPSA ensures timely and efficient handling of these matters through its process for managing requests, grievances, and complaints. This process is designed to follow up and address requests, grievances, and complaints in accordance with internal rules and policies. It also keeps senders informed about the status of their requests, enhancing transparency in management. In 2023, CELEPSA received and promptly attended to 109 grievances and complaints, achieving a 100% resolution rate.

24 WORK ENVIRONMENT SURVEY

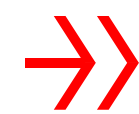
In 2023, the second work environment survey was conducted, achieving an 87.0% positive result in the "Gestalt" indicator. This indicator reflects the overall satisfaction of Grupo UNACEM employees according to the Great Place to Work (GPTW) model. The goal for 2023 was to increase the result by 2.0% compared to 2022.

The GPTW model assesses various aspects of employee satisfaction related to the organizational environment and culture, both within individual areas and across the organizations where they work. Key aspects assessed included effective leadership, innovation, and values. The survey questions aimed to obtain results showing the percentage of general acceptance and confidence in leadership. Additionally, in 2023, a 77.0% confidence level in leadership was achieved, marking a 2 percent point increase from 2022.

The GPTW work environment survey covered aspects such as job satisfaction, purpose, happiness, and stress, with the following questions:



Key aspects assessed included effective leadership, innovation, and values. The survey questions aimed to obtain results showing the percentage of general acceptance and confidence in leadership.”



IN 2023, A

77.0%

CONFIDENCE LEVEL IN LEADERSHIP
WAS ACHIEVED, MARKING A 2
PERCENT POINT INCREASE FROM
2022.



Aspects	GPTW Dimension	GPTW Questions
Job Satisfaction	Pride	I feel that my participation is important and makes a difference in the organization.
		I would recommend my friends and family to work at this company because of the excellent working environment.
	Impartiality	All things considered, I would say this is a great place to work.
Purpose	Pride	Credibility On a scale of 1 to 10, with 1 being "Not at all likely" and 10 being "Very likely," how likely are you to recommend a friend or family member to work for this organization?
		My job has special meaning for me; this is not "just a job."
		People here adapt quickly to the changes necessary for the success of our organization.
		I feel good about the way we contribute as an organization to the community.
Happiness	Pride	Our customers rate the service we provide as excellent.
		When I see what we have achieved, I feel proud.
		I want to work here for a long time. I am proud to tell others that I work here.
Stress	Respect	People like to work in this organization, whether in person or remotely.
		I can be myself and express my personality in my work environment. I can take time off, in a coordinated manner, to attend to important personal matters. Here people are encouraged to balance their work and personal lives.



25 EMPLOYEE DEVELOPMENT PROGRAMS

Major employee development programs include Grupo UNACEM “Managing a High-Performance Organization – OKRs” program and UNACEM Perú’s Ruray program.¹⁰

Program 1

<p>NAME AND DESCRIPTION OF THE PROGRAM</p>	<h3>MANAGING A HIGH-PERFORMANCE ORGANIZATION – OKRS</h3>
<p>DESCRIPTION OF THE OBJECTIVE OF THE PROGRAM / BUSINESS BENEFITS</p>	<p>This program uses an agile methodology to prioritize key projects within the 2026 strategic agenda of Grupo UNACEM, fostering a high-performance culture. It supports the various stages of growth for each business unit, aligned with a shared vision for 2030.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Understanding the strategic agenda and being key players in growth and change • Becoming agents of change in cultural transformation issues • Influencing and driving Grupo UNACEM 2026 strategic agenda • Innovating within their roles to transform environments and solve problems • Quickly learning new roles and adapting to new conditions, promoting cross-business unit teamwork (cross-pollination)
<p>QUANTITATIVE IMPACT ON CORPORATE PROFITS</p>	<p>Consolidated results of OKRs in compliance with the strategic agenda 2026 to 2023, which includes specific goals completed and 100.0% validated by leaders in the pillars of talent and culture, integrity and transparency, performance, ELC and SOD, innovation, roles and responsibility, innovation center, operating model, environmental, succession, development, employer brand, culture, process mapping, risk/control matrix, architecture, and use cases.</p> <ul style="list-style-type: none"> • By 2030, the aim is to position ourselves in the top decile of EBITDA multiples among regional cement groups. • By 2030, we seek to develop infrastructure and housing in the countries where we operate to create sustainable value in the long term.
<p>% OF FTES PARTICIPATING IN THE PROGRAM</p>	<p>4.73%</p>

¹⁰ We highlight UNACEM Perú’s employee development program due to its significant participation, representativeness in terms of income within Grupo UNACEM, and progress in managing employee development programs.



