# Sustainability Report 2022

InRetail Peru Corp.

Food Retail | Pharma Retail and Distribution | Shopping Malls | Digital

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# About InRetail Peru Corp.

We are the main retail platform in Peru, comprised of the following business units:

| Business unit | Food Retail | Pharma Retail and Distribution | Shopping Malls | Digital |
|---|---|---|---|---|
| **Brands** | • PlazaVea<br>• Vivanda<br>• Mass<br>• Makro | • Inkafarma<br>• Mifarma<br>• Química Suiza | • Real Plaza | • Agora |
| **Companies** | • Regional Food Administration S.A.C.<br>• Supermercados Peruanos S.A.<br>• Food Retail Company S.A.C.<br>• PlazaVea Oriente S.A.C. - PlazaVea Selva<br>• Hard Discount Company S.A.C. - Mass<br>• Makro Supermayorista S.A. - Makro<br>• Operadora de Servicios Logisticos S.A.C. | • Farmacia Peruanas S.A.C.<br>• InRetail Pharma S.A.<br>• Boticas IP S.A.C.<br>• Mifarma S.A.C.<br>• Jorsa de la Selva S.A.C.<br>• Química Suiza S.A.C.<br>• Vanttive S.A.C. | • Real Plaza S.R.L. | • InDigital XP S.A.C<br>• Agora Servicios Digitales S.A.C |

Our main office is located at Calle Morelli 139 San Borja - Lima, Peru.

We operate in the 25 regions of Peru and transform the places where we are present, seeking to improve the quality of life of our entire value chain. Our strategy is to expand the capillarity of the services we offer throughout the country, providing accessible products at low prices and good quality.

(GRI 2-1)

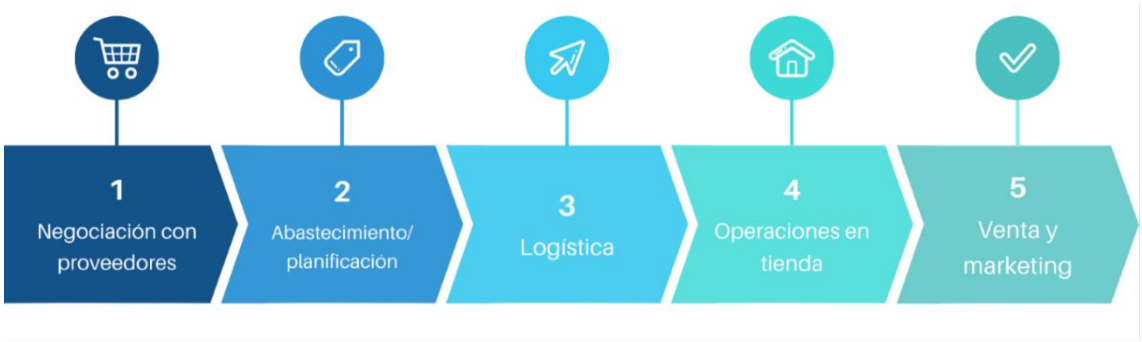
**Food Retail**

We are the country's leading chain in terms of sales and number of stores, which includes the plazaVea, Vivanda, Mass and Makro brands, as well as the manufacturing plant and the various logistics centers for distribution and stockpiling.

Our platform consists of a multi-format operation: hypermarket, supermarket, hard discount and cash and carry, with product assortment and differentiated price levels and shopping experience to meet the needs of customers of different socioeconomic levels.

- 830 stores.
- 548 thousand $m^2$ of sales area.
- S/ 10,515 million in revenues in 2022.
- 23,208 employees.

Our value chain:




Logistics centers

To supply our businesses, we operate through the company Oslo, which has: (i) five distribution centers nationwide in the regions of Piura, La Libertad, Arequipa and Lima (two) to serve our stores, (ii) three cross-dock transfer centers in Lima to continuously supply our Mass stores, (iii) a manufacturing center for our bakery and prepared foods, and (iv) a dark store in Lima for our e-commerce business.

**Pharma Retail and Distribution**

Formed by Farmacias Peruanas and Química Suiza, it comprises the leading pharmacy chains Inkafarma and Mifarma, and a pharmaceutical product distribution business, positioning us as the country's leaders in terms of market share and sales. This business unit is present in Ecuador and Bolivia through the distribution business.

We maintain a diversified network of pharmacies in Peru with presence in the 25 regions of the country, offering medicines, nutritional supplements and other personal care items. In this way, we contribute to well-being, bringing health at low prices to the most needed and remote populations of the country.

- 2,290 stores.
- S/. 8,668 million in revenues in 2022.
- 22,401 employees.

Our value chain:

Logistics centers

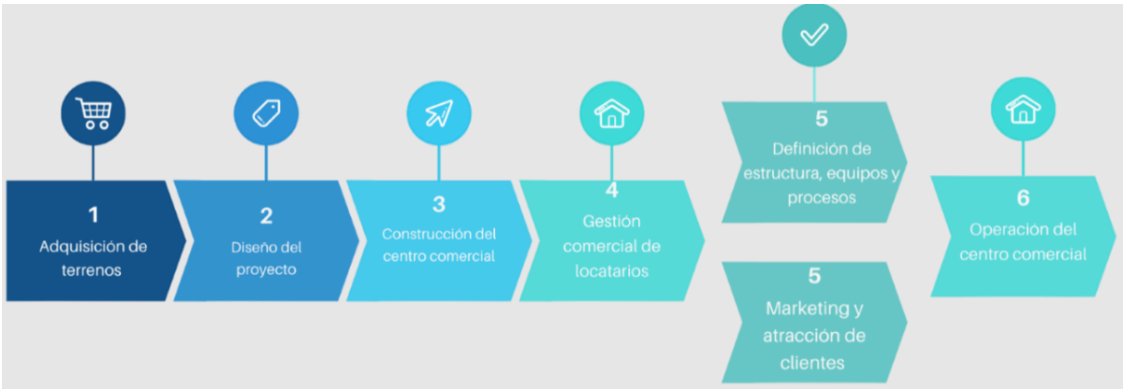
We have; (i) five distribution centers nationwide in the Chiclayo, Arequipa and Lima regions (three) to serve our pharmacies and our Distribution business, (ii) twelve cross-dock centers throughout the country to supply our pharmacies, and (iii) two dark stores in Lima dedicated to our e-commerce business.

**Shopping Malls**

We operate the largest chain of shopping centers in Peru under the Real Plaza brand, which has 21 locations nationwide. We were the first chain to build a shopping center outside the capital city. Our shopping centers serve as places for shopping, but also as a place for entertainment through an optimal commercial mix, according to the needs of each market.

- 21 shopping centers.
- 848 thousand $m^2$ of leasable area (GLA).
- S/ 678 million in revenues in 2022.
- 460 employees.

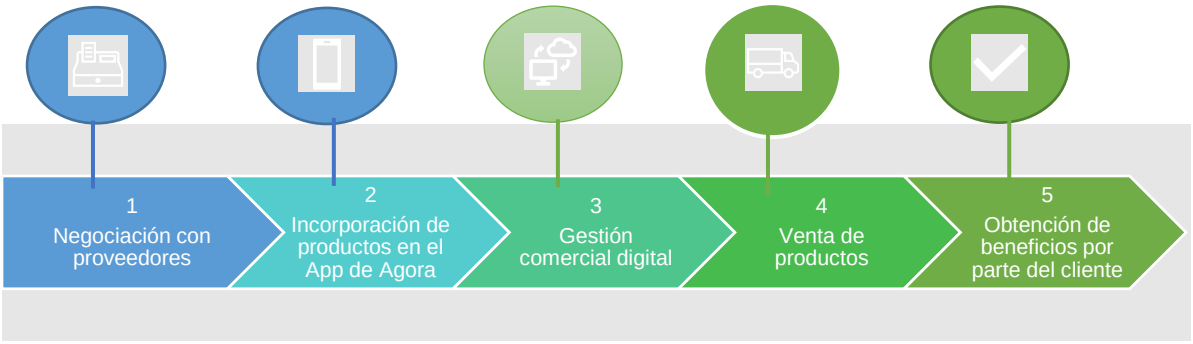
Our value chain




**Digital**

Digital products and services proposal born from the merger of three products: agora PAY, a mobile wallet created in 2019; agora CLUB, a retail platform loyalty program created in 2021; and agora SHOP, a last-mile shopping program implemented in 2021.

Our value chain:




## Our stores by region

| Regions | Food Retail | | | Pharma | | Shopping Malls | Total |
|---|---|---|---|---|---|---|---|
| | plazaVea and Vivanda | Mass | Makro | Inkafarma | Mifarma | Real Plaza | |
| Amazon | | | | 8 | 4 | | 12 |
| Ancash | 3 | | 1 | 40 | 23 | 1 | 68 |
| Apurimac | | | | 7 | 6 | | 13 |
| Arequipa | 2 | 47 | 2 | 67 | 64 | 1 | 183 |
| Ayacucho | | | | 16 | 9 | | 25 |
| Cajamarca | 2 | | | 35 | 31 | 1 | 69 |
| Cusco | 2 | | 1 | 31 | 31 | 1 | 66 |
| Huancavelica | | | | 5 | 1 | | 6 |
| Huanuco | 1 | | | 19 | 15 | 1 | 36 |
| Ica | 3 | 4 | 3 | 50 | 40 | | 100 |
| Junín | 2 | | 1 | 45 | 33 | 1 | 82 |
| La Libertad | 5 | 26 | 2 | 78 | 59 | 1 | 171 |
| Lambayeque | 2 | | 1 | 49 | 42 | 1 | 95 |
| Lima | 75 | 616 | 12 | 589 | 532 | 9 | 1,833 |
| Loreto | | | | 39 | 21 | | 60 |
| Madre de Dios | | | | 5 | 3 | | 8 |
| Moquegua | 2 | | | 9 | 5 | | 16 |
| Pasco | | | | 9 | 4 | | 13 |
| Piura | 6 | | 3 | 63 | 49 | 2 | 123 |
| Puno | 2 | | | 22 | 8 | 1 | 33 |
| San Martín | 1 | | | 29 | 18 | | 48 |
| Tacna | 1 | | | 16 | 14 | | 31 |
| Tumbes | 1 | | | 11 | 8 | | 20 |
| Ucayali | 1 | | | 20 | 8 | 1 | 30 |
| Total | **111** | **693** | **26** | **1,262** | **1,028** | **21** | **3,141** |

(GRI 2-6)

# About the 2022 Sustainability Report

Since 2017, we have published our Sustainability Report annually. In this edition, we cover the calendar year 2022[1]. We have prepared this report using the Global Reporting Initiative (GRI) 2021 Standards as a reference, as well as the Dow Jones Sustainability Index indicators that are applicable to us. It should be noted that we have been using the GRI Standards since 2020. To learn more about the history of our reports, please visit our website.

(GRI 2-3)

The entities included in our annual consolidated financial statements are all those that correspond to our business units: Food Retail, Pharma Retail and Distribution, Shopping Malls and Digital. Our Sustainability Report covers the activities carried out by all of them.

(GRI 2-2)

In order to ensure the traceability and veracity of the information reported, our report has been audited by the company Valora[2]. The audited sections were as follows:

| Chapter | Verified content | Page |
|---|---|---|
| 3. Materiality analysis | Materiality process | Pages 27-33 |
| 6. Well-being for our talent | LTIFR – employees<br>LTIFR – contractors<br>Fatalities – employees<br>Fatalities - contractors | Pages 50-51 |
| 7. We radiate diversity, equity and inclusion | Gender Pay Gap | Page 56 |
| 10. Climate Change | 10.2 Carbon Footprint | Pages 75-76 |
| 11. Resource efficiency | 11.1 Energy Consumption<br>11.2 Water Consumption | Page 78<br>Page 79 |
| 12. Waste Management | 12.1 Waste generated<br>12.2 Food Waste | Page 82<br>Page 83 |

Inquiries about this report and our sustainability management are handled by our Sustainability Management:

- Contact person: Lia Celi
- Position: Corporate Sustainability Manager
- E-mail: lia.celi@intercorpretail.pe

(GRI 2-5)

[1] From January 1 to December 31, 2022.
[2] You can find the verification certificate at https://www.inretail.pe/Sustainability%20Reports/1115/

# Letter from our CEO

I am pleased to present InRetail Peru's 2022 Sustainability Report, where we share our commitment and actions in line with the Sustainable Development Goals. At InRetail Peru, we are proud to promote the generation of shared value and sustainable development. Our goal is to contribute comprehensively to our country's economic, social and environmental progress while meeting our customers' needs, working hand in hand with our suppliers and strengthening our operations.

On the economic front, we achieved solid results during 2022. We recorded revenues of S/19,782 million and EBITDA of S/2,496 million, exceeding the previous year's results by 10.4% and 11.0%, respectively. These achievements reflect our sustainable growth and the resilience of our businesses. In addition, we are pleased to share that we continue to drive our collaboration with suppliers and small businesses to improve their environmental, social and ethical performance. To date, we have assessed more than 1,300 suppliers and trained more than 800, promoting their positive impact on society and the environment.

Regarding our social commitment, our national program, "Bueno por Dentro", benefited 78,000 people weekly in all the provinces where we operate during 2022. This program continues to be relevant in reducing food insecurity in the country. In addition, we continue to collaborate with the state to provide medicines to chronically ill patients in the country through the logistics system of our pharmacies. We also maintain our commitment to promoting diverse and inclusive workplaces, generating actions that impact our +45,000 employees.

On the environmental front, we continue to drive our climate strategy and manage our carbon footprint. We have implemented innovation projects that seek to reformulate the packaging of our products, allowing us to be more efficient and reduce our environmental impact. In 2022, 268 pharmacies installed LED lights which resulted in a reduction of 26% in energy use. We are also promoting new energy efficiency actions, including gradually replacing machinery with more efficient ones. We have measured and verified our carbon footprint in all representative business categories for the second consecutive year. These initiatives demonstrate our commitment to mitigating climate change and reducing our environmental footprint.

Concerning human rights, we have conducted a rigorous due diligence process for the third consecutive year to close gaps in our operations. This initiative strengthens our business ethics and our commitment to respect human rights in all our activities.

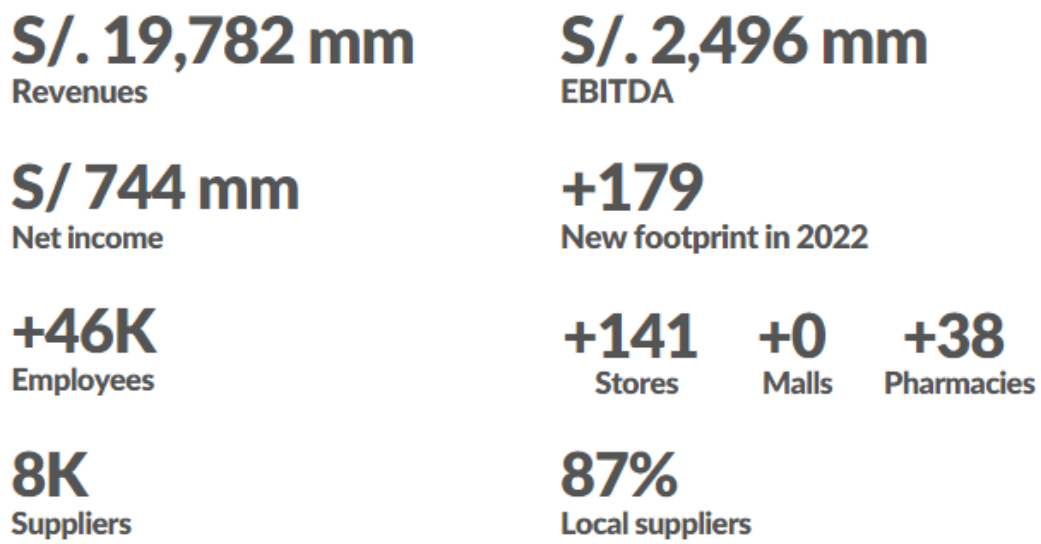
We are also proud to announce that we are part of the United Nations Global Compact. This partnership reinforces our commitment to universal human rights, labor, environment, and anti-corruption principles. Through this partnership, we collaborate with other organizations to drive positive change in a global society.

I invite you to explore in detail our sustainability progress in 2022, resulting from the effort of more than 40,000 people throughout the country.

(GRI 2-22)

# InRetail in figures

**Main results**




## 1. InRetail: integrity and growth

### 1.1. Corporate governance

The Company is managed by the Board of Directors, which as of March 2023 is comprised of Carlos Rodríguez Pastor, Fernando Zavala, Hugo Santa María, Ignacio Benito, Mariela García, Patricia Teullet, Julio Luque (alternate director of Carlos Rodríguez Pastor), and Pablo Turner (alternate director of Fernando Zavala).

With the exception of Mr. Carlos Rodríguez Pastor, who is related to InRetail's principal shareholders, the other directors, management and principal officers are not related to each other or to the company's shareholders by affinity or consanguinity.

In accordance with the provisions of the "Guidelines for the Qualification of Independent Directors" approved by Resolution SMV 016-2019-SMV/01, we have 3 of 6 independent directors: Ignacio Benito, Mariela García and Patricia Teullet. The other incumbent directors are not considered independent because they are part of the management team or participate in other Intercorp Group Boards.

The following is a brief description of the different careers accumulated by each of the directors during their careers, followed by relevant information on the Board of Directors as a whole.

- **Carlos Rodríguez Pastor** (11/04/1959): Chairman of the Board of Directors of InRetail Perú since our incorporation in 2011. He is also Chairman of the Board of Intercorp Perú, Intercorp Financial Services, Interbank, Colegios Peruanos and Supermercados Peruanos, as well as other Intercorp Perú companies. He holds a BA in Social Sciences from the University of California at Berkeley and an MBA from the Amos Tuck School of Business at Dartmouth University.

(GRI 2-11)

- **Fernando Zavala** (02/16/1971): Director of InRetail Peru since 2018 and has held the position of general manager of Intercorp Peru since the same year. Mr.

Zavala is also a director of Intercorp Financial Services, Interbank, Colegios Peruanos and Supermercados Peruanos, among other Intercorp companies. Previously, Mr. Zavala was general manager of SABMiller in Peru and Panama, general manager of Indecopi and director of Alicorp, Enersur, Enseña Perú and Comex, among other companies. In the public sector, Mr. Zavala also served as Peru's Prime Minister and Minister of Economy and Finance. His experience includes more than fifteen years in the mass consumption, financial and governmental sectors, as well as experience in risk management, actively participating as a member of several Risk Committees. He holds a BA in Economics from the Universidad del Pacífico, Lima, and an MBA from the University of Birmingham, England.

- **Hugo Santa María** (13/07/1963): Director of InRetail Peru since 2019. He has worked at Apoyo Consultoría since 1997, where he is partner of Economic Studies and chief economist. In addition, he directs the Business Advisory Service (SAE), a leading service of economic and business analysis of the Peruvian market. His twenty-year career at Apoyo brings together experience in diverse industries, including mass consumption, retail, agribusiness, mining and construction. Mr. Santa María has extensive experience in financial risk assessment and management, having participated in financial risk consultancies for Apoyo's clients, and has also participated as a member of the Risk Committee of several companies, such as MiBanco, Compañía Minera Atacocha and Interbank. Mr. Santa María is also a director of Apoyo Consultoría, AC Pública, Apoyo Comunicación, AC Capitales SAFI, Virú, Intercorp Financial Services, Interbank and Colegios Peruanos. He is also a member of the advisory board of Edyce-Chile corporation and contributes regularly to various publications, both in Peru and abroad. He holds a PhD in Economics from Washington University in Saint Louis and is an economist from Universidad del Pacífico.

- **Ignacio Benito** (11/23/1968): Director of InRetail Peru since 2019. He worked for twenty years at JP Morgan, where he led the Latin America Advisory team until the end of 2018, involved in various industries such as retail, mass consumption and construction materials, among others. Previously, he held other positions in Banking, Consulting and Pharmaceuticals. His experience includes financial risk assessment, having worked in securities trading at ABN/Amro, Citibank and JP Morgan. He holds a BA in Business Administration and Accounting from the Catholic University of Argentina and an MBA from the University of Pennsylvania, Wharton School of Business.

- **Mariela García** (20/05/1964): Director of InRetail Peru since 2019. She currently serves as general manager of Ferreycorp and is also director of Ferreycorp's subsidiaries. During her thirty-year career at Ferreycorp, she has gained experience in the machinery, construction and mining industries, among others, and has excelled in risk management and cybersecurity for having implemented and supervised risk and cybersecurity plans for the company, receiving training from Caterpillar on these topics. Ms. Garcia is also a director of the Foreign Trade Society of Peru (COMEX), Entrepreneurs for Integrity and Peru 2021. Previously, she was president of the Board of Directors of the American Chamber of Commerce of Peru (AMCHAM) and director of the National Society of Mining and Petroleum and Procapitales. She holds a Bachelor's degree in Economics from Universidad del Pacífico and an INCAE MBA from Universidad Adolfo Ibañez.

- **Patricia Teullet** (05/03/1960): Director of InRetail Peru since 2022. She has also been a member of the Governing Council of APD Peru since 2020. Additionally, she serves as an alternate member of the APEC Business Advisory Council

(ABAC), and is a columnist for the newspaper Perú 21. She has more than 30 years of career and has extensive experience in the governmental and private sectors, in the areas of evaluation, management and development of social projects. Ms. Teullet has been Vice-Minister of Economy at the Ministry of Economy and Finance and Vice-Minister of Social Development at the Ministry of the Presidency. She has been a member of the Board of Directors of Corporación Financiera de Desarrollo - COFIDE, La Pampilla Refinery, Banco del Trabajo, Nissan Maquinarias and ENEL Distribución. She is also General Manager of CONFIEP; General Director of Aporta Desarrollo Sostenible Asociación Civil, NGO in charge of executing the integral strategy of Social Responsibility in the companies of the BRECA group; General Manager of the Sociedad de Comercio Exterior del Perú - COMEXPERU, and Executive Director of the APEC CEO Summit 2008. She holds a Bachelor's Degree in Economics from Universidad del Pacífico and an MBA from Universidad La Salle de México.

- **Julio Luque** (02/15/1960): Director of InRetail Peru since 2012. He is also a director of other Intercorp Group companies: Supermercados Peruanos, InRetail Pharma, InRetail Real Estate, Tiendas Peruanas, Homecenters Peruanos, Financiera Oh!, Intercorp Retail, Colegios Peruanos, Servicio Educativo Empresarial, Transformando la Educación en México and San Miguel Industrias. Mr. Luque is also managing director of Métrica Inc, senior advisor for CPP Investments in Peru, chairman of the board of Hoteles Casa Andina, chairman of Endeavor Peru and director of: CinePlanet, Transportadora de Gas del Perú, Talma Servicios Aeroportuarios, Aeropuertos del Perú, DINET Servicios Logísticos and Redondos. Previously, he was a director of Marsh Perú, ROCSA, Promperú and Grupo LAR Perú. Mr. Luque has more than 35 years in the mass consumption industry, having worked at SC Johnson in the USA and at La Fabril (formerly Alicorp); and is a professor at the Business School of the University of Piura, Peru. He holds a bachelor's degree in Mechanical Engineering from the Universidad Simón Bolívar, Caracas, Venezuela, and a master's degree in Economics and Management from the IESE Business School of the University of Navarra.

- **Pablo Turner** (01/01/1960): Director of InRetail Peru since 2012. He is also a director of other Intercorp Group companies: Supermercados Peruanos, InRetail Pharma, InRetail Real Estate, Tiendas Peruanas, Homecenters Peruanos, Financiera Oh! and Intercorp Retail. In Chile, Mr. Turner is a director of CMPC, Watts, Gastronomía y Negocios, Adretail, Moneda AGF and Corpora. Mr. Turner worked for more than twenty years at Falabella Chile, where he was General Manager of Falabella Latin America for a period of four years. His professional experience also includes being General Manager of Almacenes París in Chile and General Manager of Viña San Pedro. Mr. Turner has actively participated in Risk and Technology Committees in various industries during his career, including financial, credit, regulatory and cybersecurity risks, among others. He holds a B.A. in Management from the Catholic University of Chile and an MBA from the University of Chicago.

The average tenure of our directors is 5.3 years, considering their date of entry until December 31, 2022. We have two women on our Board of Directors, Ms. García and Ms. Teullet, which represents 33% of the total of 6 incumbent directors. Finally, our directors have participated 100% in 5 of the 8 sessions during the year.

**Years of tenure and experience of the Board of Directors**

| Director | Years of tenure at InRetail's Board of Directors | Genre | Independence according to Peruvian Law | Participation in other Boards of public companies (#)[1/] | Experience in risk management | Experience in cybersecurity | Industry Experience (years) | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Consumo Masivo | FMCG | Health | Banking and Finance | Education | Mining | Construction and Materials | Associations |
| Carlos Rodríguez Pastor | 10.9 | H | No | - | X | - | 15+ | 15+ | 10+ | 30+ | 10+ | | | |
| Julio Luque Badenes | 9.4 | H | No | - | X | - | 35+ | 10+ | 10+ | | | | | |
| Pablo Turner González | 9.4 | H | No | 6 | X | X | 30+ | 30+ | | 30+ | | | | |
| Fernando Zavala Lombardi | 3.0 | H | No | - | X | X | 15+ | 2+ | 2+ | 15+ | 2+ | | | |
| Mariela García Figari | 2.8 | M | Yes | - | X | X | | | | | | 30+ | 30+ | |
| Hugo Santa María Guzmán | 2.8 | H | Yes | 2 | X | - | 20+ | 20+ | | 20+ | | 20+ | 20+ | |
| Ignacio Benito Marchese | 2.8 | H | Yes | - | X | - | 20+ | 15+ | | 25+ | | | 15+ | |
| Patricia Teullet | 1.4 | M | Yes | - | - | - | | | | | | | | 20+ |

[1/] Only applies to independent directors according to CSA criteria.

(GRI 2-17)

**Role of the Chairman of the Board**

The role of the Chairman of the Board of Directors is established in Article 10 of the Board of Directors Regulations of InRetail Perú Corp. where his main functions are detailed, which include: ensuring that the Board of Directors efficiently sets and implements the strategic direction of the Company; promoting governance actions, acting as a liaison between the shareholders and the Board of Directors; directing the functioning of the Board of Directors and being the institutional representation of the Company, among others.

(GRI 2-9) (GRI 2-12) (GRI 2-14)

## 1.2. Integrity

We have a Code of Ethics and each business unit has its own policies that set out the regulations and considerations to be taken into account by the teams.

We provide an anonymous reporting platform: ConÉtica (www.conetica.pe), where employees, former employees, suppliers or any person can confidentially report cases related to unethical behavior, violations of laws, regulations or internal policies.

Our channel receives, records and confidentially classifies the reports made and then forwards them to the responsible committee for evaluation. The corporate Ethics Committee and each business unit are responsible for receiving the reports received directly or through the company that manages the ConÉtica line. All reports received are reviewed, evaluated, treated in a totally confidential manner, resolved and reported to the general manager.

The Ethics Committee is composed of:

- Director/Vice President of Finance.
- Director/Vice President of Human Resources.
- Legal Director/Vice President/Corporate Affairs.
- Auditors or persons in charge of Ethics in the different business units.
- Compliance Officer.

Stakeholders may directly contact any of the members of this committee when they deem it necessary.

Our employees or third parties may report any concerns related to conduct that may be illegal, unethical or inconsistent with our Code of Ethics. However, if they consider that this is not appropriate, ConÉtica makes available the following channels of attention:

- Web Form: www.conetica.pe
- Mailbox:
  - ➔ InRetail Corporate Unit: inretail@conetica.pe
  - ➔ Peruvian Supermarkets: spsa@conetica.pe
  - ➔ Farmacias Peruanas: farmaciasperuanas@conetica.pe
  - ➔ Inkafarma: inkafarma@conetica.pe
  - ➔ Mifarma: mifarma@conetica.pe
  - ➔ Química Suiza: quicorp@conetica.pe
  - ➔ Real Plaza: realplaza@conetica.pe
- Toll-free telephone line: 0-800-7-8323

The breach of the provisions of the Code of Ethics by our employees is sanctioned taking into account the seriousness of the offense committed, the position and functions of the employee, recidivism and/or specific conditions or circumstances, through the following disciplinary measures[3]: verbal reprimand, written reprimand, suspension from work without pay, or dismissal. All these documents are made known to the employee at the beginning of the employment relationship.

(GRI 205 3-3)

**Complaints received and handled by ConÉtica**

| Complaints received by subject | 2022 |
|---|---|
| Labor relations | 543 |
| Conflict of interest, corruption or bribery | 15 |
| Violations of the code of conduct, | 104 |
| Protection of customer information | 0 |
| Other / Unclassified | 33 |
| Total complaints | 695 |

(GRI 205-3)

| Situation at the end of the year | 2022 |
|---|---|
| Misconduct handled and processed | 100% |
| Misconduct with completed investigation | 100% |
| Misconduct under investigation | 0% |
| Severe misconduct out of total reported | 10% |

We have a Corporate Compliance Officer (InRetail), whose responsibility is to ensure compliance with regulatory requirements and our Policy for the Prevention of Corruption, Money laundering and Financing of Terrorism. Its work includes ensuring that our

[3] By law, in Peru you cannot economically sanction a worker.

prevention model operates in an effective, functional and constantly improving manner. It also plays a key role in managing the risk matrix related to corruption and regulatory compliance. It should be noted that each business unit has a Compliance Officer who reports to the corporate team on a matrix basis.

(GRI 2-23) (GRI 2-24) (GRI 2-25) (GRI 2-26) (GRI 205 3-3)

## 1.3. Unfair competition

Pharma Retail and Distribution

We have guidelines and procedures, such as the Advertising Policy, Advertising Legal Guidelines, and Advertising Considerations, which reflect our commitments to comply with regulations on unfair competition and commercial advertising.

- At Farmacias Peruanas, we conduct reinforcement or training activities for internal teams every year, based on the experiences of the previous year.
- At Química Suiza, all dissemination materials have a record of approval from the Medical, Regulatory (Pharmacovigilance) and Legal Management teams.

We maintain two indicators that help us evaluate our management:

- Number of materials reviewed and approved by the team.
- Number of letters or official letters related to advertising material inquiries received by the health authority.

From time to time, the Pharma Retail and Distribution Legal area conducts unannounced reviews. At the end of 2022, we monitored regulatory compliance in our e-commerce channels.

As part of the improvement plan for 2023, we will develop a more didactic usage guideline to facilitate the review of these topics, both for the legal team and the users involved.

During 2022, we have not received any complaints about unfair competition.

