



## **Sustainability Information 2016 - 2018**

# Board Structure

[https://www.alicorp.com.pe/alicorp-ir/public/userfiles/ckfinder/files/Reglamento%20Directorio\\_VF.pdf](https://www.alicorp.com.pe/alicorp-ir/public/userfiles/ckfinder/files/Reglamento%20Directorio_VF.pdf)

## **Rules of the Board of Directors , Art.6, Pág. 2**

### Article 6. Independent Directors

Independent Directors are those selected for their professional prestige, those who do not have relationship with management of the company, or with the society. Directors who meet the following criteria will be considered independent:

- Not being a director or employee of a company of the same business group, unless 3 or 5 years have passed, since the termination of that employment relationship.
- Not being an employee of a shareholder of the company.
- Not having more than 8 continuous years as a director of the company.
- Not having, or having had in the last 3 years a business or contractual, direct or indirect relationship, and of significance with the company or any other company of its same group.
- Not being a spouse, nor having first or second-degree kinship or first degree of affinity, with shareholders, members of the Company's Board of Directors or Senior Management.
- Not being a director or member of the Senior Management of another company in which any director or member of the Senior Management of the Company is a member of the Board.
- Not having been in the last 8 years senior management or employees either in the company, in companies of the same group or in a shareholder of the company.
- Not having been partner or employee of the external Auditor or Auditor of any company of the same group for the last 3 years.

The independent directors must declare to the company on an annual basis the compliance of the independence criteria detailed above. The Board shall verify compliance with the independence criteria detailed above.

**Non-executive Chairman/Lead Director**

# Non-executive Chairman/Lead Director



[https://www.alicorp.com.pe/alicorp-ir/public/buen-gobierno-corporativo/organizacion/ejecutivos\(726\).htm](https://www.alicorp.com.pe/alicorp-ir/public/buen-gobierno-corporativo/organizacion/ejecutivos(726).htm) |

## Alicorp Management Committee

Alfredo Pérez  
Gubbins  
CEO

Patricio Jaramillo  
Saá  
Vice President

Hugo Carrillo  
Goyoneche  
CEO VITAPRO

Jose Cabrera  
Indacochea  
Vice President

Stefan Stern Uralde  
Vicepresident Alicorp  
Soluciones

Pedro Malo Rob  
Vice President of  
digital Corporate  
strategy

Jaime Butrich  
Velayos  
Coporate Vice  
President Supply  
Chain

Paola Ruchman  
Lazo  
Corporate Vice  
President of  
Human Resources

Luis Estrada Rondon  
Corporate Vice  
President of Raw  
Materials

Magdalena  
Morales Valentín  
Vice President of  
Corporate Affairs

Juan Moreyrra  
Marrou  
Coporate Vice  
President of  
Finance

# Non-executive Chairman/Lead Director



<https://www.alicorp.com.pe/alicorp-ir/public/buen-gobierno-corporativo/organizacion/directores.html>

## Alicorp Directors

Dionisio Romero  
Paoletti  
Chairman

Luis Romero  
Belismelis  
Vice President of  
the Board

Jose Antonio  
Onrubia Holder  
Director

José Raimundo  
Morales Dasso  
Director

Arístides de Macedo  
Murgel  
Director

Juan Carlos  
Escudero Velando  
Director

Manuel Romero  
Belismelis  
Director

Rafael Romero  
Guzmán  
Director

Calixto Romero  
Guzmán  
Director

Lieneke María  
Schol  
Director

Marco Aurelio  
Peschiera  
Fernández  
Director

None of our  
directors are  
executives in  
Alicorp.

# Gender Diversity

<https://www.allicorp.com.pe/allicorp-ir/public/buen-gobierno-corporativo/organizacion/directores.html>

## Alicorp Directors

On March 30, 2016, the directors were appointed for a term of three years (March 2016 to March 2019)

Dionisio Romero  
Paoletti  
Chairman

Luis Romero  
Belismelis  
Vice President of  
the Board

Jose Antonio  
Onrubia Holder  
Director

José Raimundo  
Morales Dasso  
Director

Arístides de Macedo  
Murgel  
Director

Juan Carlos  
Escudero Velando  
Director

Manuel Romero  
Belismelis  
Director

Rafael Romero  
Guzmán  
Director

Calixto Romero  
Guzmán  
Director

Lieneke María  
Schol  
Director

Marco Aurelio  
Peschiera  
Fernández  
Director



# Board Effectiveness

<https://www.bvl.com.pe/hhii/B30006/20190222134201/REPORTE32PBGC32A32Y32D.PDF>

Percentage of attendance of the Directors to the Board meetings during the exercise 2018 (page 9).