Program 2

<p>NAME AND DESCRIPTION OF THE PROGRAM</p>	<p>RURAY PROGRAM</p>
<p>DESCRIPTION OF THE OBJECTIVE OF THE PROGRAM / BUSINESS BENEFITS</p>	<p>The Ruray Program fosters the generation of new ideas and innovative practices. It has included 129 employees and is composed of two (2) strategic pillars:</p> <ul style="list-style-type: none"> • Ruray Academy: It is designed to enhance employees' skills and capabilities in innovation through: • Virtual chats: They are designed to develop and enhance the value of innovation focused on the needs and experiences of people, both inside and outside the company. • Face-to-face workshops: They invite employees to challenge traditional methods and to think innovatively about how to address day-to-day challenges. • Ruray Challenge: It is aimed at finding innovative solutions to generate efficiencies and savings that have a positive impact. It is focused on five (5) areas of focus: safety and health, business growth and development, efficiency, social and environmental responsibility, and people development. <p>Benefits:</p> <ul style="list-style-type: none"> • It promotes a culture of questioning and continuous improvement. • It accelerates the innovation process, reducing time and costs associated with developing new products, services, or processes.
<p>QUANTITATIVE IMPACT ON CORPORATE PROFITS</p>	<p>The projects submitted for the Ruray 2023 program represent a total investment of approximately S/ 1.8 million, with a projected impact of S/ 15.4 million over two (2) years, resulting in an ROI of 821.93%.</p>
<p>% OF FTES PARTICIPATING IN THE PROGRAM</p>	<p>16.0%</p>

Benefits:

- It promotes a culture of questioning and continuous improvement.
- It accelerates the innovation process, reducing time and costs associated with developing new products, services, or processes.

26

26 TYPE OF PERFORMANCE ASSESSMENT

The model consists of three (3) phases:

1 ESTABLISHMENT OF OBJECTIVES (FIRST QUARTER)

This is the process by which the General Manager of each Business Unit deploys the business strategy across all levels of the organization, defining the scope of individual contributions through specific objectives.

2

FEEDBACK AND REVIEW OF PROGRESS ON OBJECTIVES (THIRD QUARTER)

During this phase, leaders provide feedback on the progress employees have made toward achieving their objectives. As a best practice, additional agile feedback conversations are scheduled throughout the year to ensure they are timely and relevant.

3

FINAL ASSESSMENT AND CLOSING OF RESULTS (FIRST QUARTER OF THE FOLLOWING YEAR)

This closing stage measures the level of achievement of the objectives defined at the beginning of the year and assesses the quality of individual contributions through the fulfillment of these objectives.

FREQUENCY: THE PERFORMANCE ASSESSMENT IS CONDUCTED ANNUALLY AND CAN BE ADJUSTED ACCORDING TO CHANGING CONTEXTS THROUGHOUT THE YEAR.