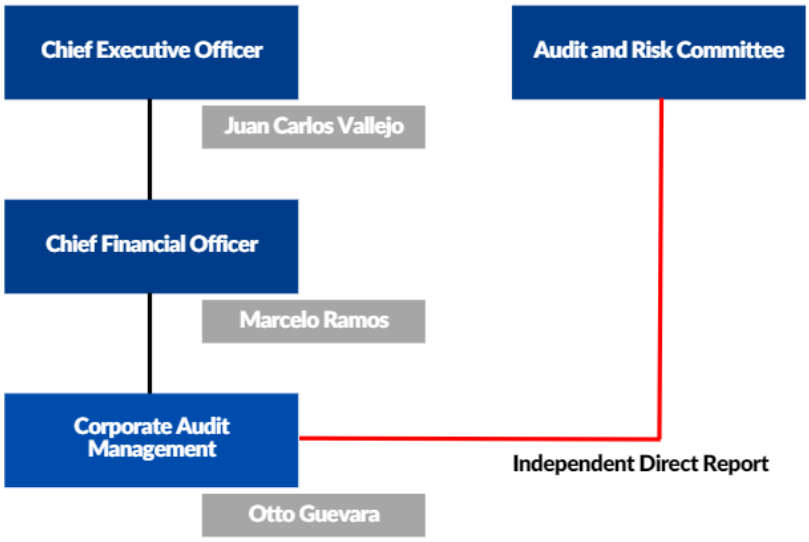
(GRI 206-3-3) GRI 206-1)

## 1.4. Risk management

We have a Corporate Audit Management team, whose mission is to add value and improve the operations of InRetail and the business units, providing assurance, advice and analysis on a risk basis in order to help achieve the objectives and improve the company's operations.

The Corporate Audit Management team, led by Otto Guevara, reports administratively to the Vice President of Finance and functionally to the Audit Committee. As of 2023, the functions of the Audit Committee were expanded to include the Audit and Risk Committee. In addition, each company has a Risk, Internal Control and Processes Management, which reports to the General Management of each UN, and to the Audit and Risk Committee.

The company's Audit and Risk Committee is comprised of three members: Fernando Zavala, Mariela García and Hugo Santa María; Mariela García is an independent director. Committee members have an average length of service of 2.7 years. During 2022 the Committee held four meetings with 100% attendance. The Audit Committee has an annual improvement plan, which includes risk management training for Committee members.




We also have an internal auditor in each of the companies, which communicate, in a timely manner to the Corporate Audit Management, any significant risk identified so that they can be managed by the business units. The functions, responsibilities and objectives of Corporate Audit Management are based on our Corporate Audit Charter Policy.

The audit and risk functions are complemented by InRetail's Corporate Compliance Officer, who reports to the Corporate Legal Affairs Department. In addition, we have Compliance Officers at the level of each of our business units.

In a joint effort between the Internal Audit area and the business units, risk matrices are prepared, identifying operational, financial, compliance and environmental risks, among others.

We execute our audits based on the risks identified. The audit teams of each business line, in coordination with the corporate auditor, continuously cooperate in the identification of the risks that correspond to each business. We defined our risk appetite taking into account the heat map and our response strategy, as detailed below:

| Risk | Response Strategy |
|---|---|
| Critical | Unacceptable risk. Immediate treatment (mitigate, transfer, avoid) and monitoring of controls is required. Must be reported to the Audit and Risk Committee. |
| High | Unacceptable risk. Priority should be given to the evaluation and implementation of treatment measures (mitigate, transfer, avoid) and the review of existing controls. |
| Medium | Acceptable risk considering a strong level of controls in the organization. Direct risk monitoring is performed. |
| Low | Acceptable risk with monitoring of its evolution over time. |

Risk exposure is reviewed on an annual basis. Likewise, our audit process is continuous and has annual schedules, with internal audits conducted by the Audit Managements, and externally with EY,

By 2022 we identify the following emerging risks[4] :

| Emerging risk | Description | Business impact | Mitigation actions | Prioritization |
|---|---|---|---|---|
| **Political instability** | Governance crisis due to risk of presidential vacancy. | Decrease in consumption, difficulty in imports, higher credit costs, lack of liquidity of suppliers. Impact on exchange rate. | Close monitoring of political developments and their impact on the business environment. Conservative position in the capital structure. Lowering the level of indebtedness. Review of investment projects. | Very High |
| **Social upheaval** | Intensification of protests and demonstrations at the national level due to the latent citizen discontent and the lack of solutions to the political crisis. | Damage to infrastructure and looting in stores located in hot spots. Decrease in customer traffic and sales due to insecurity in the environment. Interruption of the supply chain due to road blockades. Increased shrinkage due to low sales or damage to merchandise in transit. Climate of uncertainty and tension in the work environment. Impact on personnel safety. | Establishment of a contingency plan to ensure the protection of employees and the physical security of the stores. Definition and implementation of a response plan that includes employee training on riot response and personal and customer safety. Establishment of partnerships with local authorities for security and response support. | High |
| **Russia - Ukraine conflict** | The conflict between Russia and Ukraine has had economic consequences that have had several effects as a result of the pandemic, such as: supply problems in value chains, increased prices of agricultural commodities, fuels, minerals and fertilizers, higher international transportation costs and accelerated global inflation rates. | Increased logistics and input costs. Increase in grain prices. Increased infrastructure project costs. Reduced sales due to inflation and decreased purchasing power of customers. | Diversification of suppliers and search for more economical alternatives.<br>Making adjustments to consumer sales prices in a gradual and transparent manner. | Medium |
| **Price of electricity** | Regulatory changes for the calculation of the natural gas tariff for electricity generation, which had an impact on energy costs nationwide. | Electricity rate increase for free and regulated customers. | Constant monitoring of electricity contracts for free customers.<br>Launch of the Retail Energy project, which includes initiatives by each | High |

[4] Emerging risk: long-term risk that could have a significant impact on the organization.

| Emerging risk | Description | Business impact | Mitigation actions | Prioritization |
|---|---|---|---|---|
| | | | business unit to improve energy efficiency in operations. | |
| **Increased severity of climatic events (change in precipitation patterns and extreme climate variability)** | The intensification of ENSO may bring with it an increase in precipitation and flooding of river bodies. Precipitation being the main triggering factor<br>the main triggering factor, it has been determined that the danger of flooding is<br>flooding is concentrated in the jungle. Likewise, on the north coast<br>The northern coast has a high level of danger, associated with the occurrence of the El Niño phenomenon. For 2030 and 2050, the highest hazards are located in the same departments (MINAM, 2022). | Increased travel times, increase in the value of inputs and raw materials, the need to implement new industrial processes and executive training, as well as variations in access to water and energy use. Variability of product prices and assortment. | Implementation of the disaster prevention plan. Logistics decentralization plan for timely attention. Inclusion of criteria for the prevention of damage to new infrastructure.<br>Development of a carbon footprint reduction plan. Definition of reduction target taking into account science-based objectives. | High |
| **Exchange rate** | High exchange rate volatility due to political instability and increased distrust of business investment. | Impact on the income statement (losses). Decrease in liquidity. Increase in rental expenses. Increase in financing costs. | Extend current financial hedges to more comprehensive hedges, seek debt replacement in local currency, renegotiation of dollar leases to local currency. | High |
| **Talent management** | Low availability of talent for leadership positions in strategic business growth areas such as digital and logistics. | Risk of loss of market opportunities.<br>Delays in project implementation,<br>Decrease in the company's competitiveness | Development of retention programs, training, internal training. Active talent search. Strengthening of the employer brand. Development of succession plans. | High |

## 1.5. Associations to which we belong

We work hand in hand with public and private organizations, forming alliances to work in favor of sustainable development in our country. In this sense, we are part of the following associations and agreements:

| | |
|---|---|
| **Sustainable Peru** | Board of trustees of leading companies that carry out good sustainability practices with the objective of achieving sustainable development in our country. |
| **Leaders + 1** | Promotes positive economic, environmental and social impact and competitiveness in the country's most productive sectors. |
| **Kunan Challenge** | Annual award for the best social and environmental entrepreneurship in Peru. It identifies the greatest diversity of social enterprises throughout Peru and recognizes those that stand out for being innovative, scalable and sustainable, offering funds and technical support to take them to the next level. |
| **Society Comercio Exterior Del Peru (COMEX)** | Business association that brings together the main exporters, importers and service providers in various economic sectors, such as agro-export, mining, energy, manufacturing, retail, digital, logistics, tourism, infrastructure and health, among others, with the aim of influencing public policies in favor of employment generation, creation of opportunities and better quality of life for citizens. |
| **Lima Chamber of Commerce** | Business association that promotes free markets, facilitates business opportunities, provides assistance and services, and fosters competitiveness in the private sector. |
| **Aequales Community** | Seeks to eliminate the gender gaps in our country, setting us on a firm commitment to equity, being agents of change from the generation and retention of our employees. |
| **Pride Connection** | Network of companies that provide labor rights to people from the LGTBIQ+ community and promote safe and inclusive work spaces for their teams. |
| **Peruvian Association of Actors for Waste Management (ASPAGER)** | Promotes the recycling of waste electrical and electronic equipment (WEEE). |
| **Peruvian Association of Shopping and Entertainment Centers (ACCEP)** | The purpose of this association, which includes the main shopping centers in the country, is to promote the development of the industry by representing, promoting and defending its members before public and private organizations. |
| **OLI Foundation** | Solidarity platform dedicated to channel efforts and resources, and thus connect people and institutions for equal opportunities in the areas of: environment, health, culture, education and poverty reduction. We work together with them in the "Ayudando Abrigando" Program, for the donation of clothes to vulnerable communities in Cusco, Ayacucho and Comas, in conjunction with the association Ayudando Abrigando. |
| **National Association of Chain Drugstore Chains (ANACAB)** | Its purpose is to promote access to comprehensive health services for Peruvian families, so that they can obtain safe and effective medicines. The network guarantees the advice of a team of health professionals whose main interest is to be at the service and care of patients and consumers. |
| **Peruvian Institute of Economics (IPE)** | A private, non-profit institution that seeks to promote balanced and sustained economic development by carrying out activities that discuss economic policy measures. |
| **National Society of Industries (SNI)** | Business association that promotes the development of the manufacturing industry, drives the market economy and contributes to the development of the country through technical proposals on economic, labor and tax matters, among others. |

The detail of our contributions to these associations was as follows:

| Monetary contributions per year (S/) | 2020 | 2021 | 2022 |
|---|---|---|---|
| Lobbying, interest representation or similar groups | 0 | 0 | 0 |
| Local, regional or national political campaigns/organizations/candidates | 0 | 0 | 0 |
| Trade associations, trade associations, tax-exempt associations or groups (think tanks) | 451,071 | 431,896 | 711,521 |
| Other (expenditures related to ballot measures or referendums) | 0 | 0 | 0 |
| Total of contributions and other expenses | 451,071 | 431,896 | 711,521 |
| Data coverage (percentage of revenues, other) | 100% | 100% | 100% |

In accordance with our policy on the prevention of corruption, money laundering and terrorist financing, InRetail does not make direct or indirect political contributions and no employee or third party that directly or indirectly represents InRetail may make a contribution on its behalf for any type of proselytizing activity.

We also seek to align the associations to which we belong with the climate objectives of the Paris Agreement. The National Society of Industries (SNI) has a Sustainability Committee, which is part of the Permanent Driving Group of the Private and Financial Sector (GIP-NDC). This group seeks to increase the participation of the business and financial sector in the implementation of mitigation and adaptation actions in the country. Thus, the representatives of the private sector to the National Commission on Climate Change, a platform of the Ministry of Environment, are part of this driving group. The Sustainability Committee promotes the dissemination of climate change issues, specifically the measurement of the carbon footprint and circular economy initiatives.

On the other hand, the Lima Chamber of Commerce (CCL), through its Business Sustainability Commission, promotes the application of sustainable practices in the business sector to reduce environmental impact.

GRI 206-3-3)

# 2. Our economic performance

## 2.1. Financial results

InRetail Peru recorded revenues of S/19,782 million and EBITDA of S/2,496 million in 2022, registering growth of 10.4% and 11.0% over 2021, respectively, thus showing solid growth and the high resilience of our businesses.

The numbers presented below include the IFRS 16 accounting policy, comparable to 2021.

| InRetail Peru Corp. | Twelve months ended December 31 | | | |
|---|---|---|---|---|
| Consolidated Statement of Financial Position | 2022 | 2021 | Var% Var% Var | Var% Var% |
| In millions (S/) | | | | |
| Income: | | | | |
| Food Retail | 10,515 | 9,410 | 11.7% | |
| Pharma | 8,668 | 8,064 | 7.5% | |
| Pharmacies | 6,327 | 6,018 | 5.1% | |
| Distribution | 3,013 | 2,751 | 9.5% | |
| Shopping Malls | 678 | 531 | 27.7% | |
| **Total income** | **19,782** | **17,922** | **10.4%** | |
| Cost of sales: | | | | |
| Food Retail | -8,011 | -7,177 | 11.6% | |
| Pharma | -6,024 | -5,579 | 8.0% | |
| Pharmacies | -4,015 | -3,867 | 3.8% | |
| Distribution | -2,676 | -2,412 | 10.9% | |
| Shopping Malls | -228 | -185 | 23.6% | |
| **Total cost of sales** | **-14,265** | **-12,925** | **10.4%** | |
| Gross profit: | | | | |
| Food Retail | 2,504 | 2,232 | 12.2% | |
| Pharma | 2,644 | 2,486 | 6.4% | |
| Pharmacies | 2,312 | 2,151 | 7.5% | |
| Distribution | 338 | 339 | -0.4% | |
| Shopping Malls | 450 | 346 | 29.9% | |
| **Total gross profit** | **5,517** | **4,997** | **10.4%** | |
| Administrative and selling expenses | -3,847 | -3,498 | 10.0% | |
| Other operating income (expense), net | 32 | 132 | -76.0% | |
| **Operating income** | **1,702** | **1,632** | **4.3%** | |
| Interest income (expense), net | -499 | -961 | -48.1% | |
| Income tax | -459 | -295 | 55.5% | |
| **Net income** | **744** | **375** | **98.2%** | |

**Food Retail**

During 2022, our Food Retail segment recorded a net growth of +46 thousand m2 (+9.2%) of sales area, which includes the opening of 136 net Mass stores, 2 new plazaVea stores and 3 new Makro stores. We closed the year with a total of 548 thousand m2 of sales area among all formats and 830 stores: 103 plazaVea stores, 8 Vivanda stores, 26 Makro stores and 693 Mass stores.

As a result, total segment revenues reached S/10,515 million, 11.7% above revenues in 2021. Likewise, we increased by more than 5 times the sales generated online vs. 2019.

Adjusted EBITDA for the segment was S/1,021 million, 14.8% above that recorded in 2021, with an adjusted EBITDA margin of 9.7%, higher than the 9.4% recorded in 2021 as a result of the higher gross margin from a change in category mix, despite the higher share of new formats, and from operating efficiencies, continued dilution of fixed costs due to solid revenue growth and the absence of extraordinary expenses related to the Makro acquisition.

**Pharma**

Pharma segment revenues reached S/8,668 million in 2022, 7.5% above 2021, with growth of 8.5% in the Pharma unit and 27.1% in the Distribution unit. Adjusted EBITDA for the segment reached S/1,199 million, 5.2% above 2021, with an adjusted EBITDA margin of 13.8% compared to 14.1% in 2021.

The pharmacy chain ended 2022 with a total of 2,290 pharmacies nationwide between both brands (1,262 Inkafarma and 1,028 Mifarma).

**Shopping Malls**

The Shopping Malls segment ended 2022 with 848 thousand m2 of gross leasable area. In 2022 we included 14 thousand m2 of leasable area, following the acquisition of Molina Plaza (16k m2) and offset by the termination of the Estación Central concession contract (2k m2). This represented an increase of 1.7% with respect to year-end 2021 (834 thousand m2 of total gross leasable area). With this, the segment's revenues were S/678 million, an increase of 27.7% with respect to 2021.

Adjusted EBITDA was S/414 million, 37.0% higher versus 2021, with an adjusted EBITDA margin (calculated as EBITDA divided by rental income, net) of 81.2% compared to 76.8% in 2021.

GRI 201-3-3)

## 2.2. Value generated and distributed

The economic value generated and distributed to our value chain is presented below:

| | | |
|---|---|---|
| **Direct economic value created (DVC)** | | **19,924** |
| a) Revenues | Operating income, other non-operating income, financial income | 19,924 |
| **Economic value distributed (EVD)** | | **18,710** |
| b) Operating expenses | Cost of sales, cost of sales, selling expenses, administrative expenses, other non operating expenses | 15,595 |

| | | |
|---|---|---|
| c) Salaries and social benefits for employees | Personnel expenses | 1,553 |
| d) Payments to providers of funds | Financial expenses, dividend payments | 894 |
| e) Payments to governments | Taxes, current income tax, tax related to special purpose entities | 597 |
| f) Investments in the community | Cash contributions, employee volunteer time, in-kind donations, others | 71 |
| g) Depreciation, amortization, depreciation, provisions and others | Depreciation and amortization including right-of-use assets, inventory write-downs, allowance for accounts receivable, others | 470 |
| **Retained economic value (SEE)** | | **1,213** |

GRI 201-1)

## 2.3. Tax policy and taxes paid

InRetail has a Corporate Tax Policy, applying good tax practices and acting with transparency, clarity, order and consistency. This policy applies to InRetail and all its subsidiaries.

In the following table, we detail the taxes paid by business unit in 2022. All taxes are paid in Peru.

| Business unit | Entity | Primary activity | N° employees | Revenues (MM of S/) | Income Before Taxes (MM of S/) | Income tax accrued during the year (in millions of S/) | Income Tax and IGV Paid (MM of S/) * |
|---|---|---|---|---|---|---|---|
| Food Retail | Supermercados Peruanos and subsidiaries | Retail | 23,208 | 10,515 | 466 | 155 | 158 |
| Pharma Retail and Distribution | InRetail Pharma | Marketing of pharmaceutical products and other elements for the protection and protection of the environment. health recovery. | 22,401 | 8,668 | 601 | 199 | 179 |
| Shopping Malls | Real Plaza | Operation of malls | 460 | 678 | 304 | 91 | 99 |

Note: Accounting information according to Audited Financial Statements as of December 2022.
*Does not include tax recovery

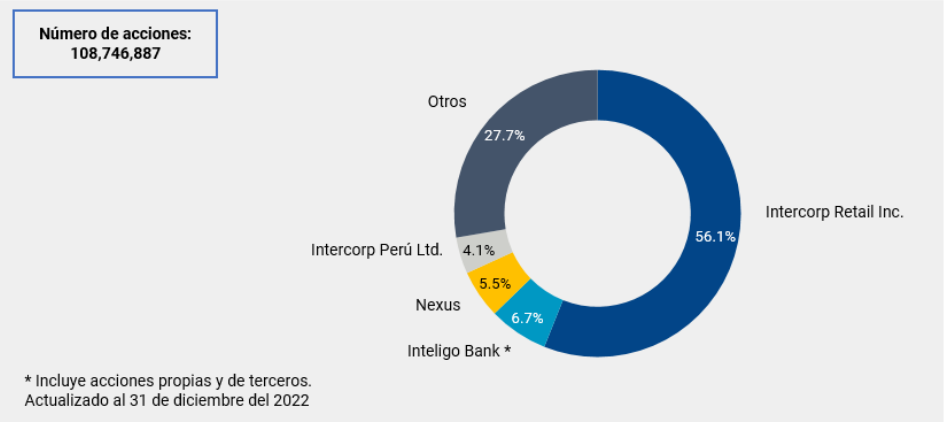
## 2.4. Value generated for investors

Below, we show the shareholding structure of InRetail under the criteria requested by the Lima Stock Exchange (BVL). As can be seen, there are no government entities or members of the Peruvian government that own shares of InRetail.

It should be noted that, as of December 31, 2022, 68.46% of the shares issued by InRetail were held by companies in the same economic group.

## Major shareholders

| Shareholder | Country | % |
|---|---|---|
| Intercorp Retail Inc. | Panama | 56.05% |
| Inteligo Bank Ltd. | Bahamas | 6.69% |
| RI - Fund 2 | Peru | 4.94% |
| IN - Fund 2 | Peru | 4.84% |
| NG Pharma II S.A. | Panama | 4.37% |
| Intercorp Peru Ltd. | Bahamas | 4.11% |
| Others | N/A | 19.00% |
| **Total** | | **100.00%** |




## Voting shares

| Percentage of participation | Tenure | Number of shareholders |
|---|---|---|
| 5.90% | Less than 1%. | No. indefinite |
| 31.36% | Between 1% - 5%. | 12 |
| 6.69% | Between 5% - 10%. | 1 |
| 56.05% | Greater than 10%. | 1 |
| 100% | **Total** | **No. indefinite** |

## Shareholding structure by type of investor - Criteria Lima Stock Exchange (BVL)

| **Shareholding structure by type of** investor | | | |
|---|---|---|---|
| **Action (Nemonic):** | **INRETC1 PE** | | |
| Holdings by type of shareholder of the shares or equity securities comprising the S&P Peru Select Index (at year-end) | Number of shares | Number of shareholders | % of participation[3/] |
| 1. Members of the Board of Directors and senior management of the company, including relatives [1/] | 2,560 | 3 | 0.00% |

| Shareholding structure by type of investor | | | |
|---|---|---|---|
| **Action (Nemonic):** | **INRETC1 PE** | | |
| 2.Employees of the company, not included in paragraph[1/]. | - | - | - |
| 3. Natural persons, not included in numbers 1 and 2. | 129,586 | 439 | 0.12% |
| 4. Pension funds managed by the Pension Fund Administrators under the supervision of the Superintendence of Banking, Insurance and AFP. | 23,005,436 | 12 | 21.16% |
| 5. Pension fund administered by the Oficina de Normalización Previsional (ONP). | - | - | - |
| 6. Peruvian State entities, with the exception of the case included in numeral 5. | - | - | - |
| 7. Banks, finance companies, municipal savings and loan associations, small and medium-sized enterprises, rural savings and loan associations and savings and loan cooperatives under the supervision of the Superintendency of Banking, Insurance and Pension Fund Management (Superintendencia de Banca, Seguros y AFP). | - | - | - |
| 8. Insurance companies under the supervision of the Superintendence of Banking, Insurance and AFP. | - | - | - |
| 9. Brokerage agents, under the supervision of the SMV. | 3,695 | 1 | 0.00% |
| 10. Investment funds, mutual funds and trust funds under the scope of the Securities Market Law and the Investment Funds Law, and bank trusts under the scope of the General Law of the Financial System. | 1,611,752 | 16 | 1.48% |
| 11. Autonomous estates and banking trusts abroad, to the extent that they can be identified. | 1,358,074 | 45 | 1.25% |
| 12. Foreign depositaries listed as holders of the share under ADR or ADS programs. | - | - | - |
| 13. Foreign custodians and custodians appearing as holders of shares not included in item 12. | 7,281,167 | 2 | 6.70% |
| 14. Foreign custodians appearing as holders of shares. | 3,368,103 | 3 | 3.10% |
| 15. Entities not included in the preceding paragraphs[2,4/]. | 71,986,514 | 16 | 66.20% |

| **Shareholding structure by type of** investor | | | |
|---|---|---|---|
| **Action (Nemonic):** | **INRETC1 PE** | | |
| 16. Shares belonging to the S&P/BVL Peru Select Index or a security representative of these shares, in the company's portfolio. | - | - | - |
| **Total[5/]** | **108,746,887** | **537** | **100.00%** |
| | | | |
| Holdings by holders of the shares or equity securities comprising the S&P/BVL Peru Select Index, by residence (at year-end) | Number of shares | Number of shareholders | % of participation[/3] |
| Domiciled | 25,139,428 | 476 | 23.12% |
| Non-domiciled | 83,607,459 | 61 | 76.88% |
| **Total** | **108,746,887** | **537** | **100.00%** |

(1) Term "Relatives" according to the regulations on indirect ownership, linkage and economic groups.
(2) Term "Entities" according to the regulations on indirect ownership, linkage and economic groups.
(3) Two decimal places.
(4) Includes shares corresponding to the Intercorp Group that do not belong to the float.
(5) Total number of holders includes Inteligo Bank in items 15 and 13. The position included in item 15 reflects shares that are not part of the float.

GRI 2-1)

# We radiate sustainability

## 3. Materiality analysis

### 3.1. Materiality process

We developed our materiality taking into consideration the GRI Standards version 2021 and the recommendations of S&P Global. Our materiality process is updated every 2 years, and is validated by Corporate Audit Management and Corporate Sustainability Management, and approved by the Vice Presidency of Human Resources and Sustainability and the Vice Presidency of Finance.

The materiality process consists of four steps:

**1. Understanding the company's context**

General description of the company's activities, business relationships (business partners and value chain), sustainability context and stakeholders. We obtained information from the company, conducted a review and update of stakeholders and a benchmarking exercise, making use of the following secondary information:

- Review of sustainability information of companies in the sectors to which our business units belong.
- Review of relevant general and sectorial sustainability documents:
    - WBCSD. Reporting Matters 2022, 10th Anniversary.
    - WEF. The Global Risks Report 2023 18th Edition Insight Report.
    - SASB Standards for the sectors to which the business units belong: food retailers and distributors, drug retailers, healthcare distributors and real estate.
    - The Sustainability Yearbook 2022. S&P Global. Sectors: food retailers, pharmaceuticals and real estate.

As a result of this activity, a list of 9 environmental issues, 15 social issues and 8 governance and economic issues was obtained, making a total of 32 sustainability issues.

**2. Identification of actual and potential impacts**

Identification of actual and potential negative (as a priority) and positive impacts on the economy, the environment and people (including human rights). To this end, the following were taken into account:

- External information: press and social networks.
- Internal information: satisfaction surveys and complaints and claims from stakeholders; information on business risks.

**3. Evaluation of the significance of impacts**

We took into account the following criteria:

- Negative impacts: based on their severity (scale, scope and nature) and probability of occurrence.
- Positive impacts: based on their scale (how beneficial it is or could be) and scope (how widespread it is or could be) and likelihood.

We assign a quantitative scale to facilitate subsequent prioritization.

Stages 2 and 3 take into consideration the feedback provided by stakeholders throughout the period under evaluation, through satisfaction surveys, suggestions, complaints and claims; in other words, we aim to obtain constant information on the issues that are important to our stakeholders.

**4. Prioritization of the most significant impacts**

Considering the valuation assigned in the previous step, we defined a threshold above which we established the most significant impacts, in order of priority. With this, we obtained the list of material issues.

(GRI 3-1)

## 3.2. Material issues and impacts

We developed a materiality process for each business unit, identifying its specific material issues (see Annex 2). From the individually identified material topics, we determined the **corporate material topics**[5] :

| Axis | Material issues | Justification and Impacts | Business risk or opportunity | Type of business impact | Impact Actual (R) Potential (P) | Impact (+) or (-) | Cause of impact | Impacted stakeholder |
|---|---|---|---|---|---|---|---|---|
| Environmental | Energy | The selection of energy sources affects a company's environmental footprint. Operations, including manufacturing, warehousing and real estate assets, consume energy for various needs. Energy management is crucial to reduce environmental impact, related to greenhouse gas (GHG) emissions, as well as to optimize economic costs. | Opportunity to implement eco-efficient actions. Risk of increasing costs and decreasing profits. | Economic (costs) | R | (-) | Operations | Community Investors |
| | Emissions | GHG emissions are the main cause of climate change. Our main sources are energy consumption, our value chain (transportation and input purchases) and waste generation. | Risk: as operations increase, GHGs increase in absolute terms. | Economic (costs) Social (reputation) | R | (-) | Operations Supply chain | Community Investors |
| | Waste | Waste generation is determined by our operations and value chain. Therefore, it is important to understand the source of generation and identify opportunities to prevent them and promote circularity in their management. Within waste we find food waste, a contributor to the generation of GHGs. | Opportunity to innovate based on circular economy strategies and use of good products within the company. | Economic (costs) Social (reputation) | R | (-) | Operations | Community Authorities |

[5] All are cross-cutting issues for the three business units evaluated, although the scope and specific details within each issue may vary, depending on each business.

| Axis | Material issues | Justification and Impacts | Business risk or opportunity | Type of business impact | Impact Actual (R) Potential (P) | Impact (+) or (-) | Cause of impact | Impacted stakeholder |
|---|---|---|---|---|---|---|---|---|
| Social | Employment and talent retention | Attraction and retention of qualified and diverse employees and the ability to provide welfare conditions, social benefits and career advancement. | Opportunity to recruit and retain the best talent | Economic (costs) | R | (+) | Operations | Employees |
| | Training and education | Maintain and improve human capital through training and education to achieve better performance, efficient execution of activities, providing quality to our operations, achieving satisfied customers. | Opportunity to develop employees to improve customer service. | Economic (income) | R | (+) | Operations | Employees |
| | Diversity and equal opportunity | Diversity reflects our human capital. By considering gender equality and providing employment opportunities for minority groups, we generate a variety of perspectives and approaches. This helps us to identify more opportunities and address emerging risks more effectively. | Opportunity to incorporate diverse employees who enrich the business strategy with their proposals. | Economic (income) | R | (+) | Operations | Employees |
| | Local communities | Full respect for the individual and collective rights of communities, with the participation of men and women, and the management of our impacts on the local community, leads us to design and implement initiatives that promote the growth of the communities in our area of influence. | Opportunity to expand the market and maintain good relations with the community. | Economic (income)<br>Social (reputation) | R | (+) | Operations | Community |
| | Customer experience | Customer experience is the set of interactions that a customer has with a brand while consuming a good or service. A positive customer experience increases the likelihood of retention, generating and capturing interest in a product or service, increasing the average ticket, etc.<br>Today, a brand's ability to deliver a good customer experience is a competitive advantage. | Opportunity to improve customer experience.<br>Risk of increasing complaints and claims | Economic | R | (+)<br>(-) | Products and services | Customers |

| Axis | Material issues | Justification and Impacts | Business risk or opportunity | Type of business impact | Impact Actual (R) Potential (P) | Impact (+) or (-) | Cause of impact | Impacted stakeholder |
|---|---|---|---|---|---|---|---|---|
| | Human rights | Human rights are universal and encompass the rights set forth in the United Nations International Bill of Human Rights, as well as those included in the ILO Declaration on Fundamental Principles and Rights at Work.<br>Through our relationships with stakeholders, we can have both positive and negative impacts on respect for human rights. Therefore, it is important to carry out due diligence to identify where rights are violated in the operation or value chain, and thus ensure that they are respected. | Respect for human rights is an opportunity to bring transformational change to people's lives. | Economic (costs)<br>Social (reputation) | R<br>P | (+) | Operations<br>Supply chain | All stakeholders |
| Economy | Environmental and social assessment of suppliers, sourcing and development practices | Environmental and social assessment of suppliers can reduce environmental, social and governance risks.<br>Promoting responsible and sustainable management of suppliers of goods and services ensures the maintenance of commercial relationships with third parties that comply with the principles of environmental care, human rights, ethical and transparent practices. On the other hand, we are committed to the development of the supply chain, promoting local purchases. | Opportunity to mitigate risks from the supply chain.<br>Risk of no longer having suppliers due to requirements. | Reputational<br>Economic | R | (+)<br>(-) | Supply chain | Suppliers |
| | Indirect economic impacts | Revitalizing the local economy involves participating in underserved markets and influencing a range of economic activities in the community. This may include employment generation, accessibility, product offerings for vulnerable populations and opportunities for entrepreneurs. | Opportunity to expand the market. | Economic (revenue)<br>Social (reputation and customer loyalty) | R | (+) | Operations<br>Products and services | Community<br>Suppliers<br>Authorities |
| | Innovation and digital transformation | Innovation involves renewing and updating products or services through new processes, techniques and successful ideas, creating new | Opportunity to increase sales | Economic (income) | R | (+) | Products and services | Customers |

| Axis | Material issues | Justification and Impacts | Business risk or opportunity | Type of business impact | Impact Actual (R) Potential (P) | Impact (+) or (-) | Cause of impact | Impacted stakeholder |
|---|---|---|---|---|---|---|---|---|
| | | value. Digital transformation, as a result of innovation, uses technology, people and processes to improve business performance. This includes the automation and digitization of data, facilitating decision making and expanding our offering. | channels (omnichannel). | | | | | |
| Governance | Compliance | Complying with legislation and internal regulations reflects management's ability to ensure that the company complies with established performance parameters, which guarantee respect for authority. | Opportunity to develop new strategies.<br>Risk of non-compliance with regulations. | Economic (costs) | R | (+) | Operations<br>Supply chain | Investors<br>Authorities |

(GRI 3-2)

## 3.3. Double materiality issues

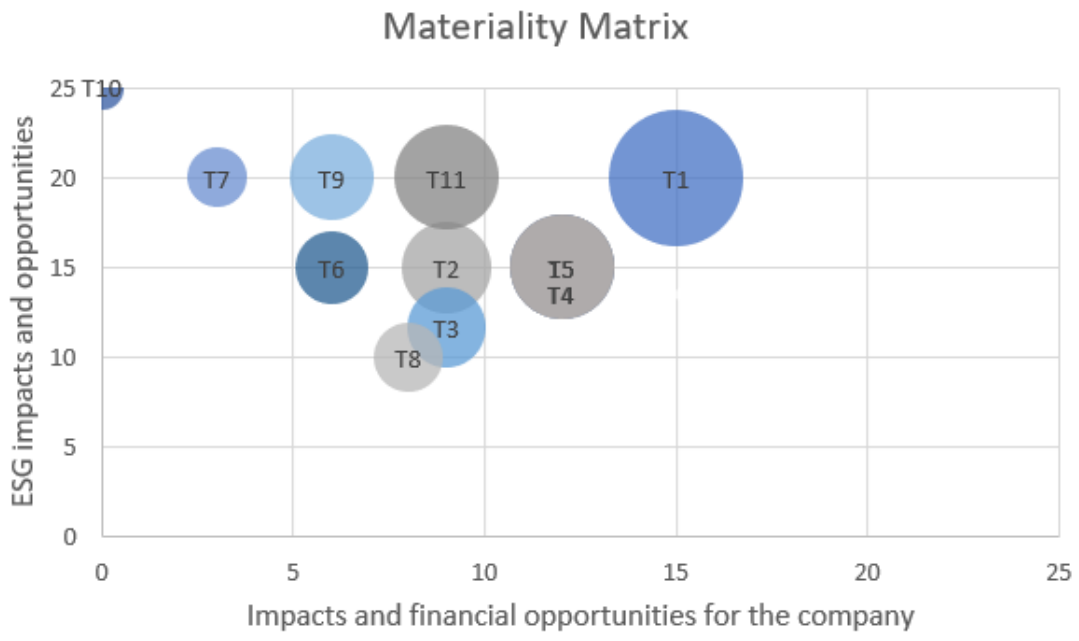
After identifying and assessing impacts under the recommended GRI methodology, SASB recommendations were followed to determine financial materiality.