<b>Directors</b>	<b>Percentage of Attendance (2018)</b>
Dionisio Romero Paoletti	91.66
Luis Enrique Romero Belesmelis	91.66
José Antonio Onrubia Holder	83.33
Calixto Romero Gusmán	100.00
Angel Manuel Irazola Arribas	91.66
José Raimundo Morales Dasso	75.00
Arístides del Macedo Murgel	91.66
Carlos Miguel Heeren Ramos	83.33
Juan Carlos Escudero Velando	100.00

# Average Tenure

# Average Tenure



<https://www.alicorp.com.pe/alicorp-ir/public/buen-gobierno-corporativo/organizacion/directores.html>

The average tenure from our Directors is as follow:

- Dionisio Romero Paoletti, Chairman of the Board of Directors of Alicorp since 2002 and Director of the company since 2001.
- Luis Romero Belismelis, Vice President of Alicorp since August 2006 and Alternate Director since 2001.
- Jose Antonio Onrubia Holder, Director of Alicorp since August 2006 and Alternate Director of the company since March 2001.
- José Raimundo Morales Dasso, Director of Alicorp since March 2008.
- Arístides de Macedo Murgel, Director of Alicorp since March 2010.
- Jose Carlos Escudero Velando, Director of Alicorp since April 2016.
- Manuel Romero Bellismelis, Deputy Director of Alicorp since August 2006.
- Rafael Romero Guzmán, Alicorp, Deputy Director since August 2006.
- Calixto Romero Guzmán, Alicorp, Director of Alicorp since 2002.
- Lieneke María Schol Calle, Director of Alicorp since March 2019.
- Marco Aurelio Peschiera Fernández, Director of Alicorp since March 2019.

## Board Industry Experience

<https://www.alicorp.com.pe/alicorp-ir/public/buen-gobierno-corporativo/organizacion/directores.html>

## Board Experience

### **DIONISIO ROMERO PAOLETTI**

Chairman

Chairman of the Board of Directors of Alicorp since 2002 and Director of the company since 2001. He is also director of several companies in the industrial, commercial and service sectors. He holds a Bachelor's Degree in Economics and International Relations from Brown University (USA) and a Master's Degree in Business Administration from Stanford University (USA).

### **LUIS ROMERO BELISMELIS**

Vice-president of the Board

Vice President of Alicorp since August 2006 and Alternate Director since 2001. He is also director of several companies in the industrial sector, trade and services. Central Manager of Administration and Finance since 1992. Central Manager of Finance, Administration and Systems from 2002 to December of 2005. He has a Bachelor's Degree in Economics from the University of Boston (USA).

# Board Industry Experience



## **JOSE ANTONIO ONRUBIA HOLDER**

Director

Director of Alicorp since August 2006 and Alternate Director of the company since March 2001. He is also director of several companies in the industrial sector, trade and services. Central Sales and Distribution Manager since 1995. Central Sales Manager from 2002 to December 2005.

He has a Bachelor's Degree in Business Administration from Saint Michaels College (USA) and a Master's Degree from Babson College (USA).

## **JOSÉ RAIMUNDO MORALES DASSO**

Director

Director of Alicorp since March 2008. Vice Chairman of the Board of Directors of Credicorp Ltd., member of the Board of Directors of Atlantic Security Bank, Banco de Crédito of Bolivia, El Pacífico-Peruano Suiza Insurance and Reinsurance Company and Cementos Pacasmayo. He held the position of General Manager of Banco de Crédito BCP until March 2008. He has a Bachelor's Degree in Economics and Business Administration from Universidad del Pacífico (Peru), and has a Master's Degree in Business Administration from the University of Pennsylvania, Wharton Business School (USA). Mr. Raimundo Morales has no financial or kinship relationship with the other members of the board of directors, management staff or shareholders of Alicorp

## **ARÍSTIDES DE MACEDO MURGEL**

Director

Director of Alicorp since March 2010. He served as Executive Director of Kraft Peru from 1999 to 2001 and as Executive Director of Kraft Venezuela from 2001 to 2003. He also served as President of Kraft Brasil from 2003 to 2006 and as President of Kraft Andina from 2007 to 2009. He has a degree in Business Administration from the School of Management of Sao Paulo - Getulio Vargas Foundation (Brazil). Mr. Arístides de Macedo has no financial or kinship relationship with the other members of the board of directors, management or shareholders of Alicorp.

## **JUAN CARLOS ESCUDERO VELANDO**

Director

Director of Alicorp since April 2016. Partner of the firm GRAU Abogados since 1998 and professor of the Business Specialization program of the ESAN University.

He has a Law Degree from the Catholic University of Peru (Peru) and a Master of Laws from the University of Connecticut School of Law (USA) and specialization studies from the George Washington University Law School (USA).

Mr. Juan Carlos Escudero Velando has no financial or kinship relationship with the other members of the board of directors, management or shareholders of Alicorp.



## **MANUEL ROMERO BELISMELIS**

Director

Deputy Director of Alicorp since August 2006. Previously he served as Alternate Director of Mr. Javier Beeck Onrubia from March 2001 to March 2004 and as Alternate Director of Mr. Ernesto Romero Belismelis from 2004 to August 2006. Also, He is Director of different companies in the Industrial, Trade and Services sector.