44

ESG INDICATORS

Table 1:	Matrix of Relevant Issues and Stakeholders for the Grupo UNACEM Value Chain
Table 2:	Summary Matrix of Relevant Human Rights Issues for the Grupo UNACEM Value Chain
Table 3:	Summary Matrix of Relevant Human Rights Issues for the Grupo UNACEM Supply Chain
Table 4:	Opportunities for Improvement in Due Diligence Sub-Processes
Table 5:	Main Mitigation Plans for Human Rights Risks in the Grupo UNACEM Value Chain
Table 6:	Processes Implemented to Mitigate Human Rights Risks in UNACEM Peru's Supply Chain
Table 7:	Historical GHG Emissions and Coverage – Cement Sector
Table 8:	Total Water Consumption History
Table 9:	Total Renewable and Non-Renewable Energy Consumption
Table 10:	Co-Processing Rate
Table 11:	Water Consumption in Water-Stressed Areas
Table 12:	Climate-Related Management Incentives
Table 13:	Training and Development Indicators 2023 – DJSI Evidence: Breakdown by gender, age, and management level
Table 14:	Human Capital Return on Investment – DJSI Evidence for the Grupo UNACEM
Table 15:	Hiring of Employees – DJSI Evidence by Group: Breakdown by gender, age, and nationality
Table 16:	Employee Turnover Rate – DJSI Evidence by Group: Breakdown by gender, age, nationality, and management level
Table 17:	Human Rights Assessment – Value Chain – Grupo UNACEM
Table 18:	Gender Pay Ratio – Grupo UNACEM
Table 19:	Required Information on eligible Grupo UNACEM activities – Colombian Taxonomy
Table 20:	Grupo UNACEM Eligible Activities by Business Unit according to the Colombian Taxonomy – Cement Sector
Table 21:	Grupo UNACEM Activities Aligned with Energy Efficiency according to the Colombian Taxonomy – Cement Sector
Table 22:	Grupo UNACEM Eligible Activities according to the Colombian Taxonomy – Energy Sector
Table 23:	Average Tenure Time of the Board of Directors – Grupo UNACEM
Table 24:	Increased Grupo UNACEM Contributions and Expenditures – DJSI Indicator
Table 25:	Supplier Selection KPIs for UNACEM Peru and UNACEM Ecuador
Table 26:	KPI for Supplier Assessment at UNACEM Peru
Table 27:	Coverage and Scope of UNACEM Peru's Suppliers with Corrective Action Plans
Table 28:	Coverage and Scope of UNACEM Peru's Suppliers in Capacity Building Programs
Table 29:	Grupo UNACEM Tax Return – DJSI Evidence
Table 30:	Grupo UNACEM Effective Tax Rate – DJSI Evidence

ENVIRONMENTAL INDICATORS

Table 7: Historical GHG Emissions and Coverage – Cement Sector

Scope	2020	2021	2022	2023
Total Direct Emissions – Scope 1				
Emissions in metric tons of CO ₂ eq	3,198,130	5,704,335	5,771,374	5,375,035
Percentage of coverage (%) with respect to cement and clinker production level	98.0%	96.0%	94.0%	93.0% (*)
Total Indirect Emissions – Scope 2				
Emissions in metric tons of CO ₂ eq (market-based)	145,491	219,701	204,634	214,407
Percentage of coverage (%) with respect to cement and clinker production level	98.0%	96.0%	94.0%	85.0% (**)
Total Indirect Emissions – Scope 3				
Emissions in metric tons of CO ₂ eq	3,198,130	5,704,335	5,771,374	104,339
Percentage of coverage (%) with respect to cement and clinker production level	98.0%	96.0	94.0%	71.0% (***)

* Includes the business units UNACEM Perú, UNACEM Ecuador, and DRAKE CEMENT. Drake Cement

** Includes the business units UNACEM Perú and UNACEM Ecuador.

*** Only includes UNACEM Perú.



Table 8: Total Water Consumption History

Water Consumption	Unit	2020	2021	2022	2023
a. Water Withdrawn and Extracted	million de m ³	1.01	1.43	1.37	8.04
b. Water Discharge	million de m ³	0.18	0.22	0.14	0.13
Net Water Consumption (a-b)	million de m ³	0.83	1.21	1.23	7.89
Data Coverage (%)	Production Percentage	100.0%	100.0%	100.0%	100.0%

**Table 9: Co-Processing Rate**

Clinker / Cement Ratio 2023	81.8%
Total Alternative Fuel	Alternative fuel used to replace fossil fuel (as % of total heat consumption)
UNACEM Ecuador	43.70%
Grupo UNACEM (Weighted)	14.0% (*)
Total Alternative Raw Materials	Alternative raw materials contained in cement (excluding conventional raw materials, e.g., gypsum, pozzolan, etc.)
UNACEM Ecuador	1.59%
UNACEM Perú	2.95%
Grupo UNACEM (Weighted)	2.32% (*)

(*) The weighted average of Grupo UNACEM was calculated based on total cement production.