Thus, those material issues, from the environmental and social point of view at the corporate level, were analyzed by determining the risks to the business and assessing them, using our risk methodology.

The risks with the highest valuation are of medium risk, since no critical risk issues were identified. These are considered relevant from a financial point of view and, therefore, issues of double materiality for the company. Thus, we identified the following issues of double materiality:

| Cod | Tema | Cod | Tema |
|---|---|---|---|
| T1 | Energy | T7 | Local communities |
| T2 | Emissions | T8 | Customer experience |
| T3 | Waste | T9 | Supply Sourcing and Development Practices |
| T4 | Employment | T10 | Indirect economic impacts |
| T5 | Training and education | T11 | Innovation and digital transformation |
| T6 | Diversity and equal opportunities | | |

Human rights and compliance issues were not evaluated, as they are considered material by definition.




(GRI 3-1) (GRI 3-2)

## 4. Commitments and progress

Our sustainability vision is based on 4 pillars: People, Planet, Prosperity and Integrity, which are reflected in 11 focus areas, derived from an exhaustive analysis of our business relevance and aligned to our mission. Each of these pillars has medium-term corporate goals, allowing us to establish concrete and tangible commitments throughout our operations and supply chain. Our Corporate Sustainability Policy details our commitment to the different stakeholders that surround us.

**People**

| Goal 2025 | Status |
|---|---|
| Maintain 50% of women in STEM positions | In Process |

| Front | Actions 2022 | Challenges 2023 |
|---|---|---|
| **Social and human rights management** | • Human Rights: due diligence assessment at corporate level.<br>• Diversity, equity and inclusion (DEI): internal awareness-raising, workshops and training with the supply chain on prevention of sexual harassment in the workplace, discrimination and human rights.<br>• DEI: promotion of women in leadership, recognition of multiculturalism, LGTBIQ+ talent network, 41k employees trained in gender and diversity.<br>• Donation of products in good condition that have lost their | • Human Rights: close gaps in the Human Rights plan and extend due diligence to business-critical suppliers.<br>• DEI: inclusion of people with disabilities.<br>• Inclusion of STEM women.<br>• Development and economic autonomy projects for non-profit social organizations. |

| | | |
|---|---|---|
| | commercial value to non-profit social organizations. | |
| **Sustainability culture** | • Irradia Volunteering.<br>• Green Scrum project execution.<br>• E-learning on sustainability for administrative areas.<br>• +12.6K employees trained in sustainability. | • Volunteer program.<br>• Sustainability Leaders Program in Pharma and Shopping Malls.<br>• Generate incentives related to compliance with sustainability indicators. |

## Planet

| Goal 2025 | Status |
|---|---|
| Reduce and recycle 60% of the waste generated in all business unit operations. | Completed |
| Reduce the relative carbon footprint (scope 1 and 2) by 15% compared to 2021. | In Process |

| Front | Actions 2022 | Challenges 2023 |
|---|---|---|
| **Waste management** | • Corporate bidding for the improvement of solid waste management and commercialization.<br>• Reuse of cardboard boxes in Pharma.<br>• The #ReciclaConsciente campaign comes to school.<br>• Shrinkage recovery* in Pharma and Food Retail.<br>• Expansion of the reverse logistics program for waste at Mass Food Retail stores. | • Expand the scope of the Recicla Botica program.<br>• Strengthening of the waste management program for tenants in Shopping Malls.<br>• Improve recycling rates at the Food Retail Manufacturing Center.<br>• Promote and improve waste management in provinces. |
| **Climate change** | • Carbon footprint measurement and verification, scope 1, 2 and 3. | • Greenhouse Gas (GHG) reduction plans.<br>• Emission reduction analysis aligned with SBTi. |
| **Eco-efficiency** | • Launching of the Retail Energy project.<br>• Change of luminaires to LED lights in pharmacies.<br>• Implementation of energy management software in new stores.<br>• Implementation of solar panels in plazaVea Moquegua. | • Improve energy management in shopping malls and drugstores.<br>• Evaluation of the incorporation of renewable energy in the electricity supply. |

## Prosperity

| Goal 2025 | Status |
|---|---|
| Assess 50% of suppliers based on ESG criteria. | In Process |
| Develop 10,000 MSMEs through the Peru Pasión program. | In Process |

| Front | Actions 2022 | Challenges 2023 |
|---|---|---|
| **Shared value** | • Increased outreach to beneficiaries of food donation programs.<br>• Elaboration of procedure for non food donation in Food Retail | • Measuring the impact of shared value programs across the BU. |
| **Value chain development** | • Launch of platform for ESG risk assessment in suppliers.<br>• Development of MSMEs through the Peru Passion program. | • Environmental, Social and Governance (ESG) assessment of 100% of critical suppliers.<br>• Sustainability improvement plans for suppliers. |

**Integrity**

| Goal 2025 | Status |
|---|---|
| Achieve 100% compliance with Sustainability Policies. | In Process |

| Front | Actions 2022 | Challenges 2023 |
|---|---|---|
| **Sustainability system management** | • Design and compliance with corporate policies:<br>○ Climate Change Policy.<br>○ Packaging Policy.<br>○ Sustainable Agriculture Policy.<br>○ Animal Welfare Policy.<br>• Health and Nutrition Policy. | • Deployment of management platform and monitoring of sustainability indicators.<br>• Internal audit for compliance with corporate sustainability policies. |
| **Aspects of corporate affairs** | • 79.37% of employees trained in ethics and transparency courses through our IRIS program. | • Increase the percentage of employees trained through IRIS. |

## 5. Contribution to the SDGs

We align and measure the contribution of our sustainability strategy to the Sustainable Development Goals (SDGs). We have identified six SDGs to which we contribute directly:

Of which, we have prioritized 3:

| ODS | How do we impact this SDG? | How do we measure impact? |
|---|---|---|
| | • We guarantee non-discrimination at all stages of employment and in our value chain. This includes hiring, compensation, benefits, training and promotion. In our company, we foster a culture of respect for human rights and conduct thorough due diligence processes to assess potential negative impacts throughout our value chain.<br>• We actively promote the hiring of young people, especially those from disadvantaged backgrounds, as part of our efforts to foster social development.<br>• We promote the local economy and culture. We support local ventures and prioritize the hiring of local people, which contributes to economic development and strengthens ties with the community. | • 99.78% average of local employees.<br>• 251 enterprises included in the value chain.<br>• 85.25% as an average result of the GPTW indicators. People are treated fairly regardless of their socioeconomic status, sexual orientation and gender. |
| | • We have established recycling programs and promote the reduction and reuse of materials. We educate our employees about the importance of proper waste separation and actively seek ways to minimize unnecessary packaging in our products.<br>• We are also firmly committed to the prevention and elimination of food waste at all stages, from production to distribution. We promote these actions throughout our value chain. | • 9,749 tons of waste recycled in the operation.<br>• 31,584 employees trained in sustainability (waste reduction and recycling).<br>• +400 grassroots recyclers trained.<br>• 114 tons of waste recycled through our 55 recycling stations.<br>• Implementation of a replenishment system for the Fresh category called "Blue Yonder - Luminate", which uses artificial intelligence and machine learning tools. |
| | • We strive to improve our energy efficiency. We have implemented measures such as the use of LED lighting, energy management systems and efficient equipment in our facilities. In addition, we incorporate and evaluate the possibility of installing solar panels in new projects.<br>• We recognize the importance of a sustainable supply chain and encourage our suppliers to measure and manage their carbon footprint through training. We encourage the adoption of sustainable practices throughout the supply chain, from production to product distribution.<br>• We optimize our logistics operations to reduce transportation emissions. We seek more efficient routes and consolidate | • 164 MWh of renewable energy generated from solar panels at plazaVea Moquegua.<br>• Migration of 268 pharmacies to LED lighting, saving 287 MWh.<br>• +200 suppliers participating in our Responsible Supply Chain program.<br>• 19 thousand orders served with our Sustainable Delivery project in Pharma.<br>• 3 electric charging station in Malls and 1 in plazaVea. |

| ODS | How do we impact this SDG? | How do we measure impact? |
|---|---|---|
| | shipments to minimize our carbon footprint. We are also exploring the possibility of incorporating electric or low-carbon fuel vehicles into our transportation fleet. | |

(GRI 2-23) (GRI 2-24)

# People: we contribute to the well-being

We are committed to generating well-being; therefore, our policies and practices are aimed at improving the quality of life of our talent, our suppliers, our customers and the community. In this way, we have established a transversal culture of well-being, which includes as a central axis the promotion and full recognition of human rights in our value chain. Each of the fronts and initiatives that we develop in favor of the well-being and quality of life of our people will be presented below.

## 6. Well-being for our talent

We have more than 43,000 employees in our four business units, and thanks to their efforts, our company is the leader in the retail sector in Peru. That is why we work for their integral development and are committed to ensuring fair treatment.

We recognize that a living wage[6] is fundamental to the well-being and quality of life of our employees, so we focus on responsibly measuring and managing our processes to ensure a living wage. Annually, we conduct a diagnostic and implement practices that allow us to constantly evaluate our compensation structure and take the necessary measures to ensure that fair compensation standards are met.

### 6.1. Meet our team

A total of 43,913 employees joined us at InRetail.

**Employees by business unit**

| Business unit | 2022 | | Total 2022 |
|---|---|---|---|
| | Women | Men | |
| Food Retail | 10,750 | 11,488 | 22,238 |
| Pharma Retail and Distribution | 15,785 | 5,104 | 20,889 |
| Shopping Malls | 178 | 281 | 459 |
| Digital | 165 | 162 | 327 |
| **Grand total** | **26,878** | **17,035** | **43,913** |
| **Participation** | **61.21%** | **38.79%** | **100%** |

Of the total number of employees at year-end 2022, we have full-time, part-time and interns, resulting in 39,928 full time equivalent employees (FTE).

(GRI 2-7))

[6] For the living wage analysis, we used the methodologies of Anker and the Massachusetts Institute of Technology (MIT). These are based on a comprehensive approach that considers the basic living costs of a worker and his or her family. They use a basket of goods and services necessary to cover basic needs, such as food, housing, transportation, health, education and other expenses. They also take into account regional factors, such as the local cost of living and government policies. This methodology seeks to determine a wage that allows workers and their families to live in dignity and have access to an acceptable quality of life in their specific context.

**Total FTE**

| Business unit | By the end of 2021 | By the end of 2022 |
|---|---|---|
| Food Retail | 17,957 | 18,271 |
| Pharma Retail and Distribution | 21,805 | 20,886 |
| Shopping Malls | 438 | 459 |
| Digital | 277 | 313 |
| **Total** InRetail | **40,477** | **39,928** |

(GRI 2-7))

Likewise, in our operations we have the support of contractors, which allowed us to offer the quality and excellence known by the market. At the end of 2022, we had 7,694 people working under this modality.

**Contractors by business unit**

| Contractors | By the end of 2021 | By the end of 2022 |
|---|---|---|
| Food Retail | 2,328 | 2,600 |
| Pharma Retail and Distribution | 995 | 3,925 |
| Shopping Malls | 1,029 | 1,169 |
| **Total InRetail** | **4,352** | **7,694** |

(GRI 2-8))

## 6.2. Our strategy to attract the best talent

The nature of our business is dynamic, which requires proactive strategies that allow us to attract and retain the right talent. To this end, the attraction and selection policies of each business unit seek to establish fair and unbiased processes.

- Semi-blind selection processes that include practices of eliminating personal data from long lists and resumes, leaving only data related to the applicant's knowledge and experience.
- Participation of men and women as evaluators in the selection process, and the creation of mixed tribunals to promote equitable teams.
- Talks and programs for universities and institutes
- Alliances with groups that promote the labor insertion of people in vulnerable conditions, such as the LGBTIQ+ community and women survivors of violence.

Food Retail

Our proactive recruiting allows us to meet the needs of operations well in advance, both in terms of administrative and operational talent:

- Administrative: we measured the effectiveness of the processes closed within the established deadline, exceeding our annual goal and achieving 98% of processes within the deadline; likewise, 73% of selection processes have been semi-successful.
- Operational: being a highly dynamic industry, with high turnover and seasonality, we seek to have the smallest gap between required and hired personnel. We hire young talent on a part-time basis, which allows them flexibility in their schedule and allows them to continue developing their academic and work life.

Pharma Retail and Distribution

In Peru, the supply of pharmaceutical chemists and pharmacy technicians is very scarce, so our challenge is to develop and train new professionals in order to expand our pharmacies in underserved areas. We currently have 2,300 pharmacies, 13,000 pharmacy technicians and 4,000 pharmaceutical chemists in the country and we are constantly working in alliances with universities and institutes to attract and retain the best talent. We also have specific programs such as the Dual Training Program, which allows us to get involved in the professional training process of our future employees and increase the supply of the profiles we require.

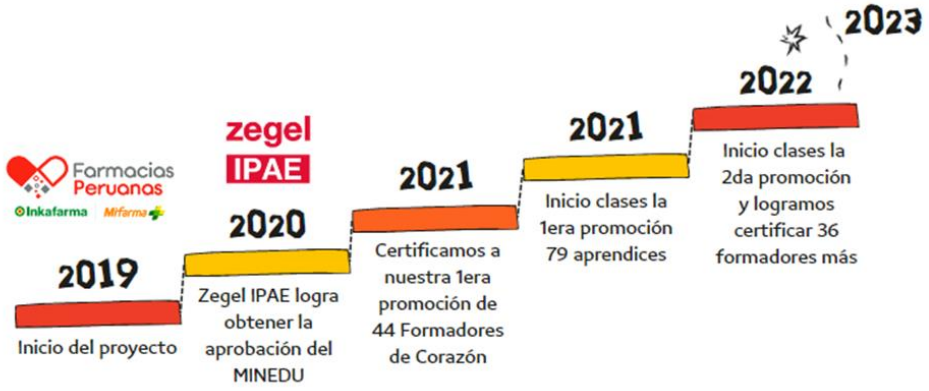
**Dual Training Program**

The Dual Training - Technical Pharmacy program, developed in strategic alliance with Zegel IPAE, gives us the opportunity to train competent professionals for the sustainability of our business and, in turn, have a positive impact on our society, providing the opportunity for low-income and vulnerable young people to access the dream of higher education.

In this program, Zegel IPAE provides the academic training while Farmacias Peruanas is responsible for the practical training of the students, as well as for training the "Heart Trainers", a team of volunteer Pharmaceutical Chemists, who have undergone a training and certification process.

Through this program, to date, we have sponsored 110 young people, providing them with an economic subsidy to cover their educational and personal expenses, health insurance and the necessary tools for their practical training. In addition, the students obtain work experience practicing in our Mifarma and Inkafarma drugstores from the first cycle and, at the end of their studies, they have the opportunity to be hired to work in our drugstores with all the benefits of being part of the Intercorp group.

Likewise, thanks to a strategic alliance with Compañía Minera Las Bambas, 18 young people from the province of Cotabambas, Apurímac, entered the program.



Shopping Malls

We recruit mainly administrative talent through specialized processes by position. We measure and evaluate compliance with the deadlines established in each phase of the process; and we make sure to guarantee a pleasant experience for the candidates, whether they are selected or not.

At InRetail we provide jobs to thousands of Peruvians, because we are convinced that a large part of our growth is due to the value of our people. Our priority is to recruit internal talent for open positions.

(GRI 401-3-3)

**Total hires**[7]

| Business unit | 2020 | | 2021 | | 2022 | |
|---|---|---|---|---|---|---|
| | Hires | | Hires | | Hires | |
| | Men | Women | Men | Women | Men | Women |
| Food Retail | 3,975 | 2,099 | 6,517 | 5,004 | 8,843 | 7,488 |
| Pharma Retail and Distribution | 2,191 | 5,862 | 2,620 | 6,388 | 3,099 | 6,092 |
| Shopping Malls | 26 | 25 | 57 | 47 | 79 | 53 |
| Digital | - | - | 127 | 152 | 97 | 91 |
| **Total InRetail** | **6,192** | **7,986** | **9.321** | **11,591** | **12,118** | **13,724** |
| | **14,178** | | **20,912** | | **25,842** | |

(GRI 401-1)

**Open positions filled by internal candidates (internal hires)**

| Indicator | 2020 | 2021 | 2022 |
|---|---|---|---|
| Internal hires | 16.50% | 5.46% | 8,86% |
| Average hiring cost in soles/FTE | S/ 66 | S/ 93 | S/ 1,196[8] |
| Scope | All InRetail | All InRetail, excluding Digital | All InRetail, including Digital |

## 6.3. We build the best place to work

As a company, we are committed to transforming the places where we exist, seeking to improve the quality of life for everyone. Therefore, we build work environments focused on providing high-impact experiences through the cultural pillars/values that guide the performance of each of our business units.

### Employee satisfaction

We firmly believe that the best results are achieved when we work in environments that allow us to be happy and develop fully. To assess the satisfaction of our employees, we conduct annual climate and culture surveys using internally developed methodologies.

[7] The hires by age range are shown in **Annex 3, Table 1.**

[8] FTE hiring costs in 2022 include expenses associated with job advertisements, candidate evaluation, specialized recruiting support, photocheck, form and contract signing, man-hours for the selection team and delivery of uniforms for operational employees.

**Results by business unit**

| Business unit | 2020 | 2021 | 2022 |
|---|---|---|---|
| Food Retail | 84% | 81% | 85% |
| Pharma Retail and Distribution | 75% | 77% | 78% |
| Shopping Malls | 91% | 93% | 94% |
| Digital | - | 83% | 91% |

**Results and average InRetail goal**

| Indicators | 2020 | 2021 | 2022 |
|---|---|---|---|
| Climate and culture survey results | 81% | 82% | 87% |
| Goal | | 83% | 85% |
| Participation | - | - | 90.8% |
| Companies considered | All InRetail | All InRetail, excluding Digital | All InRetail, including Digital |

### Turnover rates

Given the dynamic nature of our operations, we are constantly facing incoming and outgoing talent movements in our teams. This situation exposes us to the risk of high turnover, but our Human Resources areas are dedicated to improving our numbers in order to ensure the stability of our personnel and the continuity of our operations. In order to retain our teams, we work with our Climate and Culture areas, which through different programs ensure the satisfaction and engagement of our employees.

We implement various actions to promote the reduction of turnover in our company, such as professional development programs, improvement of the work environment, competitive compensation policies, clear career plans, and wellness programs. We provide training opportunities, foster a positive work environment, offer fair compensation, establish clear career paths, and promote the physical and emotional well-being of our employees. These actions aim to keep our talent engaged and satisfied in the company.

Below is a table showing the average annual turnover at the group level.

**Average annual turnover at group level**

| | | | |
|---|---|---|---|
| **InRetail** | **2020** | Total % Turnover | 30.94% |
| | | Voluntary turnover | 22.14% |
| | **2021*** | Total % Turnover | 40.12% |
| | | Voluntary turnover | 29.83% |
| | **2022*** | Total % Turnover | 43.07% |
| | | Voluntary turnover | 28.04% |

*They include the results of InDigital XP and Agora (Digital Unit).

(GRI 401-1)

## 6.4. We grow as a team

We prioritize internal growth as a fundamental part of our talent management strategy. We implement development programs to retain the best talent and ensure their growth

not only within your company, but throughout the group. Our training programs cover regulatory, technical, people management and language topics.

We generate monthly reports that include indicators such as attendance, grades, training hours, number of courses developed and requests received.

All courses are evaluated both by the participants and by the quality of the course itself, using a satisfaction indicator (NPS). We use these results to identify improvements for future courses.

From the moment they join the group, employees receive inductions, training and development plans. Their performance is evaluated annually in an objective manner, using methodologies adapted to their respective positions.

(GRI 404-3-3)

Corporate

In a cross-cutting manner, we have the following actions:

**Weconnect 2.0 Learning**
Asynchronous platform for all InRetail companies, which aims to consolidate the learning ecosystem for all employees. It contains the regulatory courses and includes assessment, attendance control, satisfaction measurement and evaluations.

**InRetail Trip**
Its objective is to develop and enhance the group's talents through participation in projects of your company or another company of the group.

**Techme Up**
Aimed at all digital profiles of our platform with the objective of retaining and enhancing digital talent as technical leaders and UX developers. Our intention is to create and promote professional growth paths and facilitate promotion opportunities.

**Next Generation**
Dedicated to train intermediate level employees to move to the next level of leadership.

**Data People Project**
Corporate initiative where employees are encouraged to develop data competencies.

**IR Academy**
Development program for our employees in order to close gaps in their current role and prepare them to take on future challenges and/or roles.

It has four academies:

1. Integrity: strengthen our corporate culture through courses on OHS, Code of Ethics, sustainability, information security, among others.
2. Power Skills: contribute to the development of corporate competencies to close gaps in their current roles.

3. Technical Skills: enhance technical and data analysis skills for their current roles and prepare them to take on new challenges.
4. Growth Leader: strengthening leadership through the development of competencies and tools for team management.

In 2022 we achieved:

- Comply with the group's regulatory courses. Our goal was 80%, but we achieved 82%.
- Ethics training at the corporate level.
- Compliance with performance evaluation. We reached 100% of the employees evaluated.

**Learning platforms**

We provide fully subsidized licenses in recognized learning platforms such as Platzi, Crehana, Udemy, Google Skill Boots, among others. These platforms provide a wide range of courses and resources to develop skills and competencies in various areas, especially in the field of technological development.

**By 2023 our challenges are:**

Increase compliance with information security, ethics and OHS courses.

(GRI 404-3-3)

Food Retail

We have an Annual Training Plan, which is developed in coordination with the learning grid by position. It consists of three cycles:

- Basic cycle: regulatory courses.
- Intermediate cycle: technical courses according to the position.
- Advanced cycle: technical and soft skills courses.

The curriculum is reviewed and updated annually and is taught virtually and in person.

During 2022 we developed:

- Learning Summit: focused on deepening knowledge within the area. Four Summits were held for the areas of Administration and Finance, Commercial, Human Resources and Marketing. These spaces were aimed at the central office teams, in total, more than 500 people.
- Integration Summit**:** In this space, each area independently meets to informally improve the relationship and knowledge of the people they work with. Together with an external facilitator, they strengthen teamwork and collaboration.
- Incorporation of a digital teacher for training courses: Through a chatbot, seven regulatory courses were developed with a 96% participation rate. This new methodology allowed learning to be carried out in a more

agile, easy and flexible way to be managed by each employee, which was highly valued by them.

- Leadership program: Together with the TEC de Monterrey, this program was carried out to strengthen the leadership skills of the organization's middle management.
- Diploma course for store managers, in alliance with Universidad Tecnológica del Perú (UTP). Seventy managers participated.
- Diploma course for section chiefs, in which 160 section chiefs were certified.
- Sales culture, version 2.0, aimed at store managers and assistant store managers with the participation of more than 600 employees.
- Massimisate program, aimed at Mass store employees and focused on identifying improvement projects.

In-store training is conducted in conjunction with the operation leaders. We have a curriculum adapted to the format of the stores. During 2022, we will reinforce leadership training.

We keep store managers informed about the training of their employees to encourage them to participate in the courses and comply with their development. In addition, we conduct internal and external audits, according to the management system, to evaluate training performance and indicators.

(GRI 404-3-3)

Pharma Retail and Distribution

In 2022, we will continue with our **Dual Training Program**, aimed at future pharmacy technicians (see more information in the topic Our Strategy to Attract the Best Talent).

**My Favorite Drugstore**

Its objective is to achieve the connection between the client and our brands. To this end, the following actions were carried out:

1. Training program to improve employees' communication skills.
2. Communication spaces. Implementation of challenges, with the objective of putting into practice what has been learned.

**Specialization Program (PDE)**

We conducted 3 editions of our specialization program, which are linked to our strategic plan. The editions were focused on hybrid work by return to offices, the collaborative work route and customer experience. We had more than 700 participants.

**Baccalaureate Program (FP)**

Through which we promote the development and qualification of Pharmaceutical Chemists who are given the possibility of entering the company as high school graduates, assisting a Pharmaceutical Chemist. The objective of this program is to generate a visible

career path for Pharmaceutical Chemists and to optimize coverage in the different regions.

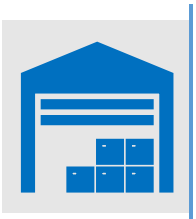
**Professionalize**
We provide financial support to our employees so that they can obtain their degrees as Pharmaceutical Chemists. We have invested 38,000 soles, impacting 12 employees, who have been able to obtain their university degrees to be able to work as technical directors in our pharmacies.

**Casi Casi (QS)**

We seek to transform the lives of our employees who work as operators and have the desire to study, but do not have the financial resources to make it happen. Through this program, we provide 100% scholarships for the university or technical studies of those selected during their entire career, as well as training with international consultants in leadership, personal management, time management, among other actions.

**Forklift School (QS):**

As a result of the understanding of a national social problem that also occurs in our logistics center, we created the Forklift School in 2021. This program seeks to fight stereotypes and change the reality of a male predominance in the position of qualified forklift assistant. We fully fund the training of mixed promotions, with special emphasis on the development of female talent. In 2022, we received more than 110 internal applications, with 85% men and 15% women.



Shopping Malls

**PowerBi Program**

Training program focused on the use of PowerBi for indicator management. In 2023 the program will be extended to all employees.

**The OKRs Journey**

We seek to contribute and accompany the corporate effort to implement OKRs throughout all companies, through strategic plans where new ways of working are applied and adopt a culture of execution.

(GRI 404-3-3)

28.03 Average hours of training per FTE

138.21 Soles invested in training by FTE

**Number of people trained**

| Business unit | 2021 | | | 2022 | | |
|---|---|---|---|---|---|---|
| | Men | Women | Total | Men | Women | Total |

| | | | | | | |
|---|---|---|---|---|---|---|
| Food Retail | 9,741 | 8,373 | 18,114 | 15,318 | 16,153 | 31,471 |
| Pharma Retail and Distribution | 6,202 | 19,908 | 26,110 | 6,520 | 20,280 | 26,800 |
| Shopping Malls | 234 | 161 | 395 | 194 | 297 | 491 |
| **Total InRetail** | **16,177** | **28,442** | **44,619** | **22,032** | **36,730** | **58,762** |

### Total hours of training

| Business unit | 2021 | 2022 |
|---|---|---|
| Food Retail | 660,357 | 630,905 |
| Pharma Retail and Distribution | 664,633 | 482,612 |
| Shopping Malls | 5,877 | 5,674 |
| **Total InRetail** | **1,330,867** | **1,119,190** |

(GRI 404-1)

Each business unit has a training policy and procedure, in which we indicate the steps for our employees to carry out a performance evaluation. This allows us to identify specific needs to reinforce or focus on. The training team, together with management and the area's direction, actively participates in this process.

Each year we carry out a performance evaluation, which is divided into two types. For the management team, the objectives established and aligned with the organization's strategic plan are evaluated. The competency development plan and improvement opportunities identified in the previous year are also considered. After the evaluation, the annual employee development plan is defined using the integral methodology 70:20:10[9] . For operational employees, we have on-site training schools designed to increase skills related to their function.