## **RAFAEL ROMERO GUZMÁN**

Director

Alicorp Deputy Director since August 2006. Previously, he served as Alternate Director of Mr. Calixto Romero Guzmán from March 2004 to August 2006. He holds a BA in Administration and Finance from North Eastern University, Boston (USA).

## **CALIXTO ROMERO GUZMÁN**

Director

Director of Alicorp since 2002. He is also director of several companies in the industrial sector, trade and services.

## **LIENEKE MARÍA SCHOL CALLE**

Director

Director of Alicorp since March 2019. He is also director of Banco Pichincha, Care Peru and OWIT Peru. In 2018, she served as Minister of Production of Peru, and from 2017 to 2018, she was Secretary of Digital Government.

Ms. Schol holds a bachelor's degree in Industrial Engineering from the University of Lima (Peru) and a master's degree in Business Administration from the Adolfo Ibañez School of Management

## **MARCO AURELIO PESCHIERA FERNÁNDEZ**

Director

Director of Alicorp since March 2019. He is also director of several companies in the services, commercial and industrial sectors. Previously, he served on the board of different companies in the banking and financial sector. Mr. Peschiera has been CEO of DI Propiedades S.A, Piurano Group of Inversiones S.A., Inversiones Piuranas S.A. and Inversiones Valle del Chira S.A since November 2017 and CEO of GRIO S.A. since January 2018.

Mr. Peschiera holds a bachelor's degree in administration from the University of Lima (Peru) and a master's degree in business administration from the Wharton School of the University of Pennsylvania (USA).

# Executive Compensation - Success Metrics

Alicorp has defined indicators to guide the CEO's variable compensation. The indicators are gathered on the Scorecard Alicorp, which is shared throughout the whole company during the year and is partially composed of both the short term (PIA) and the long term bonus (ILP).

Examples of indicators are: Sales Growth EBITDA Efficiency Ratio Net debt / Free Cash Flow and Return On Invested Capital

# Government Ownership

# Government Ownership



<https://www.alicorp.com.pe/alicorp-ir/public/buen-gobierno-corporativo/composicion-del-accionariado.html>

## Composition of the shareholders

Shareholders	% of Capital
Romero Group	45.22
AFP's	29.03
Mutual Funds and Inv.	13.90
Others	11.85

As you may see on the website, the composition of the shareholding, in which it appears as "others" which is 10.1% of the shares. The detail of those who make up these "others" is not public and is mostly composed of natural persons. No government entity is a shareholder of Alicorp.

# Family Ownership



# Family Ownership



The members of the Romero and Onrubia family (Romero Group), as can be seen in the following link

<http://www.smv.gob.pe/ConsultasP8/temp/ALICORP%20S.AA03.04.2019.pdf>

are owners of more than 40% of the voting shares of the company through shares on a personal basis and through companies.

This shareholding is the Romero Group as reported on the corporate governance page of our company.

<https://www.alicorp.com.pe/alicorp-ir/public/buen-gobierno-corporativo/composicion-del-accionariado.html>

Shareholders	% of Capital
Romero Group	45.22
AFP's	29.03
Mutual Funds and Inv.	13.90
Others	11.85

# Dual Class Shares

# Dual Class Shares



[https://www.bvl.com.pe/jsp/Inf\\_EstadisticaGrafica.jsp?Cod\\_Empresa=21400&Nemonico=ALICORI1&Lista\\_do=|ALICORI1](https://www.bvl.com.pe/jsp/Inf_EstadisticaGrafica.jsp?Cod_Empresa=21400&Nemonico=ALICORI1&Lista_do=|ALICORI1)

Empresas / Empresas en la BVL

Empresas con valores listados

**ALICORP S.A.A.**  
INDUSTRIALES

Resumen | **Historia de cotizaciones** | Hechos de importancia | Información corporativa | Información financiera

Valor: **ALICORI1**

**ALICORI1**

■ Información fundamental

Fecha : 04/06/2019 Nro. acciones en circulación : 7,388,470 Valor Nominal : S/. 1.00 Capitalización : S/. 57,630,066.00

Últimos beneficios

Derechos	Fecha de Acuerdo	Fecha de Corte	Fecha de Registro	Fecha de Entrega
S/. 0.24 Efe.	28/03/2019	23/04/2019	25/04/2019	28/05/2019

■ Última transacción

Fecha / Hora	Precio Actual	Precio Apertura	Variación (+/-)	% Variación (+/-)	Monto negociado (S/.)
				%	