Table 10: Water Consumption in Water-Stressed Areas

Group Segment	Water Consumption in Water-Stressed Areas	Units	2023
Cement	Total net freshwater consumption in water-stressed areas (Total water extractions – Total water discharges)	Millions of cubic meters/year per person	0.075
Energy	Total net freshwater consumption in water-stressed areas (Total water extractions – Total water discharges)	Millions of cubic meters/year per person	0
Grupo UNACEM			0.075

**Table 11: Climate-Related Management Incentives**

Job Category	Type of Incentive	KPI associated with the Incentive
Chief Executive Officer (CEO)	Monetary	Reduction of emissions: Environmental Indicator (ESG)
Other Executive Officers	Monetary	Reduction of emissions: Environmental Indicator (ESG)
Business Unit Managers	Monetary	Reduction of energy consumption: Percentage of use of alternative fuels, through heat energy from non-conventional alternative sources
Business Unit Managers	Monetary	Other: ESG-related indicators, such as the Action Plan as per the EHS Audit (Environmental Health and Safety)

SOCIAL INDICATORS



Table 12: Training and Development Indicators 2023 – DJSI Evidence: Breakdown by gender, age, and management level

Business Segment	Average hours per FTE of training and development by gender		Average hours per FTE of training and development by age				Average hours per FTE of training and development by management level		
	Women	Men	18-30	31-45	46-60	60 +	Executive level	Management level	Non-management level
Grupo UNACEM	8	45	9	29	13	2	1	6	22

Segmento de negocio	Average amount spent per FTE on training and development by gender		Average amount spent per FTE on training and development by age				Average amount spent per FTE on training and development by management level		
	Women	Men	18-30	31-45	46-60	60 +	Executive level	Management level	Non-management level
Grupo UNACEM	288	877	135	582	388	59	43	285	743



Table 13: Human Capital Return on Investment – DJSI Evidence for Grupo UNACEM

Group Business Segment	Year	Total Revenues	Total Operating Expenses	Total Employee-Related Expenses (Salaries + Benefits)	HC ROI
Grupo UNACEM	2020	S/ 3,575,309,000	S/ 398,274,000	S/ 643,924,000	5.9401
	2021	S/ 5,066,169,000	S/ 436,616,000	S/ 814,235,000	6.68577
	2022	S/ 5,978,843,000	S/ 543,215,000	S/ 966,276,000	6.62534
	2023	S/ 6,376,274,000	S/ 589,087,000	S/ 1,034,570,000	6.58511



Table 14: Hiring of Employees – DJSI Evidence by Group: Breakdown by gender, age, and nationality

Group Business Segment	Year	Average cost of new hires	New vacancies by gender		New vacancies by age			New vacancies by nationality						
			New vacancies filled by women	New vacancies filled by men	New hires of employees under age 30	New hires of employees between ages 30 and 50	New hires of employees over age 50	New vacancies filled by Peruvian citizens	New vacancies filled by Ecuadorian citizens	New vacancies filled by Chilean citizens	New vacancies filled by U.S. citizens	New vacancies filled by Venezuelan citizens	New vacancies filled by Colombian citizens	New vacancies filled by other nationalities
Grupo UNACEM	2020	S/ 6,634.72	65	988	242	726	83	842	5	18	0	10	69	0
	2021	S/ 4,741.32	80	1227	353	895	100	1029	11	149	0	18	115	0
	2022	S/ 4,698.88	157	1594	454	1112	133	1414	32	176	0	16	81	9
	2023	S/ 2,375.20	147	1482	420	974	121	1184	0	62	127	22	93	0

N.B.: For the historical "Average cost per new hire" data from 2020-2021, Skanon Investment is excluded due to the unavailability of information. Consequently, Skanon Investment is included only in the 2022 calculation. Similarly, the following Business Units are excluded from the 2020 calculation: INMA and DIGICEM are legal entities with an active payroll since 2022. UNACEM Corp is a legal entity active since 2022, following the reorganization that separated the cement business into UNACEM Perú S.A. Additionally, UNACEM Chile and UNICON Chile are not considered for the 2020 calculation as they were not part of the Group at that time.