(GRI 404-3-3)

### Number of employees evaluated by 2022

| Indicators | Food Retail | | Pharma | | Malls | | Digital | | Total InRetail | | % of total employees |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | H | M | H | M | H | M | H | M | H | M | |
| **Management by objectives** | 292 | 206 | 357 | 308 | 63 | 63 | 27 | 17 | 739 | 594 | 3,04% |
| **Multidimensional performance evaluation** | 125 | 112 | 357 | 308 | 63 | 63 | 27 | 17 | 572 | 500 | 2,44% |
| **Team-based performance evaluation** | 7.704 | 7.039 | 4.192 | 13.523 | 211 | 103 | 115 | 112 | 12.222 | 20.777 | 75,15% |
| **Agile conversations (feedback)** | 7.810 | 7.144 | 4.192 | 13.515 | 274 | 166 | 142 | 129 | 12.418 | 20.954 | 76,00% |

(GRI 404-2)

In 2022, the evaluation by objectives and multidimensional evaluation was carried out only for leadership profiles, with the exception of Pharma, where profiles up to the analyst level were involved. On the other hand, the team-based performance evaluation is a competency-based evaluation aimed at all employees. Finally, feedback sessions are

[9] Where 70% focuses on the development of competencies through practice, 20% on knowledge acquired from others (informal education) and 10% on trainings, readings and articles (formal education).

spaces where leaders discuss performance results and reach development agreements with their teams.

## 6.5. Benefits for our team

Our Wellness managers seek to ensure the best experience and care for our team, providing health benefits for our employees and their families, and promoting work-life balance.

**Work flexibility and home office**

We have the following benefits:

- Summer hours during the first months of the year.
- Hybrid work for administrative staff.
- Time off for administrative personnel.
- Leave book for personal activities for operational personnel, which may be related to promotions, personal celebrations, family matters, among others.
- Facilities for employees caring for family members with terminal or serious illnesses.

**Benefits for parents**

We have:

- Corporate staggered return policies for our moms and dads returning from maternity and paternity leave. That way, they can take the option of working part-time for one or two months after their leave days.
- Extension of paternity leave: 7 additional days in Food Retail, 5 in Shopping Malls and 6 in Pharma Retail and Distribution.
- In accordance with Peruvian regulations, we grant a monthly family allowance in soles to fathers and mothers.
- Adoption policies that extend to the LGTBIQ+ community and recognize additional days to those granted by law in Food Retail and Shopping Malls. Breastfeeding centers in all our operations, in order to provide a comfortable and properly equipped space for our employees who are breastfeeding.
- Food Retail's **Maternidad de a 2** program, which encourages co-responsibility in household and child-rearing functions; we offer talks in agreements with maternity clinics and companies and provide virtual interviews with specialists in the field.

(GRI 401-2)

## 6.6. We take care of our team

The Occupational Health and Safety (OHS) commitment describes our strategy focused mainly on the employee and the promotion of self-care. Since 2022, we have had an OHS sub-manager in charge of ensuring compliance with the commitment, processes and policies that commit to it.

As a retail company, we implement various initiatives in our different business areas to ensure the health and safety of our employees and customers.

At Food Retail, we have established a comprehensive occupational health and safety (OHS) management system. This includes the development and annual updating of a risk identification and assessment matrix, which includes risks related to COVID-19 and

specific risks for pregnant women. We have also created an anonymous channel called STOP, where unsafe acts and conditions can be reported, and constant communication is maintained with the Transversal Safety area. We conduct accident investigations using methodologies such as the 5 Whys and SCAT. We also have joint OHS committees and provide regular training to our employees on topics related to safety and accident prevention.

In Pharma Retail and Distribution, our Inkafarma and Mifarma pharmacies, together with Química Suiza, have structured their occupational health and safety management systems in accordance with current regulations. We implement policies and programs that seek to improve occupational safety, reduce accident and incident rates, promote OHS competencies and skills, and monitor and control occupational risks. We conduct occupational medical examinations, occupational health campaigns, and provide specific training to our employees.

At Shopping Malls, we have an integrated management system certified under ISO 9001, ISO 14001 and ISO 45001. We have processes to control risks associated with external companies, report hazards and substandard conditions, investigate accidents using the 5 Whys methodology, and conduct training and education courses for our employees. We also promote the participation and consultation of our employees through the election of representatives to the OHS Committee and the suggestion box.

In summary, as a retail company, we are committed to the health and safety of our employees and customers. We implement management systems, conduct training, investigate accidents and promote the participation of our employees. Through these initiatives, we seek to create a safe and healthy work environment in all our operations.

We evaluate the management of our business units based on internal audits carried out under the Peruvian legal framework and external audits by auditors registered with the MTPE. In addition, certified business units are evaluated by the external audits required for ISO 45001 certification.

For further details of our Occupational Health and Safety strategy, see Annex 3.

(GRI 403-3-3) (GRI 403-1) (GRI 403-2)

**Lost Time Injury Frequency Rate (LTIFR) - Employees**

| Lost-Time Injury Frequency Rate (LTIFR) - Employees | 2020 | 2021 | 2022 |
|---|---|---|---|
| Food Retail | 5.46 | 3.54 | 2.83 |
| Pharma – Química Suiza | 4.33 | 2.13 | 3.40 |
| Pharma - Farmacias Peruanas*. | 0.79 | 0.93 | 0.80 |
| Shopping Malls | 1.68 | 0 | 4.25* |
| **InRetail Average** | **3.025** | **3.55** | **2.82** |
| **Coverage based on income** | **100%** | **100%** | **100%** |

*The information for Farmacias Peruanas is corrected due to a change in the calculation methodology.
**Unlike 2021, where there were no occupational accidents, in 2022 there were 3 minor disabling accidents, and all the necessary corrective measures were taken.

(GRI 404-9)

**Lost Time Injury Frequency Rate (LTIFR) - Contractors**

| Lost-Time Injury Frequency Rate (LTIFR) - Contractors | 2021 | 2022 |
|---|---|---|
| Food Retail | 20.57 | 14.53 |

| | | |
|---|---|---|
| Pharma – Química Suiza | 0 | 0 |
| Pharma - Farmacias Peruanas | 0 | 0 |
| Shopping Malls | 2.28 | 3.95 |
| **InRetail Average** | **5.71** | **4.62** |

**Employee fatalities**

| Business unit | 2020 | 2021 | 2022 |
|---|---|---|---|
| Food Retail | 1 | 0 | 0 |
| Pharma Retail and Distribution | 0 | 0 | 0 |
| Shopping Malls | 0 | 0 | 0 |
| **Total InRetail** | **1** | **0** | **0** |

**Contractor fatalities**

| Business unit | 2020 | 2021 | 2022 |
|---|---|---|---|
| Food Retail | 2 | 0 | 0 |
| Pharma Retail and Distribution | 1 | 0 | 0 |
| Shopping Malls | 0 | 0 | 0 |
| **Total InRetail** | **3** | **0** | **0** |

(GRI 404-9)

## 7. We radiate diversity, equity and inclusion

We value and embrace diversity in our workforce, recognizing and respecting the diverse entities of our employees in terms of cultures, ethnicities, ages, beliefs, genders and sexual orientations. As a fundamental part of our business strategy, we are committed to creating inclusive and equitable work environments that promote the active participation of all people.

We have a **Corporate Diversity and Inclusion Policy**, which establishes commitments in Diversity, Equity and Inclusion (DEI), as well as our position of zero tolerance to discrimination and any form of violence. We seek the development of our employees without distinction of gender, age, religion, sexual orientation, gender identity, ethnic group or other characteristics. In addition, we have a Diversity and Inclusion Plan, led by the VP of Human Resources and Sustainability, together with our Corporate Manager of Sustainability and Diversity. It is important to note that InRetail is part of Intercorp, where we also have a Diversity & Inclusion Officer.

(GRI 405-3-3)

### 7.1. Composition of our team

Each year, we conduct perception surveys, censuses and payroll analysis in all our business units to identify the various minority groups present.

As of 2022, our team is comprised of 133 people with some type of disability, representing 0.30% of our workforce. Likewise, 862 people have identified themselves as members of the LGTBIQ+ community, which is equivalent to 1.9% of our total team.

It is worth mentioning that the figure for LGTBIQ+ persons reflects only those persons who voluntarily participated in the Diversity Census, the decrease in the figure with respect to

the previous year is due to the voluntary nature of the Census, since only the responses received are considered.

**Employees with disabilities**

| Business unit | Genre | 2021 | 2022 |
|---|---|---|---|
| Food Retail | Man | 58 | 69 |
| | Woman | 25 | 37 |
| Pharma Retail and Distribution | Man | 1 | 16 |
| | Woman | 2 | 11 |
| Shopping Malls | Man | 0 | 0 |
| | Woman | 0 | 0 |
| **Total InRetail** | **Man** | **59** | **85** |
| | **Woman** | **27** | **48** |

**Employees of the LGTBIQ+ community[10]**

| Business unit | 2021 | 2022 |
|---|---|---|
| Food Retail | 1,007 | 710 |
| Pharma Retail and Distribution | 11 | 136 |
| Shopping Malls | 20 | 16 |
| **Total InRetail** | **1,038** | **862** |

(GRI 405-1)

In our recruitment process, since 2021, we have optionally included a question for candidates to indicate whether they identify with any minority group. This initiative allows us to recognize and have visibility into the hiring rate, growth and performance of different groups. Answering this question is completely voluntary and has no impact on the selection process. Staff hired in 2022 who identified with a minority group were as follows:

| Minority Group | Genre | 2021 | 2022 |
|---|---|---|---|
| Afrodescendants | Women | 246 | 613 |
| | Men | 258 | 644 |
| Asians | Women | 46 | 296 |
| | Men | 54 | 341 |
| Indigenous people of the Amazon | Women | 120 | 419 |
| | Men | 125 | 422 |
| Quechua, Aymara or other Andean native peoples | Women | 1064 | 1,452 |
| | Men | 683 | 1,144 |

[10] Data extracted from the Diversity Census.

### Employees by nationality

We operate in all regions of Peru and have a recruitment approach that seeks to include both local personnel from the regions where we are present, but also foreign personnel[11] .

| Nationality | 2021 | | 2022 | |
|---|---|---|---|---|
| | Total | % | Total | % |
| Peruvian | 44,181 | 99.74% | 43,817 | 99.78% |
| Argentine | 15 | 0.03% | 12 | 0.03% |
| Chilean | 11 | 0.02% | 9 | 0.02% |
| Colombian | 7 | 0.02% | 8 | 0.02% |
| Venezuelan | 61 | 0.14% | 58 | 0.13% |
| Brazilian | 3 | 0.01% | 3 | 0.01% |
| Ecuadorian | 1 | 0.00% | 1 | 0.00% |
| Spanish | 1 | 0.00% | 2 | 0.00% |
| French | 1 | 0.00% | 1 | 0.00% |
| Bolivian | 2 | 0.00% | 1 | 0.00% |
| Ukrainian | 1 | 0.00% | 1 | 0.00% |
| Other nationalities | 14 | 0.03% | 0 | 0.00% |

(GRI 405-1), (GRI 202-1)

### Employees by region

| Business unit | Gender | 2021 | | 2022 | |
|---|---|---|---|---|---|
| | | Lima | Regions | Lima | Regions |
| Food Retail | Man | 8,461 | 2,918 | 7,663 | 3,825 |
| | Woman | 7,913 | 2,445 | 7,448 | 3,302 |
| Pharma Retail and Distribution | Man | 3,609 | 7,931 | 3,014 | 2,090 |
| | Woman | 1,704 | 8,563 | 7,170 | 8,615 |
| Shopping Malls | Man | 167 | 145 | 203 | 78 |
| | Woman | 98 | 37 | 151 | 27 |
| Digital | Man | 156 | 151 | 148 | 14 |
| | Woman | 0 | 0 | 148 | 17 |
| **Total InRetail** | **Man** | **12,393** | **11,145** | **11,028** | **6,007** |
| | **Woman** | **9,715** | **11,045** | **14,917** | **11,961** |

### Employees by age group

Our population is mostly millennial, comprising mainly employees under 30 years of age. Many of them are pursuing a career with us, while others take advantage of our flexible and part-time modalities to carry out parallel activities and/or complete their studies.

| Age group | Total InRetail | |
|---|---|---|
| | 2021 | 2022 |

[11] The composition of our team by nationality and hierarchy can be found **in Annex 3, Table 2.**

| | | |
|---|---|---|
| Employees < 30 years old | 53.34% | 51.70% |
| Employees between 30 and 50 years of age | 42.99% | 44.27% |
| Partners > 50 years | 3.67% | 4.03% |

| Business unit | Gender | 2021 | | | 2022 | | |
|---|---|---|---|---|---|---|---|
| | | < 30 years | 30 to 50 years | >50 years | < 30 years | 30 to 50 years | >50 years |
| **Food Retail** | Man | 7,866 | 3,249 | 264 | 7,872 | 3,353 | 263 |
| | Woman | 6,570 | 3,535 | 253 | 6,782 | 3,683 | 285 |
| **Pharma Retail and Distribution** | Man | 0 | 0 | 0 | 1,773 | 2,973 | 358 |
| | Woman | 0 | 0 | 0 | 6,027 | 8,921 | 837 |
| **Shopping Malls** | Man | 57 | 188 | 20 | 57 | 1203 | 21 |
| | Woman | 66 | 112 | 4 | 47 | 126 | 5 |
| **Digital** | Man | 57 | 98 | 1 | 54 | 108 | 0 |
| | Woman | 73 | 78 | 0 | 93 | 72 | 0 |
| **Total InRetail** | Man | 7,980 | 3,535 | 285 | 9,756 | 6,637 | 642 |
| | Woman | 6,709 | 3,725 | 257 | 12,949 | 12,802 | 1,127 |

(GRI 405-1)

## 7.2. Gender equity

Our goal is to ensure equal opportunities and foster female leadership and promote an inclusive culture in our organization. To this end, we have set specific goals to increase the presence of women at the N2 and N3 levels at the corporate level by 10% by 2025, compared to 2021. To achieve this, we are implementing a series of actions that are updated periodically.

In our selection processes, we adopt inclusive approaches and have guidelines that prohibit certain questions to avoid unconscious bias. We provide specific training and development programs for women, highlight the achievements of women leaders, and conduct evaluations to ensure pay equity. In addition, we include equitable teams in our selection processes and encourage the creation of mixed-gender shortlists that include at least one candidate of the least represented gender in the area and/or position.

In Shopping Malls, we have set a goal of 30% men or women in areas with lower representation of either gender. At Pharma Distribution Centers, we have established a joint Steering Committee and a policy of gender goals to promote diversity in leadership positions, and we aspire to have 30% of the heads and 40% of management positions occupied by women.

At InRetail, 63% of our team is made up of women, and 42% of junior, middle and top leadership positions are also held by women. We identify high-potential women through performance evaluations and implement mentoring programs to strengthen their development.

At the same time, we have empowerment and leadership programs focused on women in order to reduce internal barriers:

**InWomen 2022 - Corporate**

We continue with our InWomen program, in which we select women with talent and growth potential in our platform to participate in training sessions on topics related to leadership and agile methodologies under a gender approach. In addition, each participant develops a project that can be implemented in her company and is related to the area in which she works. In 2022 we have 9 women managers participating.

**Japi Women Program - Shopping Malls**

Program aimed at Real Plaza women leaders to empower female leadership based on self-knowledge, elimination of internal barriers, strengthening of confidence and construction of a personal development plan. More than 50 women participated in 2022.

**Women with Purpose - Mentoring Edition - Pharma Retail and Distribution**

We have around 80% of women in our organization, which is why we created the "Women with Purpose" program aimed at developing and empowering the leadership of women in our organization. In 2022 we focused on maximizing the professional and personal potential of our pharmaceutical chemists, who are the pillar of our organization. The program consisted of 10 weeks in which the participants defined objectives and drew up an action plan with the help of a mentor assigned from our administrative departments,

**Women Leaders - Food Retail**

Mujeres Líderes is the first community of women in leadership positions in the company, made up of female employees who report directly to the company's directors and managers. This initiative was created with the objective of empowering them, training them and encouraging them to continue their growth in the community. Through this program, we seek to strengthen the personal development, competencies and leadership skills of leaders in the operation, whose main function is to inspire, motivate and train future talents.

(GRI 405-3-3)

| Indicator | Indicator 2021 | | Indicator 2022 | |
|---|---|---|---|---|
| | Men | Women | Men | Women |
| Total employees | 38.63% | 62.55% | 38.79% | 61.21% |
| All management positions (junior, middle and top) | 54.83% | 45.17% | 52.28% | 47.72% |
| Junior management positions | 47.44% | 52.56% | 49.39% | 50.61% |
| Middle management positions | 61.96% | 38.04% | 59.84% | 40.16% |
| Senior Management Positions | 58.41% | 41.59% | 59.18% | 40.82% |
| Management positions in revenue-generating areas | 63.58% | 36.42% | 52.94% | 47.06% |

(GRI 405-1)

To ensure gender pay equity, we follow the HayGroup job evaluation methodology, which includes objective criteria that assign benefits regardless of gender, social status, marital status, among others. This allows us to establish compensatory bands by position. In addition, we have tables of categories and functions, as well as a compensatory policy that establishes the necessary procedures for salary increases and raises. This guarantees that all remuneration assignments are based on the experience and merit of the employee, regardless of gender.

In terms of pay equity, our compensatory ratio (women/men), considering base compensation, is 0.90. Although this ratio is above the national average, we recognize the importance of continuing to improve in order to achieve full pay equity. If we have a ratio below 0.90, we will implement plans to ensure equal pay for all our employees.

To ensure that our compensation processes are free of gender bias, we will continue to constantly monitor and evaluate these processes. These efforts include conducting pay equity analyses, transparent compensation policies that are communicated to all employees, as well as training and awareness-raising on unconscious bias to all our employees, including leaders.

**Compensation ratio by level**

| Level | Compensation ratio |
|---|---|
| Executive level | 0.82 |
| Management level | 0.93 |
| Non-managerial level | 0.94 |
| **Average** | **0.90** |
| **Scope** | **100%** |

(GRI 405-2)

## 7.3. Women in STEM

Another important challenge is to increase the representation of women in STEM areas, such as Information Technology, Systems, Innovation, Digital Transformation, Digital Marketing, E-commerce, among others. Our goal for 2025 is that 50% of management positions and 40% of all positions in these areas will be held by women.

By 2022, we have achieved that 38.68% of the positions in these areas are held by women.

| Indicator | Indicator 2021 | | Indicator 2022 | |
|---|---|---|---|---|
| | Men | Women | Men | Women |
| Total STEM area positions | 68.16% | 31.84% | 61.32% | 38.68% |

To support our commitment to promoting the inclusion of women in STEM, we offer fully subsidized licenses on leading online learning platforms such as Platzi, Udemy, Google Skills Boots and Crehana. These licenses are available to all our employees and enable them to acquire technical skills relevant to the STEM field, such as programming, web design, software testing and data analysis.

In addition, these platforms offer specialized programs in advanced roles, such as data analyst or data scientist, which gives our employees the opportunity to grow and advance to more specialized positions, with the guidance of expert mentors.

(GRI 405-3-3)

## 7.4. Diversity, equity and inclusion programs

Based on corporate guidelines, each business unit formulates its own DEI strategy and defines an identity in line with the culture of each company. In this way, each company has an annual plan and objectives. We have been recognized in different indexes for the results of our management, such as, for example, the Par Ranking, on gender equality; the certification of the Presente seal, which recognizes the best places to work for LGTBIQ+ talent; and the Bloomberg Gender Equality Index. Furthermore, according to the results of the evaluation conducted by GPTW, we know that more than 90% of our employees believe that they are treated fairly regardless of their sexual orientation or gender.

| Food Retail | Pharma Retail and Distribution | Shopping Malls |
|---|---|---|
| • Presente Recognition (LGBTIQ+ best places to work)<br>• PAR 2022 ranking (rank 3 of companies with more than 5,000 employees)<br>• Ranking Great Place to Work Diversity and Inclusion Peru 2022: Supermercados Peruanos S.A. Rank 7. | • Presente Recognition (LGBTIQ+ best places to work)<br>• PAR Ranking (rank 2 of companies with more than 5,000 workers)<br>• Ranking Great Place to Work Diversity and Inclusion Peru 2022: Química Suiza. Rank 20. | • Presente Recognition (LGBTIQ+ best places to work)<br>• Par Ranking (rank 6)<br>• Great Place to Work Women (rank 4)<br>• Good Labor Practices of the Ministry of Labor: Rank 1: "Non-discrimination based on creed, disability, economic status, race, gender" and Rank 1: "Prevention of sexual harassment and harassment in the workplace". |

(GRI 405-3-3)

Some of the courses we conducted were:

- Sexual harassment in the workplace, a regulatory course to raise awareness, prevent harassment situations, and promote a culture of respect and diversity in the workplace.
- LGBTIQ+ Diversity, where we learn basic concepts and recommendations on how to be an ally.
- Unconscious biases where we learn about the types of biases in our daily lives and provide tools to identify them and learn how to avoid them.
- Alternative masculinities where we reflect on gender equity.
- Inclusive and safe work spaces.

**Employees trained in diversity issues**

| Topics | Food Retail | IR Pharma | Shopping Malls | Total IR |
|---|---|---|---|---|
| Diversity | 2,074 | 2,018 | 459 | 4, 551 |
| Unconscious bias | 1,300 | 11 | 314 | 1,625 |
| Sexual Harassment in the Workplace | 18,734 | 15,599 | 459 | 34,809 |

**Food Retail: Raymi program**

Raymi, our Diversity and Inclusion strategy, seeks to build safe, inclusive and violence-free workplaces, as well as to contribute to the reduction of the equal opportunity gap between men and women, people with disabilities and the LGTBIQ+ community in the workplace.

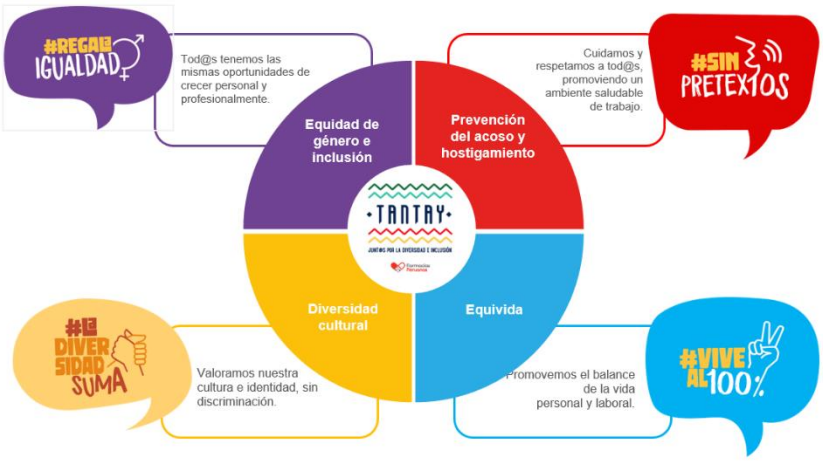
**Pharma – Química Suiza: The Equality Stripe**

This program, inspired by what we are most passionate about: our Peru, has as its symbol the Peruvian t-shirt, but adding one more stripe so that both lines symbolize the "=" sign that represents the equality in which we believe and value in Química Suiza.

(GRI 405-3-3)

**Pharma - Farmacias Peruanas: Tantay**

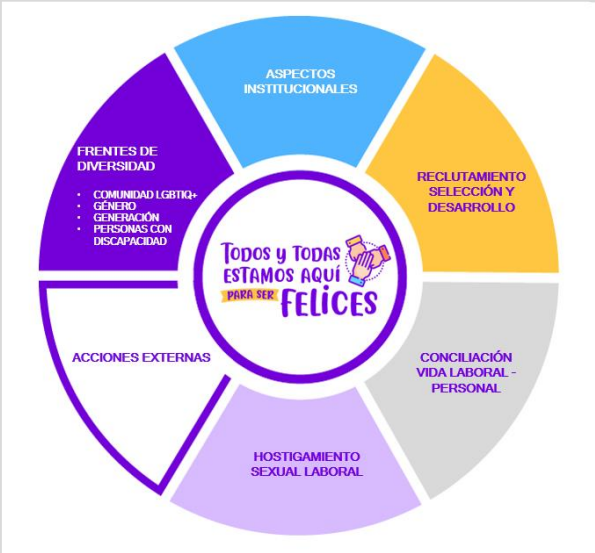
Tantay is our diversity and inclusion program, which in Quechua means "to bring together", because at Farmacias Peruanas we firmly believe that together we can build safe and fair spaces.




**Shopping Malls**

At Real Plaza we embrace diversity and differences, and seek to foster an inclusive culture where all our employees feel respected, safe, and happy.

That is why since 2019 we started working on our "We are all here to be happy" program, with the objective of defining an action plan that reflects the essence of our culture and Real Plaza's commitment to embrace diversity and differences.




(GRI 405-3-3)

## 7.5. Prevention of sexual harassment and discrimination

Our commitment is to maintain a zero-tolerance stance against any manifestation of violence, harassment or discrimination. We have a Corporate Policy for Attention to Cases of Sexual Harassment and Harassment in compliance with current Peruvian legislation. This policy establishes the necessary mechanisms to prevent, investigate and adequately punish such cases.

In each of our companies, we have Sexual Harassment at Work Intervention and Investigation Committees, which are trained annually and work hand in hand with the labor relations areas.

Promote the alert, reporting and attention to any suspicion of related cases, through training and awareness, victim protection and reinforcement of reporting channels. We also have corporate guides for leaders and employees published on the Safe Spaces platform.

Additionally, our companies participate in the ELSA diagnosis of Genderlab, a platform that allows us to visualize and implement strategies for the prevention of sexual harassment in the workplace based on data.

In 2022 we received a total of 74 complaints, of which 100% have been dealt with.

**Recognitions obtained**

| Food Retail | Pharma Retail and Distribution | Shopping Malls |
|---|---|---|
| • Spaces free of sexual harassment in the workplace (ELSA). | • Safe Company of the Ministry of Women and Vulnerable Populations, category of safe spaces free of violence and discrimination against women, gold recognition (promotion of safe spaces free of violence and discrimination against women).<br>• Spaces free of sexual harassment in the workplace (ELSA). | • Good Labor Practices of the Ministry of Labor: Position 1: "Prevention against sexual harassment and harassment at work".<br>• Spaces free of sexual harassment in the workplace (ELSA). |

(GRI 405-3-3)

## 8. Well-being and quality of life for our customers

We promote the health and nutrition of our clients.

We recognize that wellness and quality of life are fundamental aspects for the sustainable development of our communities; therefore, we have the responsibility to offer products and services that promote the health, wellness and comfort of our customers.

### 8.1. Market Recall (Market Recall)

Food Retail

We have a quality incident management procedure that allows us to identify and address quality incidents. These incidents are detected through product receipt, routine controls and customer complaints. We evaluate whether the incident is one-off or compromises batches. In the case of affected batches, we implement a product recall process, providing a detailed explanation of the finding to the supplier and establishing deadlines for the recall based on the severity of the identified finding.

To ensure compliance and improve our recall process, we monitor the following indicators:

- Percentage of incidents.
- Number of withdrawals.

In 2023 we will include the number of incidents verified as coming from / total number of stores.

An important lesson learned from the results obtained is to follow up more closely with the supplier and carry out an exhaustive analysis of the causes that led to the incidents.

In addition, we conduct quality audits in our stores and logistics centers in order to reduce incidents due to quality problems. In 2022, we achieved an average audit score of 93.8%.

| Results of quality audits in stores | 2022 | | 2021 | |
|---|---|---|---|---|
| | Achievement | Goal | Achievement | Goal |
| | 93.8% | 93.5% | 93.3% | 92.0% |

(GRI 416, 3-3) (GRI 416-1)

Pharma Retail and Distribution

We perform an organoleptic evaluation of all the products we receive, as appropriate:

- Products for which we hold the registration: we carry out an exhaustive evaluation of the external condition of the box and verify the insert. We evaluate 100% of the lots received.
- Products purchased from third parties: we evaluate the external condition.

During storage and distribution, we ensure that the temperature conditions specified by the manufacturer are maintained. Products are distributed in full boxes, and those requiring special control are packaged separately.

In the pharmacies, we also have procedures for receiving, storing and dispensing products to ensure proper handling. In addition, we regularly train our employees in good product handling practices.

Our processes are audited by the corresponding health authority, in this case, the General Directorate of Medicines, Supplies and Drugs (Digemid) of the Ministry of Health.

During 2022, we received a low percentage of customer complaints and claims related to deteriorated products or atypical flavors. Based on the analysis of the causes of these complaints and claims, we identified the suppliers with the highest number of cases so that the Commercial area can seek improvements, and we have also established stricter quality clauses in contracts.

The decision to withdraw products from the market may be due to:

- Decisions of the health authority.
- Commercial decisions not to sell the product.
- Customer complaints resulting in the decision to recall the product due to image issues.

When we decide to recall a product, we inform Digemid or Digesa (General Directorate of Environmental Health).

The recall process is regulated, and the health authority grants a period of 60 days to collect the product from pharmacies once the recall has been declared.

(GRI 416, 3-3) (GRI 416-1)

## 8.2. We promote health and nutrition

Corporate

At InRetail, we focus on promoting health and nutrition, as well as delivering the highest quality products to our customers. To achieve this, we carry out a rigorous supplier evaluation process in our Commercial area, where we verify that the products comply with quality standards, packaging and are attractive to the market. Our Quality area also ensures that suppliers meet the necessary standards, including HACCP certifications, and undergo quality audits at their facilities.

In our commitment to ensure health and nutrition, we have developed a Corporate Health and Nutrition Policy for our companies that market food and pharmaceutical products, as well as for our own-brand suppliers. Our policy regulates the following key points:

- Variety of products
- Supplier selection and research
- Transparency for our customers
- Promotion of a healthy lifestyle
- Monitoring and evaluation of our assortment

Food Retail

In our physical stores, we continue with our "Healthy World" section, which includes products with the following characteristics: organic, sugar-free, gluten-free, vegetarian and vegan. In this line, we have reinforced the Fresh campaign at the beginning of 2022, in which we sought to strengthen with customers the offer of fruits and vegetables, and the benefits of their consumption.

As for our own brands, sales of products containing more nutritional ingredients such as fiber, vitamins, minerals or phytochemicals represented 1.56% of our sales.

Likewise, through plazaVea and Vivanda, we promote the importance of healthy eating through communication on social networks and in our digital guides.

We have two products in our own brands that contain GMOs: vegetable oil and Bells soybean oil; both products represent 1% of sales. Likewise, sales of organic products are equivalent to 74 SKUs.