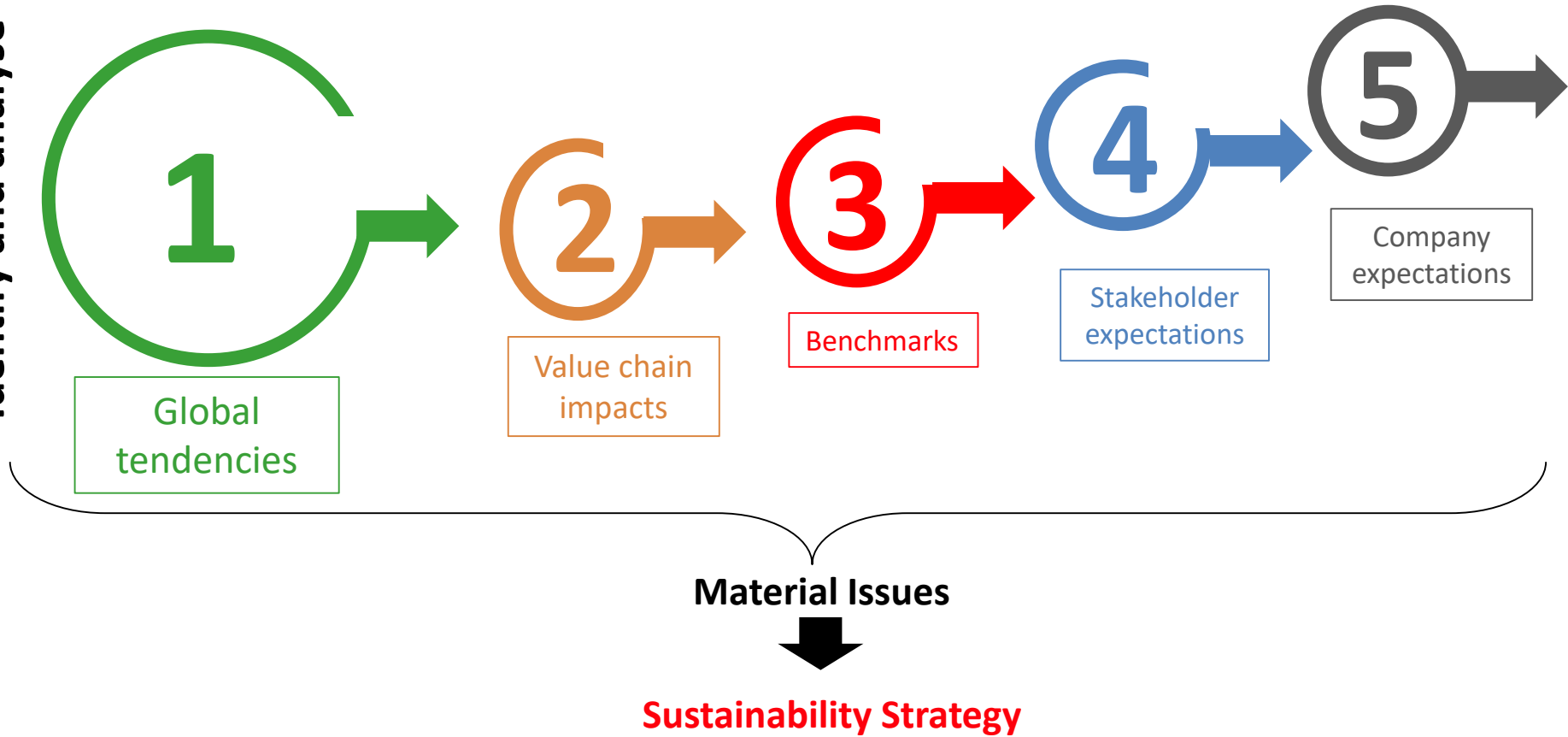
■ Último día bursátil

Precio Apertura	Precio mínimo	Precio máximo	Precio al cierre	Nro. Acciones o lotes negociados	Monto negociado (S/.)	Var. día (+/-)	Var. día (+/-)
							%

In this web page, you may find Valor: ALICORI1 Which are investment stock that don't have a vote. See Nro. acciones en circulación to see listed stock. You may also find Valor: ALICORC1. Which are common stock that have 1 vote each. See Nro. acciones en circulación to find listed stock.