Table 15: "Employee Turnover Rate – DJSI Evidence by Group: Breakdown by gender, age, nationality, and management level

Group Business Segment	Year	Turnover Rate by Gender		Number of Terminations by Nationality							Management Level		
		Turnover rate of women	Turnover rate of men	Peruvian citizens	Ecuadorian citizens	Chilean citizens	U.S. citizens	Venezuelan citizens	Colombian citizens	Other nationalities	Non-management	Management level	Executive level
Grupo UNACEM	2020	11.98%	14.95%	434	42	178	0	1	50	8	216	6	11
	2021	13.20%	16.56%	538	23	173	0	4	125	2	152	14	23
	2022	16.42%	19.20%	816	15	142	0	9	141	9	135	13	14
	2023	11.73%	13.45%	642	18	71	92	5	53	1	212	33	4

N.B.: The following Business Units are excluded from the 2020-2021 calculation: INMA and DIGICEM are legal entities with an active payroll since 2022. UNACEM Corp is a legal entity active since 2022, following the reorganization that separated the cement business into UNACEM Perú S.A. Additionally, UNACEM Chile and UNICON Chile are not considered for the 2020 calculation as they were not part of the Group at that time. This information does not consider the operation in the USA, since, legally, it is not reported.

Group Business Segment	Year	Number of Terminations by Age		
		Under age 30	Between ages 30 and 50	Over age 50
Grupo UNACEM	2023	181	527	126

**Table 16: Human Rights Assessment – Value Chain – Grupo UNACEM**

	% of the total assessed in the last three (3) years	% of the total assessed in which risks have been identified	% of risk with mitigation measures adopted
Own Operations ¹¹	17.5%	100.0%	7.0%
Tier I Contractors and Suppliers (as % of tier I contractors or suppliers)	9.0%	100.0%	28.0%

¹¹ This refers to the operations of UNACEM Perú, UNICON, and CELEPSA.

Table 17: Gender Pay Ratio – Grupo UNACEM

	Ratio
Executive level (base salary)	1.106
Executive level (base salary + incentives)	0.936
Management level (base salary)	0.900
Management level (base salary + incentives)	0.896
Non-management level (base salary)	0.817

GOVERNANCE INDICATORS



Sustainable Taxonomies

Classifying a company's activities within a sustainable taxonomy is essential to ensure operations adhere to rigorous environmental criteria, promoting a transition to more responsible practices. This classification also facilitates access to sustainable financing by emphasizing contributions to climate change mitigation and other sustainable development objectives.

In line with its environmental commitment, Grupo UNACEM has aligned itself with a Sustainable Taxonomy applicable to the Latin American and Caribbean region, based on the countries where it operates. To determine the most appropriate taxonomy for assessing its activities, a comparative analysis of three (3) regional taxonomies was conducted: Colombia's Green Taxonomy, Mexico's Sustainable Taxonomy, and Panama's Sustainable Finance Taxonomy. This analysis revealed that the thresholds applicable to clinker and cement in the manufacturing sector are consistent across these three (3) countries, as they are based on the European Union Taxonomy.

Therefore, additional specific characteristics were considered to define the appropriate taxonomy,

including mitigation measures and other relevant thresholds. The result is Colombia's Green Taxonomy, which not only sets a threshold for cement and clinker activities but also includes recommendations for mitigation measures aligned with Grupo UNACEM operations. Additionally, it establishes a recommended threshold for energy use per ton produced.

The following describes the eligibility analysis of Grupo UNACEM activities under the guidelines established in Colombia's Green Taxonomy:

Business Units: Cement

- **Classification of Economic Activities:** Grupo UNACEM cement units operate within the Manufacturing – Components for Cement Manufacturing sector, which includes the production of clinker and cement.
- **Eligibility Analysis of Activities Identified in accordance with the Technical Criteria of M2. Components for Cement Manufacturing:** The eligibility criteria include the cement clinker threshold and the cement threshold. For Grupo UNACEM, the cement threshold is applicable, as the clinker and cement thresholds are

relevant only for companies that produce clinker exclusively. Therefore, the applicable threshold for Grupo UNACEM is **0.6 tCO₂eq/t of clinker and cement**, where specific emissions associated with clinker (or alternative binder) and cement production processes are less than 0.6 tCO₂eq/t of cement.