Pharma Retail and Distribution

Our pharmaceutical chemists and technicians provide professional and personalized attention to consumers in our pharmacies. Our computerized system provides alerts on the side effects of the products purchased and such information is provided to them.

**World Wellness Blog**

On our website we offer a space called "Mundo Bienestar", where we provide additional information about our wellness products. We also share tips, highlight the benefits of vitamins

and emphasize the importance of a healthy lifestyle through our blog. Every week we publish new articles for Inkafarma and Mifarma.

**Nutrition for all**

In Mifarma's website we have a section focused on natural products, while in Inkafarma's website we have a space dedicated to the promotion of nutritional supplements, vitamins and healthy snacks.

**Health Festival Program**

We carried out the second edition of the **Health Festival Program**, through the Inkafarma brand. This program is a free digital space aimed at our consumers, where knowledge related to health and wellness is shared in an accessible way and with simple language. Health professionals participate and address topics such as maternity, diabetes, nutrition, mental health, hypothyroidism, among others. This information is transmitted through the Facebook Live channel and allows our consumers and their families to make live consultations and participate in sweepstakes.

**Information campaigns**

In collaboration with the Corporate Affairs area, we developed an information campaign on cannabis, with the aim of breaking down barriers surrounding the consumption of this product and facilitating access to it.

**Health and wellness talks**

We held talks on Facebook and Instagram, in partnership with our suppliers, on health (Inkafarma) and wellness (Mifarma). They addressed topics such as nutrition, dermocosmetics and cardio and were attended by 100 to 200 people connected.

For 2023, we will continue to develop talks through our social networks that provide valuable information to our followers and promote a healthy lifestyle.

(GRI 416, 3-3) (GRI 416-1)

Shopping Malls

**Health and Wellness Program**

Our Real Plaza shopping centers function as public spaces where neighbors and visitors to our mall can access free health campaigns.

To this end, we develop health-oriented actions, aligned with the Sustainable Development Goals (SDGs), and in partnership with various public and private organizations such as ESSALUD, INEN, district and regional public hospitals, and clinics such as AVIVA, Auna or NGOs, among others.

Our campaigns in 2022 mainly addressed two issues: blood donation and vaccination, specifically: COVID-19, influenza and

pneumococcus. In some malls in the provinces, deworming campaigns were also addressed and in malls in Lima, preventive check-ups against cancer.

We are also an important platform for channeling the social support of our neighbors; therefore, in emergency situations such as floods, natural disasters or neighboring vulnerable populations, we have collected food for donation.

In 2023, we will continue to strengthen the presence of preventive health campaigns and will also include screening campaigns to combat anemia.

(GRI 416, 3-3) (GRI 416-1)

# 9. Community welfare

## 9.1. We generate shared value with society

We firmly believe in generating shared value with our stakeholders through the implementation of strategic programs that have a positive impact on society, while generating efficiency and engagement for our business.

Our programs have been specifically designed for each business unit, aligned with its core and achieving excellent results. We approach our relationship with communities from two fronts: at the corporate level and at the level of each business unit.

We work together with various partners to establish links between our companies and social organizations. We currently have a network of 70 social organizations located in our areas of influence. These organizations include parishes, nursing homes, children's homes, and homes for vulnerable people.

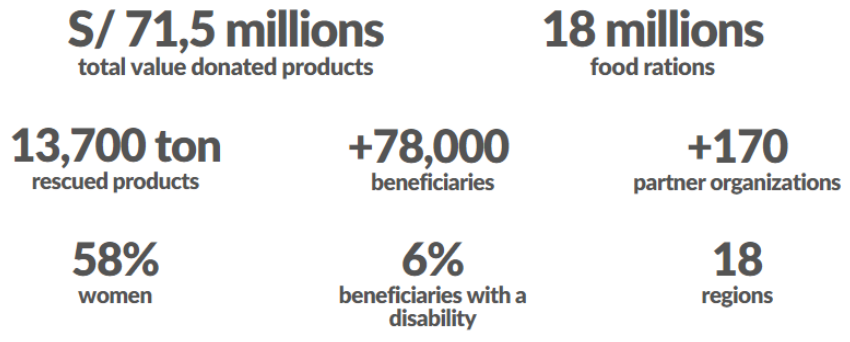
(GRI 413-3-3)

Food Retail

**Good Inside (BxD)**

We donate Food and Non Food products that have lost their commercial value, but maintain their quality inside. 100% of Vivanda, Makro and PlazaVea stores participate in this initiative and donate nationwide, in 19 regions. We work hand in hand with partner institutions such as Inspira, Fundación Don Bosco Perú, COPRODELI and Asociación de las Bienaventuranzas to reach more than 170 social organizations. The objective of our program is to alleviate hunger in the country.

Bueno por Dentro (BxD) Results 2022



(GRI 413-1)

Pharma Retail and Distribution

Química Suiza has distribution centers located in Lima (Santa Anita district), Chiclayo and Arequipa. Pharma Retail has a distribution center located in the buffer zone in Los Pantanos de Villa and three delivery centers in Lima. In all centers, we maintain communication with the surrounding community and have complaint channels.

During 2022 we developed the following initiatives in favor of the community:

**Patient Support Plan**

We understand the economic difficulty of patients to continue with long-term and complex treatments, that is why we created the Patient Support Plan (PAP), which seeks to contribute on three fronts: cost of therapy, adherence to treatment and ignorance of the disease. The benefits of the program are: better prices, reminders to continue treatment (adherence) and access to the PAP network nationwide. Some of the chronic pathologies treated through the program are: diabetes, blood pressure, asthma, hypercholesterolemia, arthritis, among others.

**+ 82 k** **registered users in PAP**

**Reverse logistics donation**

All pharmaceutical and/or consumer products that are close to their expiration date (3 months) or are externally damaged and cannot be sold, but are still in good external condition, are returned to the distribution center where, after evaluation, they are donated. We have allied institutions such as the Beneficencia de Lima and the Asociación de las Bienaventuranzas, who every three months send us their requirements in order to receive donations such as medicines, personal care and nutrition products.

**+37 k** donated product packs

**S/. +180 k** total value of products donated

**Neighboring Pharmacy**

We have an agreement with EsSalud and Salog whereby, through 148 affiliated pharmacies in Lima and Callao, we dispense medicines to EsSalud chronic patients who live in areas close to the pharmacy so that they do not have to travel to EsSalud facilities. Our pharmacies receive a fee for dispensing each prescription. With this remuneration we annually finance 30 school-age scholarship students from the organization Perú Champs.

**148** affiliated pharmacies

**+400 k** prescriptions dispensed

**30** beneficiaries Peru Champs

**+115 k** amount donated to Peru Champs

(GRI 413-1)

Shopping Malls

From the Shopping Malls we have carried out activities that seek to have a relationship with the communities in which we have an impact. Each of our malls has a tactical sustainability plan in which at least four times a year, we develop actions to support these communities.

(GRI 413-1)

## 9.2. We radiate volunteer opportunities

We promote and manage corporate volunteering because we know that it is crucial to generate a direct impact in areas such as education, environment, health and social inclusion. Through different programs we promote team spirit and internal cohesion, fostering collaboration, leadership and a sense of belonging among our employees.

We have confirmed that these initiatives contribute to improved motivation, job satisfaction and retention of internal talent. They also provide our employees with the opportunity to develop valuable personal skills, such as empathy and effective communication. All of these initiatives are carried out in collaboration with various social partner organizations.

Some of the volunteering activities carried out during 2022 were:

1. Tech - Camp, where application design classes are held for the employees' children.
2. Talento Joven, where workshops are offered to 5th year high school students and graduates to build their resumes and train them in interviewing for job applications.
3. Mentors Perú Pasión, where employees provided advice on various topics (finance, marketing, among others) to entrepreneurs in our Perú Pasión program.
4. School tutoring and English teaching
5. Beach cleanup and digital volunteering as part of Food Retail's Recycle Conscious Recycling program
6. Cleaning of canals in the Pantanos de Villa, by volunteers from Pharma Retail and Distribution.
7. Ayudando Abrigando, donation of blankets made from recycled PET by Real Plaza to a community in Ollantaytambo in Cusco and Punta Hermosa in Lima.
8. Improvement and structural remodeling of the "Mi pequeño arquitecto" kindergarten, located in the M zone of Huaycán, Lima, by Real Plaza volunteers.

In 2022, we increased our numbers of volunteers and volunteer hours by 976% and 336%, respectively.

**Volunteers and volunteer hours**

| Business Unit | 2021 | | 2022 | |
|---|---|---|---|---|
| | Number of volunteers | Number of volunteer hours | Number of volunteers | Number of volunteer hours |
| **Food Retail** | 42 | 502 | 482 | 586 |
| **Pharma Retail and Distribution** | 21 | 417 | 143 | 2404 |
| **Shopping Malls** | 4 | 54 | 55 | 730 |

| | | | | |
|---|---|---|---|---|
| **Digitals** | - | - | 41 | 527 |
| **Total InRetail** | **67** | **973** | **721** | **4247** |

(GRI 413-3-3) (GRI 413-1)

## 9.3. We share well-being

In addition to our sustainability strategy and programs, we make philanthropic donations in response to various contingencies that arise in our country. These donations are occasional or extraordinary and are destined to organizations that share a social purpose.

Among other actions, food donations were made to the Ventanilla community kitchens affected by the oil spill, Juguete Pendiente's "Abrigo Pendiente" campaign, Peru Champs scholarships, the Food Bank's Alimentathon, and donations of blankets and clothing through recyclable material collected in our Real Plaza malls.

| Indicators | 2021 | 2022 |
|---|---|---|
| Total amount in soles of monetary transfers for philanthropic contributions | 1'654,373.63 | 432,182.50 |
| Total amount in soles invested in volunteer programs | 109,620.00 | 19,492.91 |
| Total amount in soles of donations in kind or services | 52'740,761.03 | 71'867,355.05 |
| Total amount in soles of administrative expenses related to philanthropic projects. | 35,684.16 | 37,110.50 |
| | | |
| Charitable donations | 0.40% | 0.43% |
| Community investment | 98.57% | 99.54% |
| Commercial initiatives | 1.02% | 0.03% |

(GRI 413-1)

## 9.4. Security practices

In the Pharma Retail and Distribution industry, the company has an internal security team that is responsible for controlling the process in the pharmacies and the distribution center. This includes theft prevention and shrinkage management. We also outsource perimeter and entrance security services, where security agents follow an operational manual and protocols for their deterrent and early warning function. In case of incidents, they communicate with the corresponding authorities. In addition, we provide training to our employees and suppliers in protection and regulatory compliance, seeking to increase motivation and professionalization of the security function, as well as training in human rights.

In the Shopping Malls, we have around 300 security agents, with the management and CCTV operators being part of the internal staff. The perimeter and entrance control agents are provided by an external company specializing in security, and maintain a partnership with the national police. Ongoing training is provided through daily inductions and weekly meetings, where observations and actions taken are shared, and focuses on topics such as customer service, human rights, and prevention of sexual harassment

and discrimination. Protocols are established for approaching suspicious persons, respecting the laws in force that prohibit the use of weapons and arrests by security personnel.

At Food Retail, we outsource security personnel in both stores and logistics centers. The agents are in charge of ensuring physical security, controlling shrinkage and preventing theft. We establish protocols for different situations and provide periodic training to 100% of the agents, including topics such as sexual harassment in the workplace. We maintain a good relationship with the police, but security personnel do not carry weapons or make arrests.

In summary, we implement security measures in each business unit and provide continuous training to personnel and suppliers in aspects related to security, human rights and incident prevention, in compliance with applicable laws and regulations.

(GRI 410, 3-3)

By 2022, 100% of our employees, as well as the personnel of our security services supplier, have been trained in human rights.

(GRI 410-1)

## 9.5. Respect for human rights

We are firmly committed to working for the respect of human rights in our operations and throughout our value chain, including suppliers, customers, partners and outsourced personnel. Under the guidelines of the United Nations Global Compact, we have established a Commitment to Human Rights Compliance, which is disseminated and implemented in each of our business units.

To this end, the Human Resources area, together with the Audit area of our companies, ensure fair workplaces, also aligned with current legal regulations. Our main human rights commitments apply to our operations as well as to our partners and suppliers.

| InRetail Commitment | Alignment with the Principles of the United Nations Global Compact |
|---|---|
| We protect the labor rights of our team. We prohibit any form of forced labor and human trafficking. | Principle 1<br>Principle 4 |
| We pay fair wages to our employees with all the benefits required by law. Likewise, we work to ensure equal pay for people with the same experience in the same position, regardless of gender, sexual orientation, socioeconomic status or any other aspect that may generate pay discrimination. | Principle 1 |
| We strive to eliminate all forms of forced and child labor, both in our operations and in those of third parties and suppliers. | Principle 5 |
| We promote equity and inclusion and do not tolerate any manifestation of discrimination or other types of violence. | Principle 6 |
| We have safe and healthy spaces for our employees, customers and outsourced personnel. Likewise, we audit our suppliers to ensure that they comply with the regulations associated with occupational health and safety. | Principle 1 |

| InRetail Commitment | Alignment with the Principles of the United Nations Global Compact |
|---|---|
| We evaluate compliance with the Human Rights Commitment. To this end, we have due diligence processes and the participation of the Ethics Committee. | Principle 2 |

(GRI 2-23)

**Due diligence**

We have tools to ensure human rights due diligence in our operations, in our dealings with customers and in the operations of our suppliers. These are analyzed annually through compliance matrices.

On the other hand, when acquiring a new business, a similar process is carried out to evaluate whether the company has human rights policies, and if it does not, our policies are replicated.

(GRI 2-23) (GRI 2-24) (GRI 2-25)

**Within our operations**

Our commitment to human rights is supervised annually by Intercorp Retail's Ethics Committee and is implemented throughout all our companies and their involved areas such as Human Management, Operations and Labor Relations. We conduct an internal qualitative analysis to identify gaps and establish actions for continuous improvement. The evaluation has the following scope:

| Scope | Matters | Stakeholders involved |
|---|---|---|
| Risks in own operations | 1. Health and safety.<br>• Management system.<br>• Training.<br>• Employee involvement.<br>2. Internships.<br>• Working hours<br>• Leaves of absence and vacations.<br>• Fair and equitable compensation.<br>• Hiring.<br>3. Diversity and inclusion.<br>• Prevention and attention to cases of discrimination.<br>• Prevention and attention to harassment cases.<br>4. Forced and child labor.<br>5. Freedom of association. | • Employees.<br>• Women.<br>• Children.<br>• Outsourced personnel. |

As a result of this internal evaluation, we obtained a 97% compliance level in InRetail.

| Business unit | Food Retail | Pharma Retail and Distribution Centers | Shopping Malls | Total InRetail |
|---|---|---|---|---|
| Level of compliance | 95% | 97% | 100% | 97% |

We obtained partial observations and have identified opportunities for improvement in Pharma Retail and Distribution with respect to the implementation of preventive and special health and safety mechanisms for people with disabilities. Although we have access ramps in accordance with national regulations, we will conduct a more exhaustive analysis of the accessibility of the infrastructure of our administrative offices, distribution center and reference pharmacies to ensure regulatory compliance and determine reasonable adjustments that can be applied.

In addition, we have identified opportunities for improvement in relation to the living wage, for which we will conduct an internal analysis and develop an action plan to address this aspect.

Finally, with regard to union membership, 1.17% of InRetail's employees are members of a union, specifically in one of the subsidiaries of our Pharma Retail business unit. In the cases of Food Retail and Shopping Malls, we do not have unions.

Our objective is to continue advancing in the fulfillment of labor rights and to strengthen our practices for the benefit of our employees.

(GRI 2-23) (GRI 2-24) (GRI 2-25)

**Relationship with our customers**

The Audit, Quality and Operations areas guarantee the proper treatment of the client. In addition, the due diligence process is responsible for ensuring that the following issues are not breached:

| Scope | Matters | Stakeholders involved |
|---|---|---|
| Value chain risk | 1. Product safety and quality.<br>2. Health and safety.<br>3. Prevention and attention to discrimination.<br>4. Accessibility and security of purchases for people with disabilities. | • Clients.<br>• Women.<br>• Children. |

As a result of this internal evaluation, we obtained an InRetail compliance level of 87%.

As a result of this assessment, we have identified as an opportunity for improvement the accessibility of the infrastructure of the pharmacies for people with disabilities. To address this, we will conduct an accessibility assessment to identify the adaptations that can be implemented. We will also hire maintenance specialists to ensure that the facilities are in good condition.

As for the Shopping Malls, we identified an opportunity for improvement in the establishment of protocols to address cases of discrimination against customers and visitors to the mall. To this end, training on sexual harassment in the workplace will be provided to outsourced mall personnel such as security and cleaning staff by a law firm specializing in the subject. In addition, there will be face-to-face training on diversity and discrimination for the mall's hosts.

These actions will enable us to improve the accessibility of our pharmacies and promote an inclusive environment for people with disabilities. We will also strengthen protocols for addressing discrimination in our Shopping Malls and provide relevant training for outsourced personnel. We are committed to implementing the necessary changes and to continue working to create safe, inclusive and respectful environments in all our business units.

(GRI 2-23) (GRI 2-24) (GRI 2-25)

**Relationship with our suppliers**

Annually, or at the time of registration, our suppliers are evaluated on sustainability through an online platform. This evaluation includes aspects related to human rights such as non-discrimination, prevention of sexual harassment, safe working conditions and prohibition of forced labor. Based on the results obtained, we propose an improvement plan that suppliers must implement during the year. We also use this data to prepare internal development plans for our suppliers, focused on improving their sustainability and human rights performance.

In addition, when contracting service suppliers, mainly outsourced personnel or transportation, we require the presentation of documentary evidence that demonstrates their compliance with current labor and occupational health and safety regulations. If our OHS area considers it pertinent, suppliers are homologated.

| Scope | Matters | Stakeholders involved |
|---|---|---|
| Value chain risk | 1. Health and safety.<br>2. Labor rights.<br>3. Sexual and labor harassment.<br>4. Discrimination.<br>5. Sensitization.<br>6. Complaints channel. | • Suppliers.<br>• Women.<br>• Children. |

Of the 401 suppliers assessed, 95% comply with the aspects evaluated in human rights, specifically, we identified the following results:

- +94% of our suppliers have occupational health and safety procedures that comply with current regulations and provide accident insurance for their employees who visit our facilities.
- +99% of suppliers have implemented health and safety protocols for possible COVID-19 infection, such as isolation and testing for suspected infection.
- +98% have labor regulations or policies that recognize labor rights, benefits and responsibilities and respect the maximum working hours established by law and do not illegally hire minors.
- +93% has a policy or procedure for its employees and contractors to prevent, deal with and sanction cases of sexual harassment at work and discrimination against other employees, customers, non-customers and third parties inside and outside its own facilities.
- 92% train their employees, at the beginning of their employment relationship or when changing their position, in the prevention of sexual harassment at work or harassment and discrimination, so that they refrain from engaging in or reporting violent, sexually harassing, discriminatory, threatening or abusive conduct.
- 92% has an accessible channel, known to its employees, through which they can report incidents of discrimination, sexual harassment in the workplace or other types of violent conduct without fear of reprisals.

As mitigation actions, all our companies actively share sustainability guidelines with their suppliers and ensure that they are aware of them and apply them.

In 2022 we organized the **Second Symposium on Diversity and Inclusion for Suppliers of the Intercorp Retail Group**. In this event, all our business units joined efforts to train their suppliers on issues related to gender equality, prevention and attention to sexual harassment and discrimination. There were discussions, dynamics, training and presentations by entities, consultants and companies such as Aequales, the

Peruvian Association of Human Resources (APERHU) and the Ministry of Women and Vulnerable Populations (MIMP). In this edition, 533 people from 293 companies participated, representing an increase of 300% compared to 2021. At the end of the symposium, we shared with our suppliers a toolkit for managing diversity in companies.

In addition, we conducted entry and exit surveys to find out what stage they were at in their D&I strategy and how useful they found the information provided.

(GRI 2-23) (GRI 2-24) (GRI 2-25)

# Planet: we preserve our environment

We have a Corporate Sustainability Policy which establishes the guidelines for the sustainable management of operations, including the supply chain.

To ensure compliance with our environmental commitments, we conduct audits at our facilities. In Food Retail we conduct sustainability audits twice a year at our PlazaVea, Makro and Vivanda stores by internal auditors, and we also have an annual environmental management plan. In 2022 our stores obtained an average score of 90.19%. As for Shopping Malls, we have an Integrated Management Policy, and in 2022 we obtained ISO 9001 certification for quality management, ISO 14001 for environmental management, and ISO 45001 for occupational health and safety management.

(GRI 302 3-3) (GRI 303 3-3) (GRI 305 3-3) (GRI 306 3-3) (GRI 3068 3-3)

## 10. Climate change

### 10.1. Our climate change strategy and risk management

We have a firm commitment to mitigate and adapt to the risks of climate change, implementing proactive initiatives to reduce our greenhouse gas emissions and contribute to limiting the global average temperature increase by 2°C, in accordance with the Paris Agreement. This commitment is supported by our Corporate Climate Change Policy.

Our climate change goals for 2025:

- Reduce our relative carbon footprint emissions by 15% compared to 2021.
- Reduce our energy consumption by 15% compared to 2021.
- Recycle 60% of the waste generated in our operations.

In addition, by 2023 we will be validating our carbon footprint reduction target for Scopes 1, 2 and 3, using the SBTi (Science Based Targets initiative) methodology with a projection scenario to 2031.

Some of the actions implemented are:

- Energy efficiency

  We are committed to reducing energy consumption through efficient technologies, renewable energy and best practices. In this regard, in 2022 we initiated the Retail Energy Project to implement energy efficiency actions, involving the operations leaders of each business unit.

- Water efficiency

  We continuously monitor the efficient use of water in our operations. To this end, we promote the use of water-saving devices and provide ongoing training to our employees in good cleaning practices to maintain the quality of wastewater.

- Biodiversity protection (flora and fauna)

  We do not operate in protected areas. We also promote responsible sourcing. To extend our responsibility and commitment to the supply chain, we train our suppliers in responsible practices.

- Waste reduction

We intend to migrate, as far as possible, to reusable, recyclable or compostable packaging. We also implement initiatives to reduce food waste, recycle and ensure the traceability of waste generated in our operation.

- Carbon footprint and environmental culture

  We measure and make efforts to reduce our greenhouse gas emissions. We raise awareness among suppliers, employees and customers about the importance of sustainable practices.

- Risk management

  We proactively seek to assess the risks related to climate change, analyzing possible scenarios and their future implications in order to take preventive actions. We include our supply chain in this analysis, identifying the most at-risk suppliers. We have conducted a risk and scenario analysis following the recommendations of the Task force on Climate-related Financial Disclosures (TCFD).

**Green loan**

In 2022, Supermercados Peruanos was the first company in Peru's retail sector to receive a green loan. This type of financing will allow us to invest in infrastructure for the opening of more stores nationwide, and to this end we have committed to two specific objectives:

- Environmental goal: to achieve more than 76% recycled waste in our PlazaVea, Vivanda and Mass. stores.
- Social objective: Reach more than 80,000 beneficiaries through our food donation program, "Bueno por Dentro".

The different areas of the organization are aligned to achieve these important goals by 2027.

(GRI 305 3-3)

We also conducted a risk analysis related to climate change, following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). This analysis considers three scenarios (RCP 2.6, 4.5 and 8.5), representing different levels of carbon footprint emissions and mitigation actions.

The qualitative analysis tells us what are the main risks and opportunities for our business. We evaluate both the impact and probability of each risk and opportunity identified. Based on these results, we have developed mitigation and adaptation actions that are aligned with our Corporate Climate Change and Sustainable Agriculture Policies.

| Mitigation | Adaptation |
|---|---|
| Avoidance and reduction of greenhouse gas emissions | Adapting our operations, processes, logistics to climate change |
| Measure and make efforts to reduce greenhouse gas emissions in our operations and supply chains. | Promotion of climate change adaptation technologies in agriculture. |
| Implement and promote the adoption of renewable energies. | Promote participation in investment projects |

| Mitigation | Adaptation |
|---|---|
| Increasing energy and water efficiency | Adopt preventive and reactive measures for emergencies and natural disasters. |
| Opt for low-emission supplies (refrigerants, fire extinguishers, etc.). | Promote measures for the protection of biodiversity and natural resources. |
| Adopt low carbon technologies and transportation in product distribution and operations. | Assess suppliers on climate change risks and opportunities |
| Take actions based on product life cycle analysis | Implementing energy and water efficiency criteria in the design and construction of premises |
| Reducing waste generation, increasing recycling rates and diverting food from landfills through donations | Implement a contingency plan for product distribution in the event of an emergency. |
| Work hand in hand with agricultural suppliers to discourage land use change and responsible fertilizer use. | Implement circular economy programs |

The complete analysis of climate change risks is detailed in Annex 5 of this Report. Throughout the following chapters, we will present the actions we have taken to reduce our GHG emissions and promote eco-efficiency in our operations.

**Mitigation and adaptation measures in the infrastructure of our facilities**

When selecting the location of new projects, we verify that they are not located in high-risk areas for natural disasters identified by the National Civil Defense Institute (Indeci). In the event that risk is unavoidable, we adapt the design of the infrastructure to make it resistant and safe in the face of possible adverse events.

To promote sustainable construction, we have established the Sustainable Infrastructure Committee, known as Cybele. This committee provides information and guidelines on sustainable construction features. As a result of our sessions, we have developed a checklist with standards to be considered during the design and construction of our facilities. In 2023, we will validate the checklist with those responsible for Design and Construction.

(GRI 305 3-3)

## 10.2. Carbon footprint

We measure and verify our carbon footprint for scopes 1, 2 and 3. We use the Carbon Footprint Peru tool of the Ministry of Environment, which follows the ISO 14064-1 standard and the GHG Protocol standards for scope 3.

**Carbon footprint by business unit**

| Scope | Business unit | 2020 $tCO_{2e}$ | 2021 $tCO_{2e}$ | 2022 $tCO_{2e}$ |
|---|---|---|---|---|
| **Scope 1** | Food Retail | 5,236.09 | 6,233.8 | 33,845.6* |
| | Pharma - QS | 10.18 | 2.83 | 189.7 |
| | Pharma - FP | 7.77 | 12.70 | 28.7 |
| | Shopping Malls | 80.01 | 85.24 | 74.9 |
| | Total InRetail | 5,334.05 | 6,334.57 | 34,138.9 |
| **Scope 2** | Food Retail | 25,321.79 | 38,499.9 | 46,937.7 |
| | Pharma - QS | 687.41 | 768.90 | 832.5 |
| | Pharma - FP | 6,861.72 | 7,756.94 | 7,935.1 |
| | Shopping Malls | 4,537.80 | 6,406.76 | 10,018.2 |
| | Total InRetail | 37,408.72 | 53,432.5 | 65,723.5 |
| **Scope 3** | Food Retail | | 2,861,976.67 | 3,724,857.2 |
| | Pharma - QS | | 424,366.64 | 78,704.2 |
| | Pharma - FP | | 996,920.62 | 383,932.0 |
| | Shopping Malls | | 20,887.35 | 25,059.1 |
| | **Total InRetail** | | **4,304,151.28** | **4,212,552.5** |

*There was an error in the calculation related to emissions from refrigerant leakage (Scope 1). The error has been corrected for the year 2022; however, efforts are being made to correct it in previous years.

(GRI 305 1) (GRI 305 2) (GRI 305 3)

# 11. Resource efficiency

## 11.1. Energy consumption

In 2022, we launched the Retail Energy Project in order to implement energy efficiency measures in our business units, committing ourselves to meeting objectives related to the standardization of electricity consumption reports, analysis of historical data and reporting indicators for energy management. We also implemented best practices for energy savings in electromechanical equipment and lighting systems, including the adoption of LED technology and solar panels.

In 2023, we have published our **Corporate Energy Efficiency Policy**, which has been rolled out to all business units. To monitor electricity consumption in real time, we are implementing energy management software in some of our stores. We will also continue to promote the implementation of energy-efficient equipment.

Our consumption reduction targets are aligned with the MWh/S/ indicator. By 2025, we expect to reduce this indicator by 15% compared to 2021.

(GRI 302 3-3)

Food Retail

**LED lighting**

Our manufacturing plant and distribution center located in the southern area of Lima are equipped with intelligent lighting that includes LED technology, motion sensors and control of on and off times and lighting intensity. Since 2020, this implementation has enabled us to save 80% annually in lighting costs.

In our plazaVea stores, we have been progressively switching to LED lighting both on the sales floor and in the back room during 2021 and 2022.

### Energy management software

We began implementing energy management software (BMS) that will allow us to monitor electricity consumption in real time and identify opportunities for savings and optimization. In addition, all of our new stores are already considering the implementation of a BMS from their design and construction.

### Renewable energy

We implemented solar panels in our plazaVea Moquegua store, which supply +25% of the energy consumed in the store.

**460** solar panel modules installed

**+142 k** kWh of energy generated

### Energy efficiency audits

The Energy Auditing and Efficiency School was created, where training was provided to maintenance managers and supervisors, in order to specialize them and have internal auditors. Thirty-two energy audits were carried out, accompanied by an energy characterization by store and by source of consumption.

During 2023, we plan to implement:

- Installation of the Power Monitoring Expert system, which will allow energy-saving measures to be taken in real time.
- Continue with the installation of the BMS system[12] in the remodeling projects to control the luminaires.

(GRI 302 3-3)

Pharma Retail and Distribution

In 2022 we developed a work plan in which we prioritized the two areas with the highest electricity consumption: lighting and refrigerated back-up container.

### LED lighting

We were able to initiate the project to change to LED lighting at the Química Suiza distribution center (Santa Anita, Lima), which will be completed in the first months of 2023.

In our pharmacies, we have been able to change 268 pharmacies to LED lighting, allowing us to save 26% of energy for lighting, so that approximately 70% of our pharmacies have LED lighting.

**268** Phamarcies have made the switch to LED lighting

**26%** savings in consumption

### Renewable energy

[12] Building Management System

We obtained our renewable energy certificate (REC), which certifies that 47MWh of the electricity supplied to our Lurin Distribution Center has been generated from renewable sources.

Shopping Malls

In 2022, we implemented an electricity savings plan at Real Plaza Villa Maria del Triunfo, focused on adopting best practices such as restricting high energy consumption loads during peak hours, reducing our demand by up to 20%.

We plan to extend the application of these actions to other malls, along with improved energy management in common areas, including the use of efficient technology.