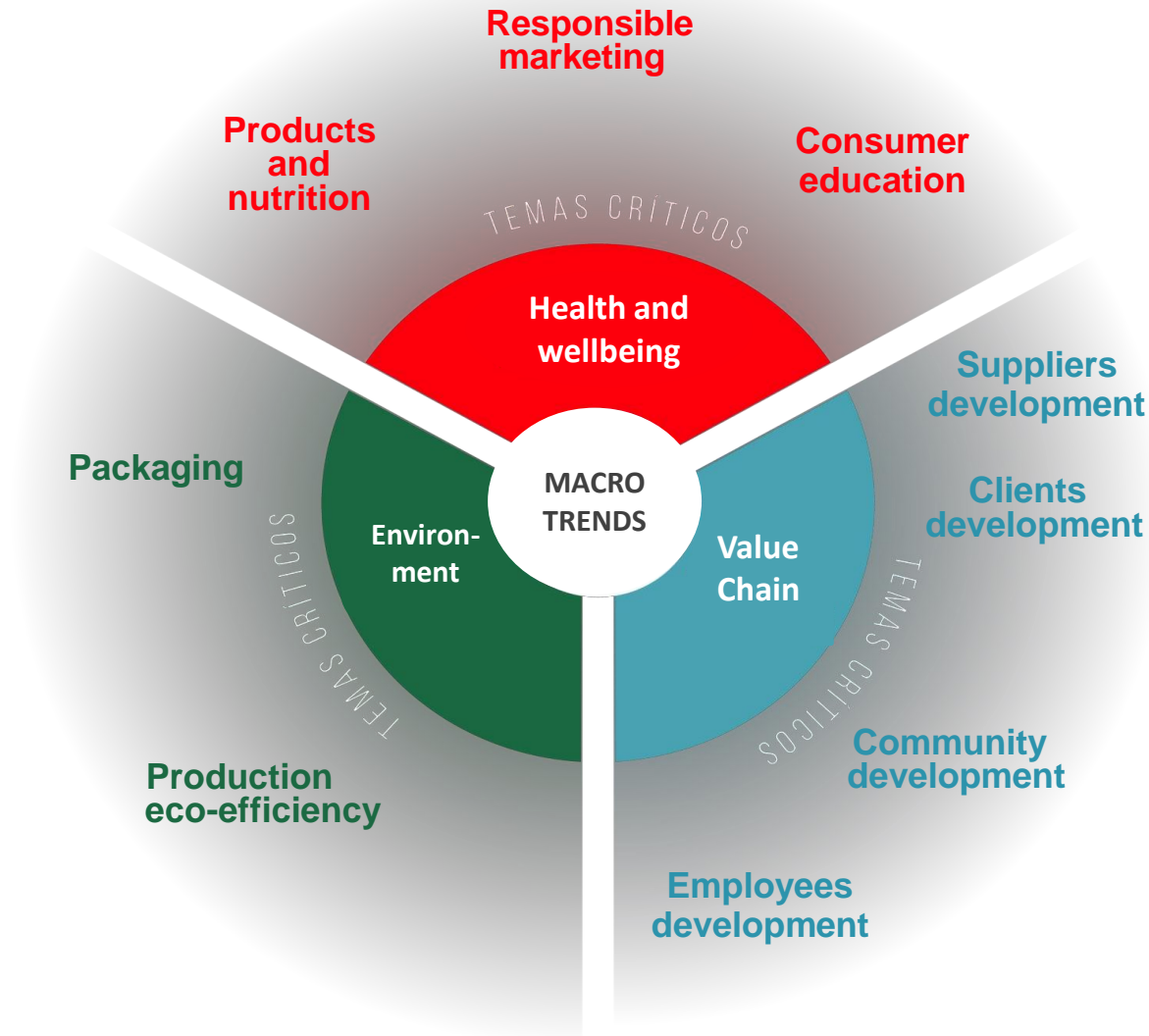
# Materiality Disclosure

Identify and analyse



## As a result ...

The main material issues for our company are:



# Codes of Conduct

<https://www.alicorp.com.pe/alicorp-ir/public/userfiles/ckfinder/files/Guia%20de%20Compromisos%20%20eticos.pdf>

Aspect covered by the company's code of ethics, called the Ethics Commitment Guide, which applies to employees and board members of Alicorp and subsidiaries (scope outlined on page 4).

**Corruption and bribery:** Aspect covered by the company's code of ethics, called the Ethics Commitment Guide, which applies to employees and board members of Alicorp and subsidiaries (scope outlined on page 4). Likewise, the Corporate Policy for the Prevention of Fraud and Corruption states that "Alicorp adopts zero tolerance if any employee (regardless of their position or the duration of their work at Alicorp) or a member of the Board of Directors, commits, participates, contributes and/or has knowledge and does not report any act or conduct constituting fraud, corruption or other irregularities." (Ethics Commitment Guide - page 30-32; Corporate Policy on Fraud and Corruption Prevention).

**Discrimination:** Aspect covered by the company's code of ethics, called the Ethics Commitment Guide, which applies to employees and board members of Alicorp and subsidiaries (scope outlined on page 4, Ethics Commitment Guide - page 14-15).

**Confidentiality of information:** Aspect covered by the company's code of ethics, called the Ethics Commitment Guide, which applies to employees and board members of Alicorp and Subsidiaries (scope outlined on page 4). Page 21-23 of the Ethics Commitment Guide states that: "We manage Alicorp's information considering it a valuable asset, so we act as stated in the Corporate Policy on Information Security."

**Conflicts of interest:** Aspect covered by the company's code of ethics, called the Ethics Commitment Guide, which applies to employees and board members of Alicorp and subsidiaries (scope outlined on page 4). Page 18 of the Ethics Commitment Guide states that: "We act with honesty and ethics avoiding situations that represent or could represent a conflict between personal interests and those of Alicorp's." (Ethics Commitment Guide - page 18; Corporate Conflict of Interest Policy).

