

2021

Sustainability  
**REPORT**

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(GRI 102-1)

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(GRI 102-53)

**Prepared with the advice of**  
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## Letter from the Chairman of the Board of Directors

(GRI 102-14)

The year 2021 was an exercise that represented new challenges for PETROPERÚ. The context of health emergency due to covid-19 remained in force, but marked by the arrival of vaccines. Likewise, it was a year of general elections in Peru, with some recovery at the economic level, but initially with an uncertainty of political leadership at the national level.

In this context, the Administration aimed to continue providing high quality products and security of supply to our client portfolio. Measures were taken to reduce expenses since September, seeking to increase the value in inventories of intermediate and finished products, and increase the volume of sales in the domestic market, so that at the end of the year a market recovery of 55% in gasoline/gasoil and 40% in diesel was achieved.

In that line, sales increased by 66% in asphalt, 24% in LPG, 14% in chemicals and 11% in gasoline, which allowed to record economic income of MUS\$4,218,444 and profits of MUS\$67,937 in contrast to the net loss of 2020.

At the beginning of 2021, the new visual identity of PETROPERÚ was launched after nine years of planning, as a sign of the institutional, administrative, operational and commercial offer strengthening. As a result, the change of visual identity took place in 120 service stations nationwide. A significant milestone is that the first electric charging station was inaugurated at a PETROPERÚ Network refueling station.

To improve customer relations, a new digital sales channel (Altoke) was implemented. Likewise, the PETROPERÚ

application (app) reached 192,860 registered users, and the first brand of convenience store -VAO- was launched in service stations affiliated to the PETROPERÚ Network.

In 2021, different certifications have been maintained, such as ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System and ISO 45001:2018 Occupational Health and Safety Management System. Likewise, ties with the mining sector have been strengthened. In this sense, the company Glencore awarded PETROPERÚ the good pro for the fuel supply service and internal services for its mining operations in Peru -Compagnia Minera Antapaccay SA, Compañía Minera Chungar SAC, Volcan