(GRI 302 3-3)

**Energy consumption**

| Total energy consumed | Units | 2020 | 2021 | 2022 |
|---|---|---|---|---|
| **Non-renewable fuels purchased and consumed** | MWh | **22,957** | **22,779** | **48,926** |
| Food Retail | MWh | 22,297* | 22,357** | 48,547 |
| Pharma Retail and Distribution | MWh | 272 | 95 | 95 |
| Shopping Malls | MWh | 388* | 327 | 284 |
| **Purchased non-renewable electricity** | MWh | **89,022** | **130,175** | **143,347** |
| Food Retail | MWh | 57,113* | 92,669** | 103,685 |
| Pharma Retail and Distribution | MWh | 21,674 | 22,085 | 19,321 |
| Shopping Malls | MWh | 10,235* | 15,421 | 20,341 |
| **Total renewable energy purchased** | **MWh** | **164,600** | **180,877** | **174,125** |
| Food Retail | MWh | 105,601* | 128,763** | 130,532 |
| Pharma Retail and Distribution | MWh | 40,075 | 30,687 | 24,299 |
| Shopping Malls | MWh | 18,924* | 21,427 | 19,195 |
| **Total renewable energy generated** | **MWh** | **0** | **0** | **164** |
| Food Retail | MWh | 0 | 0 | 164 |
| Pharma Retail and Distribution | MWh | 0 | 0 | 0 |
| Shopping Malls | MWh | 0 | 0 | 0 |
| **Total non-renewable energy sold** | **MWh** | **0** | **0** | **0** |
| **Total non-renewable energy consumed** | **MWh** | **111,979** | **152,955** | **192,273** |
| **Total energy consumed InRetail** | **MWh** | **276,579** | **333,831** | **366,562** |

* Shopping Malls and Food Retail data for 2020 has been corrected and updated with respect to the previous year's Sustainability Report.

** Unlike previous years, for the 2021 calculation, the consumption of Makro stores, three logistics centers and Mass stores was included in Food Retail.

(GRI 302 1)

## 11.2. Water consumption

We use water from the public water supply for our operations. To ensure responsible management, we focus on: reducing water consumption as much as possible and

ensuring that the wastewater discharged into our sewage system complies with the maximum allowable values (MAV) indicated in current regulations.

At Food Retail, since our activities involve the sale of food products and prepared foods, water consumption is of utmost importance. For this reason, we provide constant training to our store associates and section managers on water care and good cleaning practices, and we make use of grease traps that retain solids and grease to preserve the quality of wastewater. These grease traps have a scheduled cleaning plan. We also have water-saving valves in stores and faucets with efficient technology.

**Recycling of used vegetable oil (AVU) in food retailing**

Aware of the impact of used vegetable oil on water pollution, in alliance with companies specializing in oil recycling, we collect used vegetable oil in the poultry area of our plazaVea and Vivanda stores. This oil is then conditioned and transformed into inputs for the chemical industry, and is used in the production of soaps, detergents, candles, industrial oils, release agents, fillers and biofuels, both in the domestic and international markets. Our 2022 results were:

(GRI 303 3-3)

**Water consumption**

| Total water consumption | Unit | 2020 | 2021 | 2022 |
|---|---|---|---|---|
| Total water supply InRetail | $m^3$ | 1,767,004 | 1,499,900 | 2,034,181 |
| Food Retail | $m^3$ | 781,232 | 715,017 | 713,964.39 |
| Pharma Retail and Distribution | $m^3$ | 360,869 | 431,443 | 358,009.56 |
| Shopping Malls | $m^3$ | 624,903 | 353,440 | 945,260.43 |

(GRI 303 5)

## 12. Waste Management

### 12.1. Waste generated and recycled

We are aware of the importance of managing the waste we generate; therefore, we work continuously to prevent, minimize and valorize the waste generated at all stages of our value chain; from transportation, distribution and operations at the premises to the disposal of the product's useful life.

ood Retail

We have a Waste Management Plan and a Waste Management Manual for our premises, where we establish the procedures for the proper management of the waste generated, ensuring its maximum reuse.

**Recicla Mass**

We continue with our reverse logistics program in our Mass stores in Lima for the return of recyclable materials used in the packaging of merchandise for recycling.

**478** tons of recycled usable waste

**360** participating Mass stores

**Collection of Waste Electrical and Electronic Equipment (WEEE) at national level.**

As part of our waste management commitments, we implemented a campaign to collect WEEE generated in our operations nationwide.

**Waste management training**

We sensitize our operating personnel on good practices, procedures and, above all, on generating a culture that understands the importance of minimizing our environmental impact. We use e-mail messages, posters, webinars and e-learning courses.

**Sustainability Leaders**

We have sustainability leaders in the stores, who help us with awareness and compliance, and we recognize stores that meet recycling goals, generating motivation and commitment.

(GRI 306 3-3) (GRI 306-1) (GRI 306-2)

Pharma Retail and Distribution

We have a solid waste minimization plan in Química Suiza, which is replicated in the companies of the pharma platform. Some of our initiatives are:

**Reuse of plastic boxes and trays**

Our products are distributed to pharmacies in special plastic trays, which are returned to the distribution center, thus reducing the use of cardboard boxes.

We reuse the cardboard boxes in which the products we sell come in, as follows:

- As boxes to distribute the products to our own and independent pharmacies, as long as the boxes meet quality standards.
- To prepare backfill material.
- To assemble internal separators.

**900** tons of reused boxes

**Recycle Botica**

Program through which our pharmacies return the cardboard boxes for reuse, if conditions permit, in the distribution of products or their subsequent recycling. We have developed a pilot of this project, in which 10 pharmacies participated; we expect to expand the scope in 2023.

10 participating pharmacies

8 ton reused/recycled cardboard

**Donation of reverse logistics products**

Any pharmaceutical and/or consumer product that for some reason is damaged externally while in the pharmacy and cannot be sold, but is still in good internal condition, is returned to the distribution center where, after evaluation, it is donated. (See more information in the chapter "We generate shared value for society").

Our management is audited through external audits and auditing processes.

**Our challenges for 2023:**

- Development of a diagnosis, aimed at suppliers of our own brands, of the raw materials used to manufacture the packaging of the products they supply to us.
- By 2022 we will recycle 15% of the waste we generate (considering pharmacies). By 2023 our goal is to achieve 25% recycled waste from total operations.

(GRI 306 3-3) (GRI 306-1) (GRI 306-2)

Shopping Malls

We implemented an integrated management system and in 2022 we successfully achieved ISO 9001 certification for quality management, ISO 14001 for environmental management, and ISO 45001 for occupational health and safety management. We are the first shopping center chain to achieve these certifications. Our actions during 2022 were:

**ReciMall**

Pilot project where we worked with Real Plaza de Juliaca, a city that does not have a sanitary landfill. We implemented actions to raise awareness among the mall's tenants, increasing the recycling rate. Based on the results obtained, we awarded prizes to the tenants participating in the project.

22 participating tenants

+1.1 tons of reusable waste collected

**Recycling Stations**

We maintain the 5 Ecoven and Ecosmart stations for mall visitors and have 2 Irbin stations, through which customers can receive benefits for recycling (discounts, merchandise, etc.). The collected PET bottles are delivered to the Ayudando Abrigando project, which converts them into warm clothing: blankets, ponchos and socks to be donated to vulnerable areas of the country.

7 recycling stations

1,500 collected PET plastic

**WEEE collection points**

We implemented WEEE (Waste Electrical and Electronic Equipment) containers, in agreement with Entel (in all malls in Lima) to encourage customers to dispose of their waste properly. For waste generated in the operation, we work together with the Food Retail unit, managing the waste through the WEEE collective to which they belong and installing the respective containers to ensure proper segregation.

By 2023 we have defined the following actions:

- Maintain compliance with applicable solid waste management regulations.
- Ensure the development of good practices in solid waste management, continuously improving them.
- Maintain our certifications in force.
- Strengthen the traceability of our solid waste management.

(GRI 306 3-3) (GRI 306-1) (GRI 306-2)

**Waste recycled and generated**

| Waste disposal | Unit | 2020 | 2021 | 2022 |
|---|---|---|---|---|
| **Total waste generated InRetail** | **Tons** | **10,703.48** | **10,192.8** | **13,171.0** |
| Food Retail | Tons | 7,393.7 | 8,660.4 | 10,825.5 |
| Pharma Retail and Distribution | Tons | 585.2 | 1,003.2 | 1,881.3 |
| Shopping Malls | Tons | 2,724.5 | 529.2* | 464.2 |
| **Total waste recycled InRetail** | **Tons** | **6,432.30** | **7,171.4** | **9,767.0** |
| Food Retail | Tons | 5,282.5 | 6,100.4 | 7,817.7 |
| Pharma Retail and Distribution | Tons | 585.2 | 894.5 | 1,782.6 |
| Shopping Malls | Tons | 564.6 | 176.5* | 166.7 |
| **Total waste disposed of in landfills InRetail** | **Tons** | **4,271.18** | **3,021.4** | **3,404.0** |
| Food Retail | Tons | 2,111.2 | 2,560.0 | 3,007.8 |
| Pharma Retail and Distribution | Tons | 0.0 | 108.7 | 98.7 |
| Shopping Malls | Tons | 2,160.0 | 352.7* | 297.5 |

*Real Plaza's waste calculations in 2021 were updated due to a change in the calculation methodology. The scope of 30% of the malls is considered.

(GRI 306 3) (GRI 306-4) (GRI 306-5)

By 2022, the scope of the information for Food Retail is 57% of the stores, including plazaVea, Vivanda, Makro, Oslo and Mass; while for Shopping Malls it is 40%, considering the shopping malls in Lima. In the case of Pharma, only the logistics centers are considered; due to the characteristics of the pharmacies, the waste they generate is considered household waste and is managed by the municipality (cardboard, paper and plastic), with the exception of products that are about to expire, which are returned to the distribution center. The challenge for 2023 is to incorporate more pharmacies into the Recicla Botica program.

## 12.2. Food Waste

Our Food Retail segment and its brands are the main food retail companies in the country; therefore, we maintain a firm commitment to manage in an appropriate manner

to ensure the quality of our products, but at the same time, producing the least possible amount of food waste. We have two key strategies: implementing technology and improving our processes to minimize waste, and rescuing food in good condition to give it an alternative use and avoid waste. At InRetail, food is not thrown away; our commitment to the reduction and possible elimination of food loss and waste is to measure and reduce the amount of food that can be wasted and reuse it, always prioritizing its donation.

Regarding the use of technologies, we work with:

- ASR (Advanced Store Replenishment) system, which manages store replenishment and analyzes inventory data, and SKUs by location, sale and stock for adequate store supply.
- AWR (Advanced Warehouse Replenishment) system, which manages the replenishment of Distribution Centers (DC), analyzing each SKU combination per logistics center, as well as transfers from DCs to stores and the stock stored in each DC.

Both systems allow us to more accurately predict the supply levels needed and minimize the amount of shrinkage[13] .

As for the food waste that is in good condition, it is managed through our Bueno por Dentro (BxD) program. Through this program, we prioritize the donation of food to social organizations that provide continuous food service to children, the elderly and vulnerable women. To this end, we provide training to our store and logistics center employees on donation procedures, attention to social organizations, and on the relevance of this project, through which we not only provide food to more than 78,000 people, but also prevent the generation of waste and provide a tax return to the company.

(GRI 306 3-3) (GRI 306-1) (GRI 306-2)

**Food loss and donation**

| Indicator | Unit | 2020 | 2021 | 2022 |
|---|---|---|---|---|
| Known shrinkage calculation | t | 12,332.96 | 15,535.76 | 19,919.00 |
| Total calculation donated (food) | t | 4,977.42 | 8,811.31 | 11,797.96 |
| Calculation for composting | t | - | - | 2.16 |
| Total discarded | t | 7,335.54 | 6,724.45 | 8,129.53 |
| Total amount donated (food) | S / | 26'728,767.87 | 47'316,734.43 | 63'297,756.39 |
| Intensity (food shrinkage / food sales) | # | 0.011 | 0.013 | 0.016 |

(GRI 306-4)

We measure shrinkage generated on an ongoing basis and differentiate it by type of product category, reason for shrinkage and locations where shrinkage occurs. We set annual shrinkage generation goals as well as donation goals. Our goal in 2022 was to

[13] Shrinkage comprises all those "losses" that occur throughout the distribution and sales chain in the *retail* market and which are caused by different reasons: breakage, partial loss of the product, aesthetics and expired promotions, among others.

generate less than 1% of our annual sales in our plazaVea brand, and to donate at least 50% of known shrinkage.

**Valorization of organic waste**

In mid 2022, we started a pilot program for the recovery of organic waste in our Vivanda Benavides store together with the Municipality of Miraflores. Thus, fresh food (fruits and vegetables) that could no longer be donated through Bueno Por Dentro were collected by the municipality for composting, which would be used in the district's green areas, thereby reducing waste destined for the landfill. By 2023 we hope to be able to extend the pilot to other stores in the district.

We also conducted a pilot project at our PlazaVea store in Tumbes, northern Peru, where we segregated organic waste for a month and, in partnership with a local supplier, converted it into fertilizer through a bio-conversion process. This was then distributed among our suppliers in the north of the country (specifically, in the Fruit and Vegetable category), so that they could use it in their operations.

**Blue Yonder Project**

Since 2022, our OSLO format started the implementation of a new Fresh category replenishment system called "Blue Yonder - Luminate", which uses artificial intelligence and machine learning tools.

This project considers not only the variable "quantity" in the sales forecasts: it also incorporates those variables that could affect our sales. For example, temperature: on warmer days, we see an increase in sales of products such as watermelon, cucumber and grapes. On the other hand, price: with a decrease in the price of oranges, the predicted quantity of orange sales will increase, but other "similar" fruits will decrease for our customers, such as mandarin oranges, papaya and pineapple. Finally, the calendar of events also impacts forecasts: alcohol sales are more likely to increase during soccer games, and the system anticipates this to make a more strategic purchase.

In addition, the system learns from its decisions in the face of variables and, over time, improves its forecast. This results in a better supply, lower lost sales and a reduction in shrinkage (this is also associated with a reduction in the generation of solid waste throughout our chain, considering the shelf life of fresh produce). Thus, comparing January 2021 with January 2022, we have been able to reduce shrinkage by 20% in the Fruits and Vegetables category.

In 2023, this initiative will be completed in the categories of Fruits and Vegetables, Cold Cuts and Cheese, Meats, Bakery, Pastry and Prepared Meals.

(GRI 306 3-3) (GRI 306-1) (GRI 306-2)

## 13. Packaging

We are aware of the importance of preventing and reducing the negative environmental impacts caused by the excessive use of plastic. In our operations and supply chain, we are committed to reducing unnecessary packaging and improving designs to minimize waste and its environmental impact.

Through our Corporate Packaging Policy, aligned with the global commitment of the Ellen MacArthur Foundation, we set ourselves the goal of promoting the use of recycled raw materials and recyclable packaging in our own-brand products and encouraging responsible consumption among our customers.

Through Recicla Consciente, in our PlazaVea, Vivanda and Makro formats, we mark the products of our commercial partners that have recyclable packaging with jalavistas, thus promoting a culture of recycling among our customers. Likewise, in e-commerce we placed a seal so that the customer of this channel has the same information offer.

In 2022, we committed to the Golden Design Rules, developed by the Consumer Goods Forum. These rules provide a clear framework to drive innovation and actions that lead to less plastic packaging in general and more easily recyclable plastic packaging in our products. Specifically, Supermercados Peruanos has committed to meet seven targets related to this issue by 2025. In addition, we have signed a commitment with one of our main suppliers of ready meals packaging to consider using at least 40% recycled plastic in the PET containers it supplies to us.

To fulfill our commitments, we have established working groups with multidisciplinary teams that contribute to the execution of new and existing projects.

### Use of plastic in packaging

| Indicator | Unit | 2020 | 2021 | 2022 |
|---|---|---|---|---|
| Total weight of plastic packaging | Metric tons | 645.35* | 1,561.8** | 1,558.9 |
| Recyclable plastic packaging | % | 100 | 72.37% | 70.51% |
| Plastic packaging made of compostable plastics | % | 0 | 27.63%*** | 29.49% |
| Plastic packaging made from recycled material | % | 28% | 10.69%** | 15.16% |

*The data is corrected for error in reported units.
**The data is corrected due to the extension of the scope of the Food Retail information and
***The data related to compostable plastic bags in Food Retail is added in 2021.

Our challenge for 2023 is to expand the scope of Food Retail information and to gather information on Pharma Retail packaging.

### Other materials

| Packaging materials | Total Weight (ton) | % recycled or certified material |
|---|---|---|
| Wood/paper fiber | 1,155.24 | 78.77% |
| Metal (e.g. aluminum) | 150.45 | 15.47% |
| Glass | 101.97 | 0,00% |

*Food Retail and Pharma Distribution Center packaging data are considered.

At Pharma Retail, we strive to offer consumer and nutrition products that are healthy and sustainable. We actively seek manufacturers that provide products with natural

ingredients, low water consumption and packaging made from recycled materials, always seeking to identify products at affordable prices for our customers.

In 2022, we implemented a Sustainable Corner pilot, where we identified products that met one of the following criteria: product reformulation, i.e., reduced the use of inputs in its formulation or changed to components with less environmental impact; change in packaging, either by reducing the material used in it, using recycled inputs or that the packaging is recyclable; and/or that it is a B company. Thus, we were able to identify 34 personal care SKUs that met these requirements.

## 14. Sustainable Mobility

Food Retail

### Charging stations for electric cars

We know that the hybrid vehicle fleet is increasing in Peru, which is why, in alliance with Schneider Electric, we implemented two charging stations for hybrid/electric vehicles located in the customer parking lot at PlazaVea Caminos del Inca.

Pharma Retail and Distribution

### Sustainable Delivery

With this project, we seek to contribute to the reduction of CO2 emissions in the distribution of orders in pharmacies through the incorporation of a hybrid fleet with sustainable transportation (bicycles, scooters and electric vehicles).

**10** districts served in Modern Lima

**+19 mil** orders fulfilled

Shopping Malls

### Japi Bici

Campaign aimed at raising awareness about the use of clean transportation for our customers. As part of the actions, we implemented bicycle parking and charging points for electric mobility.

**14** Malls have electric charging stations for bicycles and scooters

### Charging stations for electric cars

In line with our commitment to care for the environment, we have also implemented free charging stations for electric cars in the customer parking lots of our malls.

**3** Malls have charging stations

**5** charging stations available for our customers

# 15. Sustainable Agriculture and Biodiversity

## 15.1. Sustainable Agriculture

We recognize the challenges involved in marketing soft products (agricultural or animal products that have been caught or raised) that have an impact on the ecosystem; that is why, as of 2021, we established our Sustainable Agriculture Policy. With it, we established a framework for 2025 where our suppliers develop sustainable agricultural practices, focused on the following topics:

- Water care

  We encourage our suppliers to implement new technologies and practices aimed at efficient water use through technical training on irrigation, agroforestry, tillage techniques and risk management.

- Reduction of environmental pollution and soil care

  We train our suppliers in the implementation of ecological methods for pest control, as well as in the adoption of practices that do not affect soil composition.

- Care for biodiversity and greenhouse gas (GHG) emissions

  We provide guidelines to our suppliers so that they do not use products derived from unsustainable fishing and we accompany them through technical advice to become certified in sustainable production. In addition, we train our suppliers on food, nutrition, health and livestock raising in order to reduce GHG emissions.

- Sustainable product offering

  We are committed to increasing the supply of white products that generate less environmental impact and to offering pesticide-free organic products.

All our fruit and vegetable suppliers have sanitary authorization from the Peruvian National Agricultural Health Service (SENASA), HACCP, traceability plan and good practices plan. In addition, we carry out unannounced audits, conducted by a third party, of 100% of these suppliers, where we carry out a sanitary and hygienic inspection of infrastructure and verify good practices.

In addition, we gather information on how our different suppliers, especially in the Fresh category, develop their sustainability strategy. As an example of this, we have Hortifrut, which provides us with an important part of the blueberries that we place in our stores. This organization has GLOBAL G.A.P., which recognizes that the organization maintains a safe and sustainable production, in aspects such as safety, environment, animal welfare, Integrated Crop Management, Integrated Pest Management, among others. In this line, Hortifrut works under SPRING, committed to sustainable water management, and has received certifications such as JAS, BRC Food, among others.

On the other hand, Don Limón, our largest supplier of lemons, implements a compost project to take advantage of the organic waste generated in the agricultural and agro-industrial activities of all its locations. This practice contributes to mitigating environmental contamination and obtaining organic material with excellent agronomic characteristics for crops. In addition, it has a technified drip and sprinkler irrigation system, which allows an optimal and efficient use of water resources.

**Certified agricultural products, period 2022**

| Agricultural product categories | Certifications or accreditations | % of certified products | Volume of the category with respect to total purchases (%) |
|---|---|---|---|
| **Soy** | HACCP, RTRS | 99,37% | 1,27% |
| **Sugar** | HACCP, USDA, BRC, FSSC 22000 | 81,6% | 1,85% |
| **Cocoa** | HACCP, USDA, EU organic, Fairtrade, BRC, RSPO, Blue Certificate | 65,5% | 0,81% |
| **Coffee** | BRC, Fairtrade, USDA, Blue Certified, UTZ | 84,48% | 0,88% |
| **Cereals** | HACCP, USDA, Blue Certificate, BRC, ECOCERT, Company B | 30,89% | 0,99% |

## 15.2. Animal Welfare

We also have a Corporate Animal Welfare Policy, which establishes guidelines to guarantee the welfare of animals in our supply chain. This includes good farming practices and the responsible use of antibiotics, while ensuring high standards of food safety for our consumers.

- **Free-range eggs:** We promote the sale of free-range eggs, which is why we incorporate suppliers that raise hens in cage-free environments and have certifications such as Certified Humane. In 2022, sales of these products accounted for 0.8% of our egg category.
- **Sustainable fishing**: we do not commercialize endangered species or develop commercial activities that affect the development of the marine ecosystem. We collaborate with the State to communicate the species that are closed and we ensure that our suppliers respect these periods. For the past three years we have been working with artisanal fishermen in northern and central Peru, who collaborate with local communities and carry out regenerative practices such as the harvesting of fan shells.
- **Antibiotic use**: We conduct annual veterinary drug testing for beef to monitor the appropriate use of antibiotics in our supply chain.

We conduct annual audits of our suppliers as part of our management process. These audits are carried out by two certifying companies, who are responsible for verifying compliance with established standards. These include:

- Sanitary hygienic inspections.
- Review of technical parameters established in the certifications (organic certification).
- Criteria for product acceptance.
- List of genetically modified products (GMO).
- Organic products must have a valid certificate.
- In the case of domestic suppliers, Senasa's sanitary authorization is requested and in the case of imported products, plant certificates issued by the applicable entity are requested.
- Support analysis in the case of health food products.

On the other hand, Esmeralda Corp, our main red meat supplier, has an Animal Welfare Policy and specific guidelines related to the slaughter and butchering process, which seeks to avoid the use of stressful stimuli.

**Certified livestock products, period 2022**

| Categories derived from animals | Animal certifications | % of certified products | Volume of the category with respect to total purchases |
|---|---|---|---|
| **Aquaculture** | MSC, ASC, ISO 9002, BRC, BASC, SAFE, IFS Foods Certification, BSCI, Sedex, HACCP Certification, FDA, DIPOA Brazil, ISO 9002, BRCGS, SMETA, IFS, FOS, ISO 45001, ISO 14001, HALAL, KOSHER, AENOR, GMP. | 39,2% | 0,2% |
| **Cattle** | BASC, HACCP, SFP, BAP, Global GAP, Hereford, ISCC, ISPO, USDA, Certified Humane, BRC Global Standards, ISO 9001, ISO 14001, ISO 17025, TFA, CSCB, COALIZAO BRAZIL, GTPS, Leather Working Group, USDA, GLOBAL GAP, HALAL. | 30,9% | 1,1% |
| **Dairy** | HACCP, Certified Humane Raised & Handied, Technical Regulation for organic products D.S. N° 044-2006-AG, Global Food Safety Initiative, ISO 9001, Blue Certificate, ISO 14001, ISO 45001, ISO 22000, ISO 37001, RSPO, OHSAS 18001, IFS, BRC, ECOCERT, Bristish Retail Consortium, SMETA, SGF-IRMA, FSCC 22000, Rainforest Alliance, VERIFLORA, Certified Company B, Global Food Safety Initiative (GFSI), GLOBAL GAP, CAME Sustentable, BRCS Food Safety, Halal. | 48,7% | 14,35% |
| **Swine** | OIE Certificate, HACCP, DIGESA, ISO 9001, ISO 22000, ISO 14001, ISO 9001, SQF Certification: Food Safety and Quality, GFSI, IFS, BRC, AENOR, GMP, IFS, USDA ORGANIC, GLOBAL GAP, BASC. | 54,7% | 2,13% |
| **Poultry** | ISO 9001, ISO 14001, ISO 45001, ISO 22000, MGFSI, Global GAP, ALO FREE, Certified Humane, Genesis, OHSAS 18001, BRC FOOD, FSSC 22000, IFS Global Markets Food, Halal, HACCP, IATA, USDA, SFP, BAP, Global GAP, IFS Global Markets Food, BRC FOOD, MGFSI, POULTRY CARE, USDA ORGANIC. | 67,5% | 4,8% |
| **Wild fisheries** | MSC, ASC, ISO 9001, FDA, DIPOA, HACCP, KOSHER, BRC, BASC, SAFE, IFS Foods, BSCI, Sedex, USDA, SFP, BAP, Global GAP, AENOR, OAS, HALAL, KOSHER, SMETA, BRC (British Retail | 54,7% | 1,0% |

| Categories derived from animals | Animal certifications | % of certified products | Volume of the category with respect to total purchases |
|---|---|---|---|
| | Consortium), IFFO-RS, Good Manufacturing Practices GMP + B2, Friends Of The Sea, FDA. | | |

## 15.3. Biodiversity

We have a Biodiversity Policy**,** which expresses our commitment not to affect critical biodiversity through any of our operations or those of our value chain. To this end, we ensure that our operational activities and those of our suppliers do not take place in areas considered national cultural heritage and protected natural reserves. We actively promote responsible sourcing, prohibiting the commercialization of endangered species and the development of commercial activities that affect the development of the marine ecosystem.

Using the Integrated Biodiversity Assessment Tool (iBAT), we identify the potential risks that our operations may pose to biodiversity. This tool allows us to assess whether our operations are located in a protected natural area, a key biodiversity area and/or if there are species on the IUCN Red List of Threatened Species.

Most of our facilities are located in urban, commercial or industrialized areas with a high flow of people and traffic. However, Pharma Retail y Distribution has a warehouse located in a Special Regulation Zone due to its proximity to the Pantanos de Villa wetlands. This warehouse is subject to regular inspections by the supervisory and oversight body, and we have implemented the following measures to monitor and mitigate our impacts:

- **Environmental monitoring:** we conduct annual environmental monitoring in accordance with our commitments established in the environmental impact study. We evaluate the ambient noise level during daytime and nighttime hours at the monitoring points, as well as air quality, taking into account the following parameters: sulfur dioxide (SO2), particulate matter (PM10 and PM2.5), carbon monoxide (CO), nitrogen dioxide (NO2), hydrogen sulfide (H2S), and lead (Pb). This allows us to identify and mitigate any potential risk to local flora, fauna and ecosystems.
- **Waste management:** We adopt solid and liquid waste management practices that comply with environmental regulations and standards. We promote the reduction, reuse, and recycling of materials in our operations and foster environmental awareness among our employees.
- **Biodiversity conservation:** As part of our efforts to reduce our environmental impact, we organized a volunteer effort to clean the canal that feeds the Villa marshes and borders our Distribution Center in Chorrillos. This work was done in partnership with ProhVilla (Autoridad Municipal de los Pantanos de Villa). In 2022, more than 850 kg of general and organic waste were collected from the canal and 12 employees from Farmacias Peruanas participated together with neighbors from Chorrillos, Municipality of Surco and ProhVilla.

In addition, we are evaluating the possibility of relocating to another warehouse away from sensitive natural areas. In evaluating this location, we will consider the following measures to minimize our impacts:

- **Site selection:** We will conduct an analysis of possible locations, considering factors such as proximity to residential areas, sensitive natural areas and water sources.
- **Energy efficiency:** We will implement technologies and practices that promote energy efficiency in our operations. This includes the use of energy-efficient equipment and lighting systems, as well as the adoption of renewable energies whenever possible.
- **Waste management:** We will continue our solid waste management programs that comply with environmental regulations and promote the reduction, reuse and recycling of materials. We will promote awareness among our employees.
- **Logistics:** We will implement measures to promote the optimization of distribution routes.

(GRI 304-3-3)

| Biodiversity assessments | # sites | Land area (hectares) |
|---|---|---|
| Overall | 3,147 | 224.76 |
| Assessment | 3,147 | 224.76 |
| Exposure | 1 | 5.9 |
| Management plans | 1 | 5.9 |

(GRI 304-1)

Likewise, consistent with our Corporate Policy of No Deforestation, we seek to promote the purchase of commodities and inputs with environmental certifications that guarantee socially and environmentally responsible processes. To this end, we must accompany our agricultural and livestock suppliers in reforestation practices and technical advice for certification. To this end, through the process of identifying risks in our suppliers, we have developed a training plan to provide them with expert advice on these issues (see more information in the chapter on Supply Change: the shift to a sustainable value chain).

(GRI 304-3-3)

## 16. Customer and community impact: campaigns

**Recycle Consciously**

We lead this national movement in favor of recycling that unites the private sector, public sector, civil society and academia. The objective of this initiative is to increase the country's recycling rate by strengthening the recycling culture and chain, working together with all the actors involved: companies, municipalities, grassroots recyclers, NGOs and citizens.

In 2022, our fourth year leading this initiative, we worked with 23 private sector partners, 16 of them our suppliers, and 20 municipalities, together with whom we implemented activities to raise awareness, inform and mobilize our millions of customers and the community at large.

Recicla Consciente has four action fronts:

1. **Environmental citizenship**

   We educate and raise awareness among customers and the community through the following actions:

   - Communication campaign in social networks of plazaVea, Vivanda and Makro: we addressed issues such as the importance of recycling, the social and environmental impacts of recycling, the recyclability of various materials and

the local value chain of waste and its actors. We included actions with influencers and advertising. By 2022 we will reach more than 8 million users.

- Deployment of communication material at points of sale, signaling products with recyclable packaging in our physical stores and e-commerce to motivate responsible purchasing.
- Digital volunteering: +500 volunteers trained in waste management and recycling, ready to organically spread the movement in social networks.

**Case Study: Recycle Consciously Comes to School**
We seek to generate environmental citizenship and responsible consumers, using our stores as a great communication platform. In 2022, we will ensure that the movement reaches future generations.

In partnership with Innova School, we developed **Recicla Consciente Llega al Cole to** promote a culture of recycling among schoolchildren, teachers and family members. Working with 26 schools in Lima, we were able to collect more than 9 tons of waste in two weeks, demonstrating the great commitment of this public to the environment.

We reached **+8 million people** with the digital content of our communication campaign.