- **Analysis of Compliance with Recommended Threshold for Energy:** Once the eligibility of the Group's activities is defined, compliance with the recommended energy threshold is analyzed: **90 and 150 kWh/t of cement.**
- **Consideration of Mitigation Measures:** In addition to analyzing compliance with the thresholds, a general description of the measures UNACEM has taken in recent years is provided, related to the recommendations for mitigation measures indicated in the taxonomy.

The ratio of emissions vs. production for its business units UNACEM Perú, UNACEM Ecuador, and Drake Cement complies with the established threshold of 0.6 tCO₂eq/t of product produced, making these activities eligible under the Colombian Taxonomy.



Table 18: Required Information on eligible Grupo UNACEM activities – Colombian Taxonomy

Business Units	Revenues in S/	Capital Expenditures in S/	Operating Expenses in S /	Clinker Production for 2023	Cement Production for 2023	Emissions (2023) (*)
UNACEM Ecuador	606,336,000.00	85,258,000.00	533,003,000.00	856,515.00	1,235,600.00	814,846.00
UNACEM Perú	2,743,791,000.00	213,687,000.00	2,014,706,000.00	4,897,808.00	5,850,526.39	4,291,148.00
UNACEM Chile	196,833,000.00	4,292,000.00	208,194,000.00	386,050.79	503,635.05	(**)
DRAKE CEMENT	338,757,251.00	87,657,000.00	335,731,000.00	568,426.70	624,713.90	483,448.00
CELEPSA	777,349,000.00	19,489,000.00	681,205,000.00	(***)	(***)	1,185.86

(*) Sum of Scope 1 and 2 emissions, as indicated in the Colombian Taxonomy.

(**) For 2023, the Carbon Footprint measurement of UNACEM Chile was not carried out due to the recent start of operations.

(***) Not Applicable: The CELEPSA business unit operates within the electrical services sector and, therefore, does not produce clinker or cement.


Table 19: Grupo UNACEM Eligible Activities by Business Unit according to the Colombian Taxonomy – Cement Sector

Business Units	Eligibility Criteria	Clinker Production for 2023	Cement Production for 2023	Emissions (2023) (*)	Ratio (tCO ₂ /t production)	Meets Eligibility Criteria
UNACEM Ecuador	0.6 tCO ₂ eq/t of clinker and cement	856,515.00	1,235,600.00	814,846.00	0.38948432	COMPLIANT
UNACEM Perú	0.6 tCO ₂ eq/t of clinker and cement	4,897,808.00	5,850,526.39	4,291,148.00	0.39923841	COMPLIANT
DRAKE CEMENT	0.6 tCO ₂ eq/t of clinker and cement	568,426.70	624,713.90	483,448.00	0.40518946	COMPLIANT

Regarding the recommended energy threshold, UNACEM Chile boasts a ratio of 31.32 kWh per ton produced. This is a favorable ratio when compared to the taxonomically accepted range of 90 to 150 kWh per ton produced, indicating a commendable level of energy efficiency in its operations.



Table 20: Grupo UNACEM Activities Aligned with Energy Efficiency according to the Colombian Taxonomy – Cement Sector

Business Unit	Maximum Expected Threshold	Clinker Production for 2023	Cement Production for 2023	Energy Consumption for 2023 (MWh)	Ratio (kWh/t of production)	Meets Maximum Threshold
UNACEM Chile	90 - 150 kWh/t production	386,050.79	503,635.05	27,873	31.329036	COMPLIANT

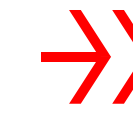


Business Units: Energy

- **Classification of Economic Activities:** Grupo UNACEM energy unit operates in the energy sector, specifically in hydroelectric power generation.
- **Eligibility Analysis of Activities Identified in accordance with the Technical Criteria of EGE5. Electricity Generation from Hydroelectric Power:** The primary eligibility criterion, which takes precedence over all other criteria, is: Hydroelectric power installations with a power density equal to or greater than 5 W/m² are

currently exempt from performing the PCF life cycle assessment or GHG protocol and are directly eligible. However, this activity is subject to periodic review in line with the current threshold.