**Antitrust/anti-competitive practices:** Aspect covered by the company's code of ethics, called Ethics Commitment Guide, which applies to collaborators and board members of Alicorp and subsidiaries (scope outlined on page 4). Page 29 of the Ethics Commitment Guide states that "We vigorously compete based on high ethical standards and with the utmost respect for the laws regulating the free market." (Ethics Commitment Guide - page 27).



**Money-laundering and/or insider trading/dealing:** Aspect covered by the company's code of ethics, called the Ethics Commitment Guide, which applies to employees and board members of Alicorp and subsidiaries (scope outlined on page 4). Page 32 of the Ethics Commitments Guide states that "We comply with the rules on money laundering and the prevention of terrorist financing. We also support local and international efforts to prevent financial crime, so we take action to prevent our activities from being used for illegal operations that undermine the legitimacy and transparency of local and international trade. On the other hand, we have a Corporate Policy of Use of Proprietary Information. (Ethics Commitment Guide - pages 22 and 32. Corporate Policy for the Use of Proprietary Information).

**Environment, health and safety:** Aspect covered by the company's code of ethics, called the Ethics Commitment Guide, which applies to employees and board members of Alicorp and subsidiaries (scope outlined on page 5). Page 15 of the Ethics Commitment Guide states that "We provide a work environment that ensures the physical integrity of the people of Alicorp". In addition, page 32 states that "We are committed to protecting the environment and developing environmentally sustainable activities. We comply with applicable environmental laws and regulations for our businesses and promote the efficient use of resources." (Ethics Commitment Guide - page 32)

**Whistleblowing:** Aspect covered by the company's code of ethics, called the Ethics Commitment Guide, which applies to employees and board members of Alicorp and subsidiaries (scope outlined on page 5). Page 38 of the Ethics Commitment Guide states that "When we are aware of a situation of possible non-compliance with our Ethics Commitment Guide or our policies, we must report it immediately. To do this, we make these channels available to our collaborators: (...) reporting through the Alicorp's Ethics Line. This channel is operated by an independent firm, has several platforms and allows anonymous reporting (Ethics Commitments Guide - page 38)

## **Referenced policies:**

**Corporate Conflict of Interest Policy:** Defines the guidelines to follow in relation to situations that could lead to a Situation of Conflict of Interest with respect to the company, page 1.

**Corporate Policy on Information Security:** Establish the corporate information security policy with the purpose of protecting the Information about Alicorp and subsidiaries at the regional level ensuring their confidentiality, availability and integrity, to minimize risks and ensure the continuity of their operations, page 1.

**Corporate Policy for the Prevention of Fraud and Corruption:** Establishes general guidelines, frame of reference and procedures to follow for the prevention and detection of acts related to fraud and corruption, page 1.

**Corporate Policy of Use of Proprietary Information:** Establishes the general guidelines, the frame of reference and the procedures to be followed for the proper use of the insider information of the company, page 1.

# Corruption and Bribery

[https://www.alicorp.com.pe/alicorp-ir/public/userfiles/ckfinder/files/Politica%20Corporativa%20de%20Prevencion%20del%20Fraude%2C%20Corrupcion%20y%20Aprov%20echamiento%20del%20Cargo\(1\).pdf](https://www.alicorp.com.pe/alicorp-ir/public/userfiles/ckfinder/files/Politica%20Corporativa%20de%20Prevencion%20del%20Fraude%2C%20Corrupcion%20y%20Aprov%20echamiento%20del%20Cargo(1).pdf)

Corporate Policy for the Prevention of Fraud and Corruption: Establishes general guidelines, frame of reference and procedures to follow for the prevention and detection of acts related to fraud and corruption, page 1.

## **5.1 Fraud**

The Company requires compliance with applicable accounting standards and prohibits the preparation of records, documents or reports that do not reflect reality, as well as the destruction or improper handling of them.

## **5.2 Use of the position**

Likewise, it is strictly forbidden to accept or request personal benefits of material value on the part of contractors or suppliers, whose granting could be understood as having the purpose of being an incentive to perform an act that goes against their responsibilities in the Company and its policies, such as the Corporate Gift Policy and Attentions. All gifts, attention or donations to private entities must be made in their name, following the provisions stipulated both in the Corporate Policy of Donations, Sponsorships and Auspices.

## **5.3 Corruption**

In accordance with the provisions of the Ethical Commitments Guide, the Company's policy is zero tolerance for corruption in the performance of its business activity, both in the public sector (Corruption of public officials) and in the Private (Private Corruption). No end justifies a behavior outside the ethical principles that guide the Company activities.

# Client Satisfaction Measurement

# Client Satisfaction Measurement



In Alicorp, we use IRENE, the net recommendation index, to measure client satisfaction. It is measured in the same way as the level of satisfaction, only that it is framed under the question: *"Would you recommend Alicorp?"*

Our results are the following:

2016	2017	2018
69.30%	69.00%	70.00%

These results correspond to Alicorp Soluciones, our company's B2B division.

# Largest Contributions and Expenditures

# Largest Contributions and Expenditures



Alicorp collaborates with different trade associations:

<b>Name of organization, candidate or topic</b>	<b>Type of Organization</b>	<b>Total amount paid in FY 2018</b>
Sociedad de Comercio Exterior del Perú	Trade association	78'884.00
Asociación Peruana de Empresas de Consumo Masivo	Trade association	38'604.00
Asociación Nacional de Anunciantes	Trade association	38'200.00

Currency: PEN - Sol



# Responsible Supply Policy

# Responsible Supply Policy



Our purpose, as Alicorp S.A.A. and its subsidiaries (hereinafter, the company), is *to feed a better tomorrow*. We want to generate value and well-being for the society and communities where we operate.

As a demonstration of this vision, we manage our business under a sustainability framework that considers not only the economic perspective, but also the social and environmental impact generated by our operations. Therefore, our sustainable development strategy has three dimensions:

1. Health and Well-being: We promote health and well-being among the families of the countries where we operate by providing a wide portfolio of relevant products and information to the consumers.
2. Environmental: We are committed to mitigating the environmental impacts resulting from our business activities and focusing on the efficient use of resources.
3. Value chain development: We encourage the development of allies in our value chain: collaborators, suppliers, customers, consumers, communities, and society.

As part of our commitment to the development of our supply chain, we have developed this Responsible Supply Policy which is in line with our values and ethical commitments. This Policy defines and introduces our responsible supply standards, which we promote and expect our suppliers to comply with. In turn, as they use this important tool for their own development, they will be ensuring their good economic, social, and environmental management.

**Alfredo Perez Gubbins**  
**CEO**

## Contents

We have developed this Policy considering our strategic planning, as well as the expectations of our internal and external stakeholders and applicable legislation. In line with our sustainable development approach, our RSP covers the following topics:

- 1. Welfare and human rights,**
- 2. Environment,**
- 3. Ethical business and good governance.**

Our RSP supports the Fundamental Principles of the International Bill of Human Rights which consists of the Universal Declaration of Human Rights, the International Labour Organization Declaration on Fundamental Principles and Rights at Work, rejecting all acts of corruption, in all its forms. Our suppliers must adhere to this policy.

## Welfare and human rights

At Alicorp, we hope that our suppliers share our commitment to human rights; that is, to carry out their employment practices in full compliance with all applicable laws and regulations in the countries where they operate.

We also promote good labor practices and expect our suppliers to place special emphasis on the following topics:

**No discrimination.** We promote harassment-free and discrimination-free workplaces. We expect that suppliers will not discriminate when hiring, compensating, giving access to career development, promoting, terminating or retiring staff based on race, color, sex, national origin, religion, age, disability, gender identity or expression, marital status, pregnancy, sexual orientation, political or union affiliation of their employees or applicants

**Free, prior and informed consent.** Indigenous or vulnerable communities that may be affected by the activities carried out in their lands and with their natural resources undertaken by the company's suppliers shall have the possibility of granting or withholding their free, prior and informed consent, and the suppliers shall be transparent and subsequently disclose the contract and agreements.

## Environment

We, in Alicorp, acknowledge our responsibility to protect the environment and we expect our suppliers to follow suit. Therefore, we promote the implementation of measures that seek to reduce, mitigate, or eliminate our impact on the environment through the performance of good conservation and maintenance practices in our facilities and production processes.

As part of this commitment, we promote and expect all Alicorp suppliers to comply with the following:

**Environmental laws and regulations.** Comply with applicable environmental laws and regulations of the country where they operate regarding the handling and use of hazardous materials; air, water, and land emissions; wastewater management; and waste management.

**Environmental permits.** Obtain and maintain valid all environmental permits and records required and comply with the corresponding operational and reporting requirements.

**Prohibited and dangerous substances.** Comply with laws, regulations and requirements applicable to the handling of specific substances considered hazardous and identified as such under existing scientific or official information.

**Sustainable practices.** Include sustainability practices in its operations and activities with the purpose of reducing emissions, effluents and polluting residues, and achieving efficiencies in the use of certain potentially polluting inputs (e.g., use of plastic).

**Adequate solid waste management.** Ensure proper management, treatment and disposal of the solid waste generated by its operation. This process must include the segregation of hazardous and non-hazardous waste, disposing of them in accordance with the law of the country of operation.

## **Ethic Businesses and Good Governance**

**Zero tolerance for corruption,** money laundering and the financing of terrorism. Alicorp has zero tolerance for any form of public or private corruption committed by our suppliers. Therefore, suppliers shall never offer or give bribes to public officials or executives working in the private sector, directly or through third parties. Suppliers must comply with the standards of conduct described in our Corporate Policy on the Prevention of Fraud, Corruption and Taking Advantage of a Position, as well as any applicable legislation on corruption, money laundering and financing of terrorism, and also that which regulates the management of interests, the delivery of gifts, payments to public officials and contributions to political parties.

**Managing conflict of interest.** Suppliers shall avoid situations of conflict of interest, such as negotiating directly with any Alicorp employee whose partner (by marriage, cohabitation or other form of common-law marriage under the law) or relative of first, second or third degree of consanguinity maintains a significant financial interest or holds an important managerial or executive position (as shareholder, partner or beneficiary) at the supplying company.

Any identified potential conflict of interest in connection with one of Alicorp's collaborators shall be reported to the company. Additionally, pursuant to the Corporate Gifts and Attentions Policy, suppliers shall never present gifts to Alicorp's collaborators.

**Compliance with laws applicable to commercial controls.** We expect our suppliers to comply with all applicable market controls, as well as export, re-export and import laws and regulations in force in the country of operation

# Development of Health and Nutrition Strategy



In Alicorp, we seek to promote health and well-being by encouraging a holistic healthy lifestyle. We believe that by doing so we can contribute to the development of wholesome, ethical, and healthy citizens and families in the countries where we operate.

We Feed a Better Tomorrow. For this reason our interest is to deliver quality of life to consumers by providing a product portfolio that addresses their different needs for well-being, nutrition and enjoyment. We seek to understand and answer the nutritional needs of our consumers.

Our strategy includes:

- Adjusting the nutritional profile of our products to our consumers' needs
- Responsibly managing advertising
- Correctly labelling our products according to local legislation, nutritional standards and GDAs
- Promoting a culture of self-care and fostering healthy lifestyles among employees and society

# **Social Reporting - Quantitative Data**

## Social Reporting - Quantitative Data

The social Key Performance Indicators (KPIs) results are the following:

KPI	Target	Target year
KPI 1: % of reduction of salt and sugar levels in our portfolio	10	2018
KPI 2: # of people trained as a part of CSR programs	5500	2019
KPI 3: # of participants of the Youth Labour training program hired by Alicorp	350	2019

These targets are accumulative and were set with a deadline year of 2021.

In 2018 we reformulated our sustainability strategy, setting new social KPIs for 2019/2020. Thus we maintain previous targets until the new ones are publicly shared.

The social reporting coverage is 50-75% of our business operations.

# Freedom of Association

Alicorp respect the freedom of association and maintain a constant dialogue and open communication with the unions.

35% of the workers of Alicorp S.A.A. is unionized.

# Human Rights - Commitment

<https://www.alicorp.com.pe/alicorp-ir/public/userfiles/ckfinder/files/Guia%20de%20Compromisos%20%20Eticos.pdf>

## Ethics Commitment Guide Page - 32

Respect for human rights

We act in a responsible manner respecting **the Universal Declaration of Human Rights** and we have a strong commitment to compliance.

We therefore guarantee that employment is freely chosen and we reject labor exploitation, child and forced labor, and we do not participate in businesses that promote practices that go against human rights.

We recognize the right of the people who integrate Alicorp to free associate.



# Environmental Violations

# Environmental Violations



Our Integrated Management System Policy clearly states that:

To protect the environment by preventing environmental pollution and ensuring the proper use of resources, and promoting safe behaviors to prevent people from suffering injuries or harming their health in our facilities.

In the past four fiscal years, we have not paid any significant fines (> USD \$10,000) related to environmental or ecological damage.

# Solid Waste

# Alicorp Perú Solid waste disposed



<b>Waste Disposed</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Total waste generated	12 236.00	11 692.00	16 904.00	17 076.00
Total waste used/ recycled/ sold	2 626.00	3 725.00	7 699.00	8 628.00
Total waste disposed	9 610.00	7 967.00	9 205.00	8 448.00

Unit metric tonnes

Data coverage: >50-75%



## **Alicorp's Environment Strategy by 2021**

**Our commitment to:**



**Materials and Products**

## Our Commitments

We are committed to 2021 to  
reduce materials in our main  
SKU

**Our commitment to:**



**Power**



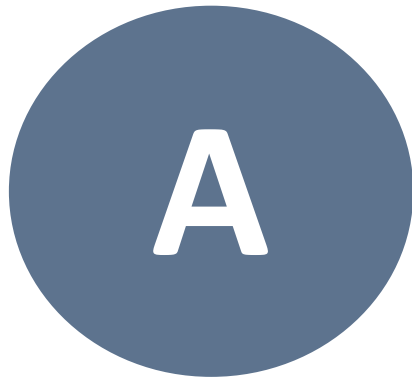
## Our Commitments



We are committed to 2021 to  
reduce our electricity  
consumption



**Our commitment to:**



**Water**

## Our Commitments



We are committed to 2021  
to optimize our water  
consumption by managing  
efficiencies in processes per  
produced ton.