**2. Recycling stations**

We have the largest private network of recycling points in Peru, with 55 permanently active recycling stations (51 in Lima and 4 in the provinces), which are available to the community. The collected recycled products are collected by formal recyclers who work with allied municipalities and by waste operating companies.

**3. Professionalization of waste pickers**

We trained +400 formal recyclers who work with municipalities and are part of the Recicla Consciente chain and invited recyclers who have the potential to join, but are still in the process of formalization.

The Professionalization Course for Recyclers was designed in line with Law No. 29419, Law that regulates the activity of recyclers, and was validated with the Ministry of the Environment so that its certification is valid for the formalization processes of recyclers. This was developed in coordination with the IDAT institute.

**4. Research on recycling habits**

In order to identify findings to develop appropriate and relevant environmental communication messages for our communication campaign, information is collected annually through surveys and academic research. In 2022, a nationwide survey on responsible consumption habits was developed in Peru Urbano.

Our partners and the location of our recycling stations can be found at https://www.reciclaconsciente.pe/.

In 2022 we recycled **+114,000 kg of waste,** which is equivalent to reducing the following natural resources**:**

- **620 trees**
- **948 $m^3$ of water saved**

- **59,000 kg of non-emitted $CO_{2\,eq}$**

# Prosperity: driving the country's development

## 17. Accessibility to quality goods at low prices

### 17.1. Differentiated value propositions

**Food Retail**

We developed a pricing management tool, called Pricing Go, which allows us to streamline price adjustments, automate management rules and improve controls, in order to always have the best prices in the market and pass these benefits on to customers. Similarly, we implemented a space management and planogram tool called Intactix (Blue Yonder), which improves the display and organization of products in stores, taking into account customer preferences when defining the placement of products to ensure the purchase of products of their preference at the best price.

Our stores sell products for mass consumption, electrical and home appliances, retail and wholesale for personal and family consumption, as well as for companies, where we maintain a transversal promise of low prices through negotiations with our suppliers, which guarantees that we sell our products competitively. Each format has an assortment of products and a differentiated shopping experience to meet the needs of our different customer profiles:

| | |
|---|---|
| plazavea | Retail sale of differentiated products and own brands, aimed at individuals and families. |
| Vivanda | Retail sale of exclusive and high quality products, aimed at individuals and families. |
| Mass | Hard discount format for retail and bulk sale of staple consumer products. Seeks to be our chain with the largest number of points of sale to bring products closer to individuals and families. |
| makro | Wholesale of mass consumption products, at low and competitive prices, which seeks to meet the needs, not only of families, but also of entrepreneurs, mainly in the Horeca sector. |

**Pharma Retail and Distribution**

We distribute pharmaceutical, personal care and nutritional products at low and accessible prices through our +2,300 pharmacies or drugstores, which are present throughout the country, distributed under two brands. Each brand has a sales strategy focused on our customers' savings; likewise, each brand has a different sales experience, which is differentiated mainly by the design and distribution of the point of sale:

It provides service at a counter, where a pharmaceutical chemist or pharmacy technician offers the requested products.
Our sales strategy is based on maintaining customer loyalty by offering **low prices every day**; that is, discounts are already included in the products, through competitive prices. We also have Inkaclub, which offers our affiliates a system of accumulation of points equivalent to money.

It has a sales room with gondolas and shelves available to customers.
The sales strategy is based on building customer loyalty through membership in the **savings purse, offering them three types of exclusive discounts:**

- Discounted shopping.
- Points equivalent to money.
- Discount coupons.

In 2022, we had more than 1.1 million members.

## 17.2. Own, exclusive and controlled brands

To ensure accessibility and attractive prices for our customers, private labels play a fundamental role in our offering. They build customer loyalty and position us as market leaders through three types of strategy: profitable, competitive and attractive SKUs, differentiated products through assortment and packaging innovation, and bargaining power in our categories.

In Food Retail we have more than 15 own brands, while in Pharma Retail we have close to 30, with which we offer exclusive products, which can be Premium or Gold, with an added value and differential in the market, as well as more traditional brands that offer more competitive prices and staple products.

**Food Retail:**

- ARO
- BALANZE
- BALDARACCI
- BELL'S
- BLACKLINE
- BOREAL
- DECO HOME
- THE GOOD CUT
- HOME CHEF
- LA FLORENCIA
- M&K
- MASS
- PLAZAVEA
- SCALA
- TERNEZ
- VIVAHOME

**Pharma:**

- NINET
- DRY
- TOTAL DENT
- CELL SKIN
- LADYFREE
- NON SUN
- MEDCELL
- BABYMA
- CAPILATIS
- AVENE
- AGRADO
- CREIGHTONS
- MONDSUB
- NBC
- CLUNY
- DERMEX
- VIVAPIL
- MOASS / PUZO
- DR. FOOT
- FRANGANTTI
- CLINASEP

- BIU
- COLLAFLEX
- BIOCORD
- CNG
- GOLD BLADE
- ANGELITO
- QUELOCURE

### 17.3. Shopping experience and quality of our offer

Our commitment is to provide the best shopping experience to our customers in all channels, whether digital or face-to-face. That is why every year, we conduct surveys to our customers to evaluate the Net Promoter Score (NPS) of our brands. This indicator provides us with information about our promoters and detractors, obtaining a percentage that measures the loyalty of our customers in the short and medium term, which can vary from -100 (all are detractors) to 100 (all are promoters), with an NPS of 50 being considered excellent.

**Customer satisfaction scores (NPS)**

| Business unit | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|
| Food Retail | 46.5% | 62.5% | 53% | 52.3%* |
| Pharma Retail and Distribution | 41% | 48% | 38% | 55.3%* |
| Shopping Malls | 45% | 5.7% | 41.8% | 53.9% |

*PlazaVea 51%, Vivanda 63% and Makro 43%.
Inkafarma 53.6% and MiFarma 56.9% **Inkafarma 53.6% and MiFarma 56.9%.

## 18. New markets

### 18.1. Growth of digital channels

Food Retail

We operate the PlazaVea.com and Vivanda.com platforms and leverage other products and services from Intercorp Retail's digital ecosystem, such as order management, payment platform, payment methods, Seller Center platform, customer care and the Agora ecosystem, which includes digital wallet, loyalty program and last mile delivery. Thus, becoming a Marketplace with multiple services and a more scalable and competitive presence in the market.

Our platform has two main fronts: food and non-food. On the food front, we have integrated the last mile delivery service called Agora Shop, which includes the PlazaVea, Vivanda and Makro brands. This integration represents an important step in our strategy to expand our channels and improve our customers' shopping experience.

On the non-food front, we joined a Marketplace strategy that has a catalog of almost 500,000 products, achieving an increasingly rapid integration with the Seller Center.

A highlight is that all of our entrepreneurs in the Peru Pasion program are included in our Marketplace strategy, giving them the opportunity to access a wider market and contribute to their development.

Our improvements are based on the analysis of the customer experience, evaluated through the Net Promoter Score (NPS) at each stage of our e-commerce value chain.

As a 2023 challenge, we identify a slowdown in the digital business, so we will focus on diversifying our value proposition so that we can offer a wider range of products and become a multi-category, multi-channel destination store.

Pharma Retail and Distribution

We developed the Mi Química digital platform to help the more than 12,000 independent Peruvian pharmacies and neighborhood pharmacies in Peru connect with laboratories, companies and products quickly and easily. With an extensive catalog of medicines and supplements, responsible pharmaceutical chemists can easily stock their pharmacies. This platform allows them to buy at any time on demand and with agility, keep track of the status of their orders, among other tools.

In 2022, within the framework of this digital platform, Química Suiza received the recognition of Companies that transform Peru[14] .

During the year 2022, we carried out several activities:

- Training on the use of the platform.
- Increase the content of the platform and make it more attractive to our customers.

And we obtained the following results:

- We reached 6,033 pharmacies, confirming that around 50% of neighborhood pharmacies in Peru have made purchases through the Mi Química platform.
- We obtained an NPS above 30 points.

Shopping Malls

We started 2022 with a plan in which we proposed actions to consolidate the Digital Marketing area of the malls.

We were able to increase sales through the Marketplace www.realplaza.com by 42% and move customers from physical to digital purchases, and we expanded the number of Sellers for the benefit of our customers.

In the last quarter of the year, we launched our app, which hosts more than 2,000 Sellers and achieved more than 60,000 downloads. This app includes the mall directory and a set of products and services at preferential prices, and it is also possible to make parking lot payments.

[14] Initiative promoted by IPAE - Asociación Empresarial, the Frieda Association and Manuel Delgado Parker, with the support of USAID, the RPP Group and technical advice from FSG. In the 2022 edition, 80 companies from all over Peru applied for 102 initiatives, which underwent a strict evaluation that ended with the selection of the 20 recognized companies.

Through the surveys we have conducted, we have identified that 32% of our visitors are aware of our digital channels.

We monitor our management through monthly reports.

By 2023, we have incorporated digital marketing into our strategic plan, becoming one of its five pillars. We seek omnichannel marketing as well as to develop quality traffic for our tenants; therefore, the website and the app are fundamental as a digital window for our tenants.

Digital

Agora consolidates various digital products and services including:

- Agora PAY: digital wallet (2019).
- Agora CLUB: loyalty program, which accumulates benefits on a personalized basis (2021).
- Agora SHOP: last-mile purchasing program (2021).

As of 2022, the virtual platforms were unified into a single application and strategically interrelate the services that each product provided independently, offering the consumer a single product on a single platform.

Agora is a digital proposal that diversifies the omnichannel offerings of the business units that make up InRetail Peru Corp. and is oriented to the needs of the user, managing to integrate and coordinate the service efforts of the three products in a single proposal.

Agora enables digital interaction, whether at home or in stores. The platform has personalized information on users, allowing it to offer them personalized experiences and benefits.

- Agora PAY offers credit card and digital wallet services, providing the user with information about their income, expenses and balances.
- Agora CLUB is the loyalty service that offers benefits such as the accumulation of points and redemptions, but, above all, discounts and cash back that are immediately reflected in the agora PAY.
- Agora SHOP complements the offer, providing the service of the shopper who shops at Intercorp Retail Group stores.

Agora seeks to become a digital ecosystem (vision ecosystem as a service) that incorporates other services and vendors to offer a wide range of services to its users.

In 2022 the main milestone was to achieve integration in a single application. The unification resulted in:

- Decreased uninstallation rate by 15%.
- Increased navigation time in the application.
- Increase in annual recurring revenues.
- Increased user enrollment.

> The proposal brought more coordinated campaigns, interrelated benefits, transversal approach, providing a technological value proposition with the user in mind.

## 18.2. Cybersecurity and information security

Our cybersecurity and information security strategy is implemented through a "maturity model" that promotes the implementation of material criteria inspired by the ISO 27001: Information Security Management standard and contextualized in the country's legal guidelines (Law No. 29733).

At the corporate level, we have a Corporate Vice-Presidency of Information Technology, which includes Technology Management and Information Security Management. Both areas work diligently to ensure the protection of the information of our company, our employees, suppliers and customers in the different interaction platforms, such as Microsoft Office, online sales, mobile applications, customer service, among others, and thus mitigate potential cyber threats.

In addition, each business unit has a person in charge of Cybersecurity and Information Security, which allows the execution of guidelines, as well as the deployment of corporate policies and tools, according to the particularities of each unit.

Our Vice President of Technology, Patricia Wissar, has experience in strategic planning, omnichannel ecosystems, technology and digital transformation. She previously served as Corporate Vice President of Systems and Vice President of Technology in companies belonging to the Romero Group. She holds a master's degree from Georgetown University and two bachelor's degrees from Brown University, with a focus on generating a positive impact on both people and business. In addition, the Vice President of Technology has a Head of Cybersecurity, who has a strong background in IT auditing and processes.

On the Board of Directors, we have a member with expertise in risk and cybersecurity, trained to execute and oversee plans with excellence. In addition, our CEO is trained in these topics, and works closely with the Corporate Vice President of Information Technology to ensure that the security policy and the various maturity models are informed, compliant and reflect the company's vision. The action plans are reviewed periodically by the Board of Directors. In addition, our Audit Committee reviews and follows up on cybersecurity cases, which are evaluated by the Board no more frequently than every three months.

Our goal is to maintain and reasonably improve the security level of InRetail companies, based on the principles of financial efficiency and effectiveness. To achieve this, we have a **Corporate Information Security Policy**, which covers aspects of cybersecurity, information privacy, maintenance of confidentiality, integrity, availability of information, as well as the protection of resources and personal data in our operations, suppliers and customers.

The privacy policies of our business units are published on the websites of each of our brands. In these sections, we provide detailed information to our customers on the protection of their personal data:

| | |
|---|---|
| PlazaVea | **Personal Data Policy**<br>https://www.plazavea.com.pe/politicas-de-privacidad-y-uso-de-datos-personales<br>**ARCO rights and privacy**<br>https://www.veaclub.com.pe/arco |

| | |
|---|---|
| Vivanda | **Privacy policy and use of personal data**<br>https://www.vivanda.com.pe/institucional/politica-datos |
| Makro | **Privacy Policy**<br>https://www.makro.pe/politica-de-privacidad |
| Inkafarma | **Privacy Policy**<br>https://inkafarma.pe/politicas-de-privacidad |
| Mifarma | **Privacy Policy**<br>https://www.mifarma.com.pe/politicas-de-privacidad<br>**ARCO Rights**<br>https://arco.mifarma.com.pe/ |
| Real Plaza | **Personal data protection policy**<br>https://www.realplaza.com/politica-de-privacidad |

(GRI 418 3-3)

We use the following tools to manage our activities:

- Maturity model for business units.
- Cybersurveillance service for data protection.
- Ethical Hacking and cybersecurity training processes.
- Endpoint Detection and Response (EDR) to provide visibility and response to advanced threats.

During 2022, we executed the following actions:

- We extend the Ethical Hacking scheme to include ICloud security, not only analyzing the vulnerabilities of the exposed technology, but also applying it to ICloud security and its environments.
- We continue with training and awareness talks on phishing and cybersecurity.
- We conducted a security assessment to measure the cybersecurity maturity of our system, establishing a roadmap of prioritized projects by business unit and maturity ratings in accordance with international industry standards. This initiative allowed us to establish actions for the 2022-2024 period.
- We succeeded in implementing CyberSOC. This system has enabled us to acquire detection capabilities with a view to information security. We are still in the process of implementation.

To ensure that all employees are responsible for the security of the company's information and resources, we conduct annual training, including e-learning on information security, for administrative personnel and in the inductions of our business units. In addition, we trained nine security specialists in the Certified ISO 27001 Lead Implementer course.

| Course | Food Retail | | IR Pharma | | Malls | | Digital | | InRetail | |
|---|---|---|---|---|---|---|---|---|---|---|
| | H | M | H | M | H | M | H | M | H | M |
| Information security | 96 | 125 | 211 | 813 | 266 | 157 | 157 | 154 | 730 | 1,249 |

Finally, we contracted a vulnerability analysis service for the exposed technology which, through attack simulation and network analysis, identified possible risks, which were almost completely remediated. Our area in charge and each company's systems undergo technology and financial audits based on the Corporate Maturity Model.

It is important to note that, in 2022, there were no customer complaints related to information privacy. In addition, we do not use our customers' information for secondary purposes. Although we collect personal data for sending promotions and events of our

brands, it is only done with those registered users who have authorized the use of their data for such purposes, always counting with data consent clauses.

(GRI 418-1)

**Our challenge for 2023:**

Develop the security roadmap, according to the results obtained in the assessment conducted by Deloitte to reinforce governance and cyber risk management issues. Our goal is to increase the level of maturity by implementing internal projects to consolidate our Cybersecurity team.

## 19. Supply Change: the shift to a sustainable value chain

We are committed to working with consistent and responsible companies to ensure that environmental and social risks and opportunities are managed throughout our value chain. Our suppliers are a key group in our sustainability strategy; therefore, we make efforts to evaluate them and standardize their practices. Their development generates a positive impact both for their growth and for our company.

We have more than 8 thousand suppliers among our business units; both commercial (39%) and non-commercial (61%), domestic and foreign.

We work primarily with domestic suppliers, which represent 87% of our total suppliers. This allows us to operate more efficiently, with a lower carbon footprint and a greater economic impact in our local area of influence.

The percentage of purchases from domestic suppliers was 89%.

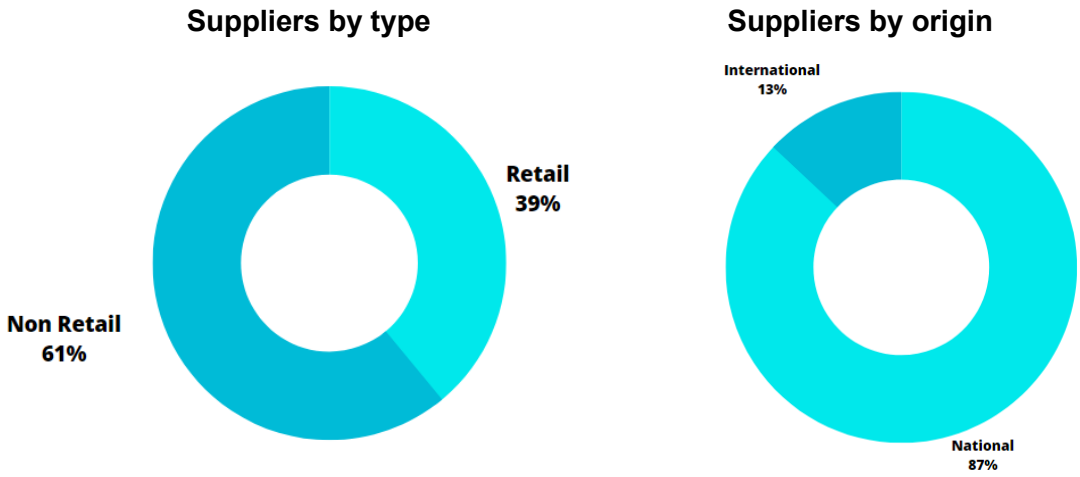
**Suppliers by type**

| Business Unit | 2021 | | 2022 | |
|---|---|---|---|---|
| | Commercial suppliers | Non-commercial suppliers | Commercial suppliers | Non-commercial suppliers |
| Food Retail | 2,701 | 1,499 | 2,590 | 1,485 |
| Pharma Retail and Distribution | 374 | 6,011 | 544 | 2,458 |
| Shopping Malls | 0 | 278 | 0 | 1,014 |
| **Total InRetail** | **3,075** | **7,788** | **3,134** | **4,957** |
| **%** | **28%** | **72%** | **39%** | **61%** |

**Suppliers by origin**

| Business Unit | 2021 | | 2022 | |
|---|---|---|---|---|
| | Domestic suppliers | International suppliers | Domestic suppliers | International suppliers |
| Food Retail | 2,017 | 336 | 3,286 | 789 |
| Pharma Retail and Distribution | 6,009 | 172 | 2,753* | 249 |
| Shopping Malls | 267 | 11 | 991 | 23 |
| **Total InRetail** | **8,293** | **519** | **7,030** | **1,061** |
| **%** | **94%** | **6%** | **87%** | **13%** |

*By 2022 only those suppliers with Purchase Orders are considered.




Our supply chain strategy is mainly based on three fronts:

- We work with commercial suppliers and our own brands that we sell in our stores, which we evaluate with the support of our Quality and Commercial areas.
- The work of the procurement or purchasing areas, which are responsible for acquiring, negotiating, evaluating and managing the suppliers of services, assets and supplies that work for us.
- Finally, a cross-cutting sustainability approach is used to evaluate and work with suppliers on social, environmental, ethics and compliance aspects. 100% of our suppliers (commercial and non-commercial) receive our Corporate Sustainability Guidelines for Suppliers and our Code of Ethics.

| Commercial supplier management | | Supplier management tools |
|---|---|---|
| • Food Retail: we evaluate quality, sanitary registrations, microbiological specifications, labeling, sanitary aspects.<br><br>• Pharma Retail and Distribution: we work with laboratories accredited by the Ministry of Health. All drugs sold in our pharmacies are registered with Digemid. | | • Sustainability Guidelines for Suppliers.<br>• Supplier criticality analysis.<br>• Supplier sustainability risk assessment.<br>• Audit and certification in OHS.<br>• Requirements policy and evaluation of non-commercial suppliers. |

(GRI 204 3-3) (GRI 204 -1)

## 19.1. Responsible Chain: managing our risks

We are convinced that by incorporating supply chain management into our sustainability strategy, we ensure that we reduce our exposure to risk and adequately manage the impacts related to operations in our area of influence. In Annex 4 we present our supplier management strategy, which is summarized as follows:

As of 2022, we have 523 critical suppliers that represent a medium or high risk both for the business and in terms of sustainability.

| Supplier screening | Food Retail | Pharma Retail and Distribution | Shopping Malls | Total InRetail |
|---|---|---|---|---|
| Total number of suppliers | 4,075 | 3,002 | 1,014 | 8,091 |
| Total number of significant suppliers | 397 | 91 | 35 | 523 |
| % of purchases from significant suppliers | 73.53% | 38.35% | 58.60% | 63.67% |

We have evaluated 1,374 suppliers in Food Retail, Pharma Retail and Distribution and Shopping Malls, and we were able to evaluate 28.6% of critical suppliers. Although our goal for 2022 was to evaluate 100%, we recognize that there is still a long way to go to achieve the objective, and therefore in 2023 we will continue to promote the evaluation of suppliers.

We also identified 2 suppliers with critical compliance in ESG criteria, for which we will design a corrective action plan in 2023.

(GRI 308 3-3) (GRI 414 3-3)

| Supplier assessment | Food Retail | Pharma Retail and Distribution | Shopping Malls | Total InRetail |
|---|---|---|---|---|

| | | | | |
|---|---|---|---|---|
| Total number of suppliers assessed | 547 | 425 | 402 | 1,374* |
| % of significant suppliers assessed | 43,3% | 41,0% | 24,9% | 28,6% |
| Number of suppliers with substantial negative impacts | 2 | 0 | 0 | 2** |

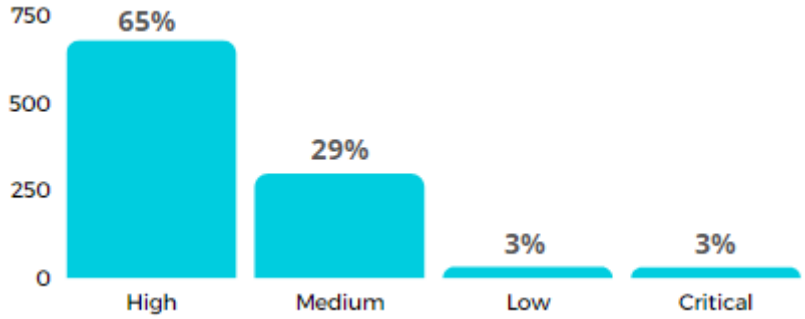
*This value includes suppliers assessed up to July 2023

**In the results of the assessment, it was identified that 20 suppliers obtained a critical compliance rating. However, it is important to note that these suppliers belong to categories related to marketing, advertising, events, IT, among other service areas that are not considered risky for our business.

(GRI 308-1) (GRI 414-1)

In order to ensure a more accurate and equitable assessment for our suppliers, we will be conducting a detailed re-evaluation of the 20 suppliers to check for errors in the interpretation of the questions, and adjusting the assessment criteria for categories that are not considered risky, as certain questions may not be applicable to all sectors. We will also conduct training with these suppliers to provide additional guidance on completing the assessment.

### ESG compliance of assessed suppliers




As part of our improvement plan, we developed our Diversity Symposium aimed at suppliers (see Chapter 9.5 Respect for Human Rights) and our Responsible Chain program, a training program aimed at our retail and non-retail suppliers, where we address issues aligned with our sustainability policies and present suppliers with tools that already exist in the market, seeking to make the information grounded and really useful for them. Thus, in 2022 we have conducted, and will continue to conduct, training on the following topics:

(GRI 308 3-3) (GRI 414 3-3)

### Training for suppliers

| Topics | Participating suppliers | Significant suppliers | Exhibitors |
|---|---|---|---|
| Eco-efficiency and waste management practices | 188 | 164 | Mangle Consulting |
| Plastic pollution | 135 | 94 | Life Out Of Plastic (L.O.O.P.) |
| Food Loss and Waste Reduction | 101 | 86 | Sinba and Banco de Alimentos |
| Reforestation practices and how to become certified | 76 | 56 | Forest Stewardship Council (FSC) |

| | | | |
|---|---|---|---|
| Good Water Consumption and Management Practices | 12 | 7 | Sedapal and National Water Authority |
| Importance of Carbon Footprint measurement | 31 | 23 | Deuman and Ministry of Environment |

Additionally, so far in 2023, the following talks have been held:

| Topics | Participating suppliers | Significant suppliers | Exhibitors |
|---|---|---|---|
| Climate Change and Carbon Footprint | 56 | 33 | World Wildlife Fund (WWF) and the Ministry of the Environment |
| Sustainable Agriculture | 30 | 21 | Environmental Protection Agency |

We have carried out OHS audits and certifications, as well as training in sustainability, diversity, code of ethics and OHS, obtaining the following results.

| Program | Food Retail | Pharma Retail and Distribution | Shopping Malls | Total InRetail |
|---|---|---|---|---|
| Suppliers trained in Responsible Supply Chain | 198 | 3 | 1 | 202 |
| Suppliers trained in Diversity Symposium | 88 | 101 | 12 | 201 |
| Suppliers trained in OHS | 386 | 94 | 4 | 484 |
| OHS approved suppliers | 386 | 101 | 4 | 491 |
| Audited suppliers | 479 | 0 | 0 | 479 |
| of significant suppliers in training programs | 32.7% | 12.1% | 7.32% | 20.9% |

In the case of Food Retail, audited suppliers with observations are given a period of time to lift non-conformities in order to be re-evaluated.

(GRI 308 3-3) (GRI 414 3-3) (GRI 308 3-3) (GRI 414 3-3)

## 19.2. Strengthening of MSMEs

We implement development opportunities for micro, small and medium-sized enterprises (MSMEs) in our value chain. Together with our Food Retail, Pharma and Shopping Malls business units, we have developed various initiatives such as Perú Pasión, Placita del Emprendimiento, Gamarra Imparable, Training for HORECA's and Química Contigo. Our indicators and goals for 2025 are as follows:

| Indicators | Goal | Target year | Progress to 2022 | |
|---|---|---|---|---|
| | | | Quantity | % |

| | | | | |
|---|---|---|---|---|
| N° of small and medium-sized companies with a socio-environmental purpose that sell their products on our commercial platforms. | 400 | 2025 | 251 | 62.8% |
| N° of MSEs that have been trained in commercial, logistical and financial skills. | 10,000 | 2025 | 2,149 | 21.5% |

(GRI 203 3-3) (GRI 203-2)

## Peru Passion

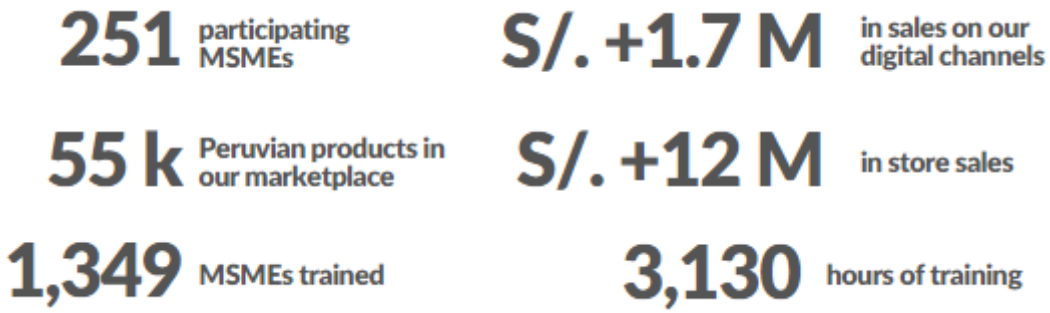
### Intercorp Retail Initiative

Perú Pasión is our MSME development program, where we give them access to new physical and/or digital sales channels in our companies: plazaVea, Real Plaza and other Intercorp business units. Participating MSMEs enjoy preferential commercial conditions such as a 7-day payment commitment and a 20% discount on the payment commission, the latter only for those that accredit social or environmental impact in their operations.

On the other hand, all MSMEs have access to a three-pronged support program:

- Commercial promotion, where we give them preferential exposure in our marketplace, identifying their products with a "tag" and developing commercial campaigns where we grant subsidies in order to boost their sales.
- Training, where we offer them a 100% free training program according to their learning needs, together with allied educational organizations and access to personalized mentoring with leaders of Intercorp Retail companies.
- Financing, where we grant small funds to execute advertising campaigns that give exposure to MSMEs.

During 2022 we achieved:




In addition, we won 1st place in the Metropolitan Volunteering contest of the Municipality of Lima, in the category of Corporate Volunteering with our mentoring program for MSMEs.

(GRI 203 3-3) (GRI 203-2)

## Placita del Emprendimiento

### Real Plaza Initiative

With the aim of promoting spaces that serve as a showcase for small commercial, cultural and, above all, sustainable enterprises, since 2020 we have been promoting the Placita

del Emprendimiento, our Shopping Malls initiative, where visitors to our malls can learn about and buy a variety of products made by Peruvian families.

The entrepreneurs receive a physical module, located in the areas with the highest traffic in the mall, and advice from our team. Thus, 5 of the participating enterprises, due to their growth in sales, have been transformed into modules (tenants) managed directly by Real Plaza. As of 2022, these were the results:

| 16 | +6.4 | +1,800 |
|---|---|---|
| Participating malls | Millions in sales | ventures |

### Gamarra Unstoppable

Together with the Ministry of Production (Produce), we continue with the Gamarra Unstoppable fair, where we seek to contribute to the reactivation of national production, especially of the textile entrepreneurs of the Gamarra commercial emporium who offer garments made of 100% Peruvian cotton.

The participating MSEs were trained in business management, digitalization and productive development by specialists of the National Your Business Program.

### HORECA training

#### Food Retail Initiative

At Makro, we work with HORECA customers (Hotels, Restaurants and Catering, as well as the food trade), who make up 23% of our sales. These are mostly small business entrepreneurs, who rely on our product offerings and low prices for their needs. To date, we have registered more than 200,000 HORECA customers nationwide, whom we seek to positively impact.

From Makro, we seek to contribute to their development and, as part of our extended responsibility approach, we implemented "Makro Cree", a space created to advise our entrepreneurial customers with information and digital tools to help them boost the growth of their businesses.

Among the topics covered were management aspects such as "Entrepreneurship and innovation", "Revolutionize your business with digital tools", "Effective promotions for my business", as well as "Three dishes to improve your restaurant menu and sell more" or "Boost your sales with TikTok. In 2022, our circular gastronomy talk with a renowned chef and the corresponding communication campaign reached more than 2 million people through Makro's social networks.

In this way, we seek to help HORECA customers save costs and avoid waste. As a next step, in 2023 we will implement a plan to transfer sustainable practices in their organizations, in terms of eco-efficiency, use of resources, among others.

### Química Contigo

#### Pharma Initiative and Distribution Center

In order to create a digital ecosystem that allows us to be closer to our customers and promote their development, we continue with our Química Contigo program. Our loyalty program aimed at neighborhood pharmacies, which offers the owners of these

pharmacies, among other benefits, training courses to improve the management of their businesses. In 2022, we had 800 clients participating nationwide in the virtual training courses developed.

(GRI 203 3-3) (GRI 203-2)

# Awards and recognitions

**Food Retail:**

- MERCO TALENTO Ranking, 2022:
  - Supermercados Peruanos S.A. Rank 1, self-service sector. Rank 22 of the top 100.
  - Makro Supermayoristas S.A. Rank 3, self-service sector. Rank 45 of the top 100.
- Ranking MERCO EMPRESAS, 2022: Supermercados Peruanos S.A. Rank 1, self-service sector. Rank 19 of the top 100.
- Ranking MERCO RESPONSIBILITY ESG, 2022: Supermercados Peruanos S.A. Rank 1, self-service sector. Rank 13 of the top 100.
- ANDA Award, 2022: PlazaVea, winner in the best-environmental world category for the Recicla Consciente campaign (a national movement in favor of recycling that unites companies, municipalities, recyclers and citizens).
- Ranking Great Place to Work: Supermercados Peruanos S.A. Rank 6, companies with more than 1,000 employees.
- Ranking Great Place to Work Millennials Peru 2022: Supermercados Peruanos S.A. Rank 5.
- Ranking Great Place to Work Diversity and Inclusion Peru 2022: Supermercados Peruanos S.A. Rank 7.
- Great Place to Work Certification. plazaVea & Vivanda, certified as one of the best companies to work for in the country.
- PAR 2022 Ranking - Aequales: recognition of organizations that promote and defend gender equity, diversity and inclusion. Supermercados Peruanos S.A. Ranked 4th among companies with more than 5,000 employees.

**Pharma Retail and Distribution:**

**Química Suiza**

- Companies that transform the country, recognition awarded by IPAE - Acción Empresarial and the Frieda and Manuel Delgado Parker Association, 2022 edition by the digital platform Mi Química.
- Recognition in three different categories thanks to the brands we represent:
  - P&G: Best LATAM distributor "Brand Development" of Secret.
  - Best brand activation 2022 Sebastian.
  - Best performance in 2021 Wella launch.
- Great Place to Work Certification. Química Suiza, certified as one of the best companies to work for in the country for the second consecutive year.
- Ranking Great Place to Work Millennials Peru 2022: Rank 20, thanks to flex time, development and innovation initiatives.
- Ranking Great Place to Work Diversity and Inclusion Peru 2022: Química Suiza. Rank 20.
- PAR 2022 Ranking - Aequales: recognition of organizations that promote and defend gender equity, diversity and inclusion.
- Present: Certification as a better place to work LGTBIQ+ talent, thanks to our initiatives that embrace diversity with our flagship You initiative.
- Safe Company of the Ministry of Women and Vulnerable Populations, category of safe spaces free of violence and discrimination against women, gold

recognition (promotion of safe spaces free of violence and discrimination against women).
- Spaces free of sexual harassment in the workplace (ELSA): We are certified as an organization with zero tolerance to any type of sexual harassment and violence, thanks to the "No es Normal" initiative within our program La franja de la igualdad.

**Farmacias Peruanas**

- Great Place to Work Diversity and Inclusion Peru 2022 Ranking. Rank 10.
- PAR 2022 Ranking - Aequales: recognition of organizations that promote and defend gender equity, diversity and inclusion. Supermercados Peruanos S.A. Ranked 17th.
- Lima Inclusiva Company, category: labor promotion and employment for young people in vulnerable situations. Rank 2 for Farmacias Peruanas in alliance with Zegel IPAE.

**Shopping Malls**

- MERCO EMPRESAS ranking, 2022: Rank 1, shopping centers sector. Rank 17 of the top 100.
- Ranking MERCO RESPONSIBILITY ESG, 2022: Rank 1, shopping mall sector. Rank 20 of the top 100.
- MERCO TALENTO ranking, 2022: Rank 1 in the shopping mall sector. Rank 28 of the top 100.
- Ranking Great Place to Work: Real Plaza Rank 2 (Peru) Rank 1 (Latin America), companies with more than 251 to 1,000 workers.
- Ranking Great Place to Work Millennials Peru 2022: Real Plaza Rank 7.
- Ranking Great Place to Work Women Peru 2022: Real Plaza. Rank 4.
- Great Place to Work Diversity and Inclusion Peru 2022 Ranking: Real Plaza. Rank 18.
- EFY Peru Ranking Best Companies for Young Professionals in Peru. Rank 7.
- Good Labor Practices of the Ministry of Labor and Employment Promotion 2021, leading the categories:
    - Non-discrimination based on creed, disability, economic status, race and sex.
    - Prevention of sexual harassment and workplace harassment.
- Acknowledgements for the Christmas campaign "The best gift is inside you":
    - Cannes Lions, for the first time. Bronze Award.
    - Ideas, 7 awards in the Audiovisual, Production and Grand Prix categories.
    - El Ojo de Iberoamérica, 3 Bronze awards in the categories "Retail, supermarkets and online stores", "Photography" and "Production".
- Grand Prix VTEX, Rank 2 in the Marketplace category, for our performance in the July Cyberwow.
- Ranking CX Index Customer Experience 2022 in Peru, leading the overall ranking and the shopping center category.
- Certifications: Integrated Management System with ISO 9001 quality management standard; ISO 14001 environmental management standard and ISO 45001 occupational health and safety management standard.
- Second Star in Carbon Footprint Management Peru, certifying our process with SGS.

# Table of Contents GRI

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| Declaration of use | In Retail Peru Corp. has presented the information cited in this GRI content index for the period from January 1 to December 31, 2022 using the GRI Standards as a reference. |
| GRI 1 used | GRI 1: Fundamentals 2021. |

| GRI Standard/Other source | Content | Location |
|---|---|---|
| **General contents** | | |
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# ANNEXES

## Annex 1. Stakeholders

Annually, we review and update our stakeholders for each business unit.

| Food Retail | Pharma Retail | | Shopping Malls |
|---|---|---|---|
| | Pharmacy | Distribution | |
| • Investors<br>• Clients:<br>  ○ Consumers<br>  ○ Locatarios<br>• Suppliers<br>• Employees<br>• Community<br>• Government Entities<br>• Authorities | • Investors<br>• Clients:<br>  ○ Patients<br>  ○ Health professionals<br>• Suppliers<br>• Employees<br>• Community<br>• Government Entities<br>• Authorities | • Investors<br>• Clients:<br>  ○ Pharmacies and drugstores<br>  ○ Health centers<br>• Users: patients, health professionals<br>• Suppliers<br>• Employees<br>• Community<br>• Government Entities<br>• Authorities | • Investors<br>• Clients:<br>  ○ Locatarios<br>• Users: visitors, consumers<br>• Suppliers<br>• Employees<br>• Community<br>• Government Entities<br>• Authorities |

| Stakeholders | Subgroup | Commitments | Communication channels |
|---|---|---|---|
| Investors | - | • Provide clear information on the company's environmental, social and economic performance.<br>• Maintain transparent, ethical and secure commercial and non-commercial relationships with our stakeholders.<br>• Ensure positive and growing economic performance. | • Sustainability and corporate governance report.<br>• Websites.<br>• Investor relations area.<br>• Financial statements.<br>• Conference Calls. |
| Customers | Food Retail:<br>  ○ Consumers<br>  ○ Locatarios<br>Pharmacy:<br>  ○ Patients<br>  ○ Health professionals<br>Distribution:<br>  ○ Pharmacies and drugstores<br>  ○ Health centers | • To provide quality products at low prices.<br>• Provide safe and accessible facilities.<br>• Offer products with added social and environmental values.<br>• Provide clear and transparent information on the composition and traceability of our products. | • Social networks.<br>• E-commerce.<br>• Customer Service Center. |

| Stakeholders | Subgroup | Commitments | Communication channels |
|---|---|---|---|
| | Shopping Malls:<br>○ Locatarios | | |
| Users | Distribution:<br>○ Patients, health professionals<br>Shopping Malls:<br>○ Visitors, consumers | • Provide attention and response to their concerns. | • Complaints and claims channels.<br>• Claim books. |
| Suppliers | • Commercial suppliers<br>• Suppliers of services, assets and supplies | • Align our suppliers with the sustainability and quality standards and criteria of the business units.<br>• Evaluate the performance of our suppliers to ensure that they fully comply with labor regulations and practices.<br>• Provide facilities and technical advice to promote the development of MSMEs and include them in our commercial channels. | • B2B portal.<br>• Camunda.<br>• Web Impulsa Perú Pasión. |
| Employees | • Direct employees<br>• Outsourced employees | • Promote their development in an equitable manner, avoiding any type of discrimination or unjustified differentiation.<br>• Promote high safety, occupational health and environmental standards.<br>• Promote a diverse and inclusive climate and culture, and meritocracy.<br>• Promote personal and work balance.<br>• Inform employees about the company's sustainability policies and practices, encouraging their knowledge and participation in activities. | • Corporate mailing.<br>• Corporate events.<br>• In-store briefings.<br>• Reporting Channels: ConÉtica<br>• Internal social networking groups.<br>• Websites.<br>• Sustainability leaders.<br>• Reporters.<br>• Climate and culture ambassadors.<br>• Sustainability Bulletins.<br>• Sustainability reports. |
| Community | Zone of influence of the malls<br>Households, common pots, NGOs<br>Waste operators | • Create social value through employment generation, environmental awareness and education, and volunteering.<br>• Provide support to vulnerable populations according to their needs and the company's capabilities.<br>• Alleviate hunger and health problems of different vulnerable populations. | • Digital advertising.<br>• Digital and physical material in store.<br>• Store cashiers.<br>• Websites.<br>• Company's social networks.<br>• Press. |

| Stakeholders | Subgroup | Commitments | Communication channels |
|---|---|---|---|
| | | • Inform the community about the positive and negative externalities generated by the company.<br>• Consider social impact variables in decision making, such as the inclusion of minorities, gender equality and vulnerable populations.<br>• Encourage the creation of alliances with the third sector in order to contribute to sustainable development. | |
| Government Entities | Ministries<br>Decentralized development agencies such as PROMPERÚ | Collaborate in the development programs they propose, as well as in the review and opinion of new standards. | Letters, e-mails.<br>Coordination meetings<br>Work tables |
| Authorities | Oversight bodies such as: SUNAT, SUNAFIL, OEFA, Municipalities, DIGEMID | Comply with the requirements established by legal norms. | Information request letters.<br>Virtual platforms of the authorities |

(GRI 2-29)

## Annex 2. Material topics by business unit

| Axis | Linked GRI topic | | Food Retail | Pharma Retail | Shopping Malls |
|---|---|---|---|---|---|
| Environmental | GRI 301 | Materials | Materials: packaging and plastic | | |
| | GRI 302 | Energy | Energy: efficient use | Energy: efficient use | Energy: increase in energy consumption |
| | | | Energy: increase in energy consumption | | |
| | GRI 305 | Emissions | Emissions | Emissions | Emissions (including noise) |
| | GRI 303 | Water and effluents | Water: consumption and availability | | |
| | | | Effluents: contamination | | |
| | GRI 304 | Biodiversity | | | Biodiversity protection |
| | GRI 306 | Waste | Waste | Waste | Waste |
| | | | Waste: Food Waste | | |
| | | No GRI | Animal welfare | | |
| Social | GRI 401 | Employment | Employment: talent retention | Employment: talent retention | Employment: talent retention |
| | GRI 402 | Worker-company relations | | Worker-company relations | |
| | GRI 403 | Occupational health and safety | Occupational health and safety | | |
| | GRI 404 | Training and education | Training and education | Training and education | Training and education |
| | GRI 405 | Diversity and equal opportunity | Diversity and equal opportunity | Diversity and equal opportunity | Diversity and equal opportunity |
| | GRI 406 | Non-discrimination | | | Non-discrimination |
| | GRI 410 | Security internships (surveillance) | | | Security practices |
| | GRI 413 | Communities | Emergency (disaster) preparedness and response | Emergency (disaster) preparedness and response | Communities: promoting citizenship |
| | | | Communities: extension of zone of influence | | Communities: conflicts with neighbors |
| | GRI 414 | Social evaluation of suppliers | | | Social evaluation of suppliers |
| | GRI 416 | Customer health and safety | | Customer health and safety | Customer health and safety |

| Axis | Linked GRI topic | | Food Retail | Pharma Retail | Shopping Malls |
|---|---|---|---|---|---|
| | **GRI 417** | **Customer data privacy** | | | Customer data privacy |
| **Governance and economy** | **GRI 201** | **Economic performance** | | | Economic performance |
| | **GRI 203** | **Indirect economic impacts (linked to the community)** | **Communities: local employment generation** | **Communities: product accessibility** | **Communities: local employment generation** |
| | | | **Communities: product accessibility** | | |
| | | | **Communities: increase in product offerings** | | **Revitalization of the area's economy** |
| | | | **Revitalization of the area's economy** | | |
| | **GRI 204** | **Sourcing practices (local purchases)** | **Sourcing practices** | **Sourcing practices** | |
| | **GRI 205** | **Anticorruption** | | | Anticorruption |
| | | **No GRI** | Customer experience | | |
| | | **No GRI** | **Innovation and digital transformation** | **Innovation and digital transformation** | **Innovation and digital transformation** |
| | | **No GRI** | Cybersecurity | Cybersecurity | |
| | | **No GRI** | | Risk management | |
| | | **No GRI** | | | Continuity of operation |

Note: the texts in blue correspond to corporate material.

## Annex 3. People Analytics

### Table 1. Incorporations by age range

| Business units | 2022 | | | | | |
|---|---|---|---|---|---|---|
| | Number of employees < 30 years old | | Number of employees between 30 and 50 | | Number of employees >50 | |
| | Men | Women | Men | Women | Men | Women |
| SPSA | 7698 | 6295 | 1126 | 1172 | 19 | 21 |
| IR Pharma | 2061 | 3729 | 1009 | 2277 | 29 | 86 |
| Real Plaza | 35 | 30 | 44 | 22 | 0 | 1 |
| Digital | 47 | 64 | 49 | 27 | 1 | 0 |
| TotalInRetail | 9.841 | 10.118 | 2.228 | 3.498 | 49 | 108 |
| | 19.959 | | 5.726 | | 157 | |

### Table 2. Employees by nationality and hierarchy

| Nationality | Top management | | Middle management | | Junior management | |
|---|---|---|---|---|---|---|
| | Men | Women | Men | Women | Men | Women |
| Peruvian | 57% | 56% | 55% | 12% | 50% | 99% |
| Argentine | 100% | 0% | 0% | 0% | 0% | 100% |
| Chilean | 83% | 100% | 0% | 0% | 50% | 100% |
| Venezuelan | 100% | 0% | 0% | 0% | 83% | 100% |
| Colombian | 33% | 100% | 0% | 0% | 67% | 100% |
| French | 100% | 0% | 0% | 0% | 0% | 0% |
| Ecuadorian | 0% | 100% | 0% | 0% | 0% | 0% |
| Brazilian | 67% | 100% | 0% | 0% | 0% | 0% |

(GRI 202-1)

## Annex 4. Health and Safety Initiatives

**Food Retail**

We have a comprehensive occupational health and safety (OHS) management system that complies with the requirements of Law No. 29783 on Occupational Safety and Health. Our OHS team and our policies and procedures enable us to prevent and address incidents involving both our personnel and third parties at our facilities.

Our management system establishes the procedure for preparing and publishing the risk identification and assessment matrix, which is updated annually and in the event of any relevant event. Our matrices include the assessment of risks related to the COVID-19 situation and specific risks for pregnant women.

We facilitate an anonymous channel called STOP, where unsafe acts and conditions can be reported, as well as sharing good practices. In addition, employees have direct access to members of the OHS Committee and safety leaders in each store, who maintain constant communication with the Transversal Safety area to report unsafe acts or conditions.

In case of accidents, we carry out investigations that include interviews with the parties involved, reconstruction of the facts and analysis of causes using the SCAT methodology.

(GRI 403-4)

We have OHS joint committees in each company, made up of representatives elected through an electoral process, in accordance with current regulations. These committees meet monthly and their members have received training on topics such as occupational accidents, inspections, hazard identification, and applicable regulations. The members participate in the approval of system documents, as well as in inspections of the facilities.

(GRI 403-4)

We train our personnel in accordance with the topics established in the regulations, according to their job position: ergonomics, out-of-office work, safety work for logistic equipment, work in cold storage rooms, order and cleanliness, actions in the face of hazards and risks, and emergency response.

In addition to general courses, we reinforce protocols, procedures and other relevant topics twice a year.

Throughout the year we deployed different initiatives under our #ZeroAccidents program, with the aim of raising awareness among our teams in three key areas: preventing frequent accidents, promoting good OHS practices and encouraging mutual care.

(GRI 403-5)

We conduct occupational medical examinations and occupational monitoring of all our employees, using the results to develop a work

plan. In addition, we provide lactation rooms in all our stores to support nursing mothers.

Our comprehensive occupational health program includes Health Caravans, in which medical specialists offer a variety of medical services, massages and psychological support. We also organize a Health Day at our main offices, where we take active breaks and reinforce ergonomic issues.

We have updated our COVID-19 medical surveillance plans and continue to monitor the cases that have occurred.

(GRI 403-3)

All our suppliers undergo an approval process by a third party company that validates compliance with a management system. We also apply controls to third-party employees, requiring the use of personal protective equipment (PPE), complementary risk work insurance (SCTR) and a health card corresponding to their activity. Finally, we hold meetings every two months with maintenance suppliers who carry out high-risk activities, as well as with those suppliers who work within our facilities. The purpose of these meetings is to ensure compliance with safety measures and to review any relevant aspect for the protection of our personnel and facilities.

(GRI 403-7)

In 2022 we obtained 97% compliance in the legal compliance audit, conducted by an auditor registered with the Ministry of Labor. In addition, we conducted semi-annual internal audits and inspections.

At the end of the year, we were able to meet our goals:

- Reduce the accident rate, with the goal of reducing it by 25%, achieving a 47% reduction.
- Comply with internal audits of critical equipment, having as a goal for 2022 >=95%, obtaining as a result 95.6%.
- Close at least 95% of STOP reports, resulting in 98% of reports closed.

As a target for the year 2023, we have set ourselves the goal of reducing the average accident rate by 30%.

One of the main lessons learned has been the improvement of communication, reporting incidents in a timely and appropriate manner. This allows us to analyze the causes and take preventive measures to continue improving our management system.

(GRI 403, 3-3)

**Pharma Retail and Distribution**

Our pharmacies Inkafarma and Mifarma, together with Química Suiza, have structured their management system in accordance with Law N° 29783.

In addition, as of September 2022, Química Suiza has obtained certification of its occupational health and safety management system under the ISO 45001 standard.

(GRI 403-1)

We have an OHS policy and an OHS program that are approved annually by the OHS Committee.

Pharmacies: objectives of the OHS program:

1. Improve and reinforce safety actions related to OHS legal requirements applicable to the company.
2. Develop the elements of the OHS management system.
3. Reduce the rate of occupational accidents and incidents.
4. Strengthen competencies, capabilities and OHS culture.
5. Implement health surveillance of the company's employees and occupational risk control measures in the work environment to prevent accidents and occupational diseases.

Química Suiza: OHS program objectives:

1. To protect the safety and health of all members of the company by preventing work-related accidents, illnesses and incidents.
2. Manage the mitigation of OHS hazards and risks through the hierarchy of controls.
3. Comply with the agreements, provisions, regulations and legislation in force, including those that the company determines or voluntarily subscribes to with customers or other interested parties.
4. Promote that employees and their representatives are consulted and actively participate in all elements of the OHS Management System.
5. Train and raise awareness among our employees and contractor personnel in the fulfillment of the objectives and goals established by the company in relation to the system.
6. Promote continuous improvement of OHS.

To meet these objectives, we make use of the following tools:

- Internal compliance checklist.
- OHS Committee for each company, formed on a parity basis by elected employees and employer representatives to investigate and propose opportunities for improvement in the company.

- IPER C Matrix: for identification of potential risks and action measures.
- Procedures for attention and investigation of accidents and fatalities.
- Matrix of documentary requirements for third party companies.
- Approval for carriers and contractors.

We train our employees at least four regulatory trainings per year, addressing topics such as identification of hazards and risks at work, infrastructure, emergency situations and the use of cleaning chemicals.

We have communication murals in Mifarma, Inkafarma and Química Suiza, where employees are informed about the identification of hazardous work and how to report them by e-mail. We also have safety agents who identify unsafe situations and behaviors.

We investigated all accidents using the 5 Whys methodology in pharmacies and the systematic analysis of the causal chain (SCAT technique) in Química Suiza.

We conduct occupational medical campaigns, such as nutritional campaigns in pharmacies and occupational medical examinations conducted nationwide every two years. At Química Suiza we have an office that promotes active breaks and actions to take care of ergonomics at work.

During 2022, we maintained ConsultApp, a mobile application for monitoring COVID-19 symptoms, and towards the end of the year, the preventive and control programs against COVID-19: Aliados de la salud (pharmacies) and Guerreros con química (Química Suiza) were concluded.

In our management, we incorporated information sessions on hazards and risks at Química Suiza, and we implemented an awareness program based on lessons learned in the pharmacies. On a monthly basis, we provide feedback to our employees on the accidents recorded in order to avoid their repetition.

At Química Suiza, we have a contractor management procedure that includes approval, work permits and induction, especially in high-risk jobs where the presence of a preventionist evaluated by the company is required.

**Shopping Malls**

At Real Plaza, we have an integrated management system developed under the criteria of ISO 9001: Quality, ISO 14001: Environment and ISO 45001: Occupational Health and Safety. All systems are certified for our 20 shopping centers nationwide.

We have established processes to control the risks associated with our external companies and ensure business continuity. We also have a simple reporting process to identify potential hazards and substandard conditions, which employees can register online and track through a database. Our Risk Management approach

allows us to maintain an 80% preventive focus and a 10% emergency focus.

We record and investigate all accidents, using the 5 Whys methodology. Our document management and record keeping (such as the delivery of personal protective equipment, training, reporting of substandard acts or situations, indicators, committee elections and supplier approvals) are maintained using GOSST software.[1].

We have implemented an education and training program for all our employees, which includes mandatory courses such as safety culture, earthquake evacuation and first aid, prevention of musculoskeletal disorders, and healthy eating and lifestyle in myths and truths in times of COVID-19.

We also develop specific courses such as:

- Basic Life Support, CPR and use of automated external defibrillator (AED).
- Management of OHS information, statistics and records.
- OHS management system within the framework of the law in force.
- Plan for the Surveillance, Prevention and Control of COVID-19 in the Workplace.

For our perennial third party companies, we address OHS, sexual harassment, customer service and human rights issues. In addition, we conduct 5-minute talks at the beginning of each shift.

Our participation and consultation mechanisms are clearly defined:

- Process for electing representatives to the OHS Committee, automated in our GOSST system.
- Suggestion box, located in the Japi App mobile application.

During 2022, we set out to implement management tools to control our own risks and those of contractors, subcontractors and suppliers. We were able to review and update the hazard identification and risk assessment matrices, as well as establish a protocol for the entry of contractors based on risk levels.

We also successfully met the objective of preventing and minimizing the occurrence of accidents and incidents in shopping centers, achieving an accident rate of less than 0.5.

As key actions, we carried out a safety culture implementation program, where we redesigned procedures using pictograms, and developed the "Act safe, live japi" program, which included the following actions:

[1] Online occupational health and safety manager.

We have an award for good OHS ideas and practices, in which both our employees and perennial third party companies participate.

## Annex 5. Supply Chain Management Intercorp Retail

We are convinced that supply chain management is a fundamental pillar of our sustainability strategy. By incorporating ESG criteria and sustainable practices throughout the sourcing process, we ensure that we reduce our exposure to risk and adequately manage the impacts related to our operations. Through our strategy, we are committed to making a positive impact on the communities in which we operate, minimizing risks and maximizing opportunities to improve sustainability in our operations. Below, we present our management strategy.

### 1. General Conditions of Contract for Goods and Services

100% of our suppliers, both commercial and non-commercial, receive our Corporate Sustainability Guidelines for Suppliers, which consider compliance criteria, as well as our Code of Ethics. Likewise, in our purchase orders and contracts, we explicitly include the commercial and non-commercial conditions required at the time of initiating commercial relations. In addition, our suppliers go through a registration process where they sign an anti-corruption clause.

### 2. Supplier Identification

We identify suppliers that are significant to our business by considering the following criteria:

- Higher turnover in each business unit: Suppliers that contribute significantly to the company's total sales will be considered critical.
- Few substitutes: Suppliers that offer unique products or services and cannot be easily substituted.
- Private label suppliers: Suppliers that supply the company's own brands will have a critical status due to their direct impact on the company's reputation.
- High ESG risk exposure: Suppliers belonging to high environmental, social and governance (ESG) risk categories.

The identification of risk categories in ESG terms is carried out by the sustainability team, who analyze risk exposure in the following areas:

| Environmental | Social | Governance |
|---|---|---|
| • Natural disasters<br>• Improper handling of chemicals<br>• Availability of raw materials<br>• Traceability | • Accidents and fatalities<br>• Child and forced labor<br>• Discrimination and sexual harassment in the workplace | • Corruption and money laundering cases<br>• Fraudulent hiring<br>• Activities that could lead to crimes. |

This identification exercise is updated every 2 years.

### 3. Supplier Evaluation

#### a. Desk evaluation

At the beginning of 2021 we designed our methodology to evaluate suppliers in ESG aspects through a platform, which, as of 2022, is included as a mandatory requirement for the registration of new suppliers. This evaluation is an affidavit, which implies that suppliers must provide truthful and complete information about their performance in

social, environmental, ethics and compliance aspects. For existing suppliers, the evaluation is sent with the support of the commercial and procurement areas.

Suppliers are rated on 15 criteria related to social, environmental and ethical aspects, including:

1. Health and safety: Checks whether there are adequate health and safety practices in the workplace to protect workers and reduce occupational hazards.
2. Labor rights: Ensures that employees are treated with dignity and respect, that they are paid a fair wage and that their basic labor rights are met.
3. Sexual harassment in the workplace: Evaluate whether the company has a policy or procedure to prevent, deal with and sanction cases of sexual harassment in the workplace, as well as a whistleblower channel to report any cases.
4. Environment: Compliance with environmental laws and regulations is evaluated, as well as sustainability practices and responsible management of natural resources.
5. Business ethics: Investigation of corrupt or unethical business practices, such as bribery or influence peddling.
6. Information security: It is verified whether the supplier has an information security policy that includes measures to protect the confidentiality, integrity and sensitive information of its clients.
7. Code of ethics: It is analyzed whether the company has a code of ethics that covers issues related to the prevention of corruption, money laundering and financing of terrorism. Also, whether the supplier provides regular training to its employees on the content and whether it has an active whistleblower channel.

All suppliers are notified by e-mail of their evaluation results and scores per dimension assessed, as well as the improvement opportunities identified for inclusion in their company's work plan.

Likewise, our evaluation is based on a score of 5, so we established the following levels of compliance:

| High | Medium | Low | Critical |
|---|---|---|---|
| 4.5 - 5 | 2.5 - 4.49 | 1.5 - 2.49 | 0 - 1.49 |

- **High compliance:** The supplier demonstrates a high degree of commitment to the ESG aspects evaluated and complies with more than 90% of the required standards.
- **Medium compliance:** The supplier demonstrates a satisfactory commitment to the ESG aspects assessed and complies with most of the required standards.
- **Low compliance:** The supplier demonstrates a low commitment to the ESG aspects evaluated and requires the implementation of an improvement plan.
- **Critical compliance:** The supplier does not comply with the ESG aspects evaluated and requires the implementation of a corrective plan.

### b. Field evaluation

Each company has its own supplier field audit procedure to ensure compliance with quality processes.

### c. Third-party evaluation

One of the main categories considered as risky in Food Retail is Fruits and Vegetables, that is why 100% of our suppliers receive unannounced audits by a third party, focused on quality, where a hygienic-sanitary and infrastructure inspection is performed and the acquired good practices and certifications are verified.

Likewise, all our service suppliers undergo an approval process by a third party company that validates compliance with a management system related to Occupational Health and Safety.

By 2023, Shopping Malls will extend the homologation to include environmental and sexual harassment aspects of the workplace.

## 4. Supplier Development

### a. Training

Based on the results of the evaluations, the lowest scoring questions are identified and materials, tools and/or training will be developed around these topics to be shared with the low scoring suppliers of these specific topics.

These topics are included in our **Responsible Chain Program**, a training program aimed at our retail and non-retail suppliers, which covers topics aligned with our sustainability policies and needs identified in the supplier evaluation.

It is important to highlight that, as part of this program, we seek to present suppliers with tools that already exist in the market (for example, the Ministry of the Environment's Carbon Footprint platform) to facilitate the implementation of the sustainability standards transferred, as well as to connect them with companies that already have good practices in each of these areas. In this sense, the aim is for the information to be grounded and really useful for them.

Likewise, every year we hold our **Diversity and Inclusion Symposium for Intercorp Retail Group suppliers**. In this event, all our business units join efforts to train their suppliers on issues related to gender equality, prevention and attention to sexual harassment and discrimination. We conducted discussions, dynamics, training and presentations by entities, consultants and leading companies.

### b. Corrective Action Plan

We are currently designing corrective action plans for suppliers with critical compliance in the ESG evaluation.

### c. Monitoring and evaluation

Once the corrective action plans have been deployed, periodic follow-ups will be carried out to evaluate the suppliers' progress in implementing the plan, and adjustments will be made if necessary.

## 5. Deadlines and Goals

Starting in 2023, suppliers with critical compliance must submit a detailed Corrective Action Plan within 45 calendar days of notification via email and/or the platform we establish. Subsequently, specific deadlines will be agreed upon to achieve the objectives established in the plan, which will depend on the complexity of the required actions.

To measure the progress and success of the plan, the supplier shall provide us with evidence of the actions implemented and shall again complete its ESG assessment.

In addition, to track progress and evaluate supplier performance, suppliers are expected to provide data on their operation upon request, such as certifications, carbon footprint or reporting of key indicators for managing the impacts of our value chain.

## 6. Incentives and Recognition

We are in the process of designing recognition and incentive mechanisms for those suppliers that demonstrate a high commitment to environmental and social standards and best practices, to motivate the supplier to achieve the goals established in their development plan and to promote sustainable practices throughout our supply chain.