CELEPSA, a business unit of Grupo UNACEM, operates two hydroelectric power plants. Its El Platanal hydroelectric power plant has a capacity of 227 MW.



CELEPSA, A BUSINESS UNIT OF GRUPO UNACEM, OPERATES TWO HYDROELECTRIC POWER PLANTS. ITS EL PLATANAL HYDROELECTRIC POWER PLANT HAS A CAPACITY OF

227 MW.

Table 21: Grupo UNACEM Eligible Activities according to the Colombian Taxonomy – Energy Sector

Business Unit	Hydroelectric Power Plant	Power Density Threshold	Watts (W)	Reservoir Area (m ²)	Power Density (W/m ²)	Meets Maximum Threshold
CELEPSA	Capillucas Reservoir	Equal to or greater than 5 W/m ²	227,100,000	65,253.73	61.37	COMPLIANT
	Paucarcocha Reservoir			3,635,233.93		

**Table 22: Average Tenure Time of the Board of Directors – Grupo UNACEM**

Average Tenure Time of the Board of Directors	Average Number of Years
Grupo UNACEM	17.9

**Table 23: Increased Grupo UNACEM Contributions and Expenditures – DJSI Indicator**

Name of Organization, Candidate or Subject	Type of Organization	Total Amount Paid in the Fiscal Year
ASOCEM Cement Producers Association	A business association representing the cement and cement products industry in Peru, which is engaged in promoting, developing, and protecting the cement industry to contribute to the country's development. ASOCEM's activities are committed to four (4) specific areas. (1) Permanent Services; (2) Support for Sustainable Development; (3) Concrete Technology; and (4) Institutional Management to fulfill the purposes that support the business development of the industry.	S/ 1,324,649.49
SNMPE National Society of Mining, Petroleum, and Energy	A business organization incorporated as a non-profit civil association, grouping legal entities related to mining, hydrocarbons, and electricity. Its purpose is to promote the development of mining, hydrocarbon, and electricity activities, and their auxiliary services, through the sustainable use of natural resources, contributing to environmental conservation and social development. Encouraging investment in these productive sectors to generate economic and financial resources for the Nation. Developing educational and cultural activities related to these productive activities. Promoting and defending the market economy and competitiveness in these sectors.	S/ 129,120
SNI National Society of Industry	An organization that promotes the development of the manufacturing industry and the free market economy, through sector-specific technical proposals in economic, labor, and fiscal matters, among others.	S/ 41,550
Perú Sostenible (Sustainable Peru)	A network of companies that promote sustainable development in Peru, aiming to activate companies as agents of change and support business actions aligned with the seventeen (17) Sustainable Development Goals (SDGs).	S/ 18,000
CONFIEP National Confederation of Private Entrepreneurial Institutions	A trade organization that represents the main business associations in Peru, covering various economic sectors. It promotes economic and business development, defends the interests of the private sector, and contributes to the improvement of the business environment. It focuses on the development of public policy proposals, promotes dialogue between the business sector and the authorities, and supports the creation of a favorable environment for investment and economic growth. It is also involved in corporate social responsibility and sustainability issues.	S/ 12,750



Name of Organization, Candidate or Subject	Type of Organization	Total Amount Paid in the Fiscal Year
COPECO	A trade organization that brings together companies and institutions in the construction sector in Peru. It promotes the development of the construction industry, improves professional practices, and fosters industry growth.	S/ 16,500
Lima Chamber of Commerce	One of Peru's main business organizations. It represents, promotes, and defends the interests of the business and commercial sector. It plays a vital role in supporting economic and business development in Peru by offering resources and opportunities for the growth and competitiveness of companies.	S/ 1,651.2
BASC Civil Association	A non-profit, non-governmental organization engaged in promoting security in the international trade supply chain. It seeks to reduce the risk of illicit activities, such as drug trafficking and terrorism, which can affect global trade and the integrity of the supply chain.	S/ 1,300
FIDAL Foundation for the Integration and Development of Latin America	A non-governmental organization engaged in national and international development through cooperation, coordination, and assistance in educational and training areas. FIDAL is also focused on generating sustainable environmental awareness, improving the national educational system, and fostering democratic collaboration in the country through public forums and conferences, among other initiatives.	S/ 4,288.1

**Table 24: Supplier Selection KPIs for UNACEM Perú and UNACEM Ecuador**

Supplier Selection	2023
Total number of tier 1 suppliers	2,299
Total number of significant tier 1 suppliers	375
% of total spending on significant tier 1 suppliers	60
Total number of significant non-tier 1 suppliers	1
Total number of significant suppliers (tier 1 and non-tier 1)	376

Table 25: KPIs for Supplier Assessment at UNACEM Perú and UNACEM Ecuador

Assessment	2023	2023 Target
Total number of suppliers assessed through documentary assessments / on-site assessments	776	1,324
% of significant suppliers assessed	206	
Number of suppliers assessed as having actual/potential substantial negative impacts	101	
% of suppliers with actual/potential substantial negative impacts with corrective action/improvement plan agreed upon	90	
Number of suppliers with actual/potential material adverse impacts that were terminated	0	

**Table 26: Coverage and Scope of Suppliers with Corrective Action Plans of UNACEM Perú and UNACEM Ecuador**

Corrective Action Plan Support	2023	2023 Target
Total number of suppliers supported in the implementation of their corrective action plan	37	31
% of suppliers assessed with actual/potential substantial negative impacts supported in the implementation of their corrective action plan	37.0%	

Table 27: Coverage and Scope of Suppliers in the Capacity-Building Programa of UNACEM Perú and UNACEM Ecuador

Capacity Building Programs	2023	2023 Target
Total number of suppliers in capacity development programs	62	65
% of significant single suppliers in capacity-building programs	16.0%	



Table 28: Grupo UNACEM Tax Return – DJSI Evidence

In S/	Name of all Resident Entities						
	Year	Peru	Ecuador	USA	Chile	Colombia	Consolidated
Number of Employees	2022	4,563	449	156	557	78	5,803
	2023	4,783	470	386	387	114	6,140
Revenue from sales	2022	3,854,796	682,994	973,846	449,451	17,756	5,978,843
	2023	4,216,158	603,129	1,081,826	456,664	18,497	6,376,274
Profit (Loss) before Tax	2022	822,456	93,069	57,031	(21,927)	(1,914)	948,715
	2023	730,268	54,638	(8,250)	(25,202)	678	752,132
Income Tax accrued (current year)	2022	261,194	32,946	(4,190)	(830)	–	289,120
	2023	227,220	16,024	(13,681)	(204)	–	229,359
Effective Tax Rate	2022	31.8%	35.4%	-7.3%	3.8%	0.0%	30.5%
	2023	31.1%	29.3%	165.8%	0.8%	0.0%	30.5%
Headline CIT Tax Rate	2022	29.5%	25.0%	21.0%, 8.8% & 4.9%	27.0%	35.0%	--
	2023	29.5%	25.0%	21.0%, 8.8% & 4.9%	27.0%	35.0%	–
Income tax paid	2022	188,952	51,534	127	310	123	241,046
	2023	387,591	29,448	–	295	226	417,560
Cash Tax Rate	2022	23.0%	55.4%	0.2%	-1.4%	-6.4%	25.4%
	2023	53.1%	53.9%	0.0%	-1.2%	33.3%	55.5%



Table 29: Grupo UNACEM Effective Tax Rate – DJSI Evidence

Year	Profit Before Taxes	Taxes Declared	Acceptable Cumulative Adjustments	Effective Tax Rate (%)	Cash Taxes Paid	Cash Tax Rate (%)
2022	948,715,000	289,120,000	0	30.47491	241,046,000	25.40763
2023	752,132,000	229,359,000	0	30.49451	417,560,000	55.51685

Table 30: Information security breaches

	2023
Total number of information security breaches	0
Total number of customers and employees affected by the breaches	0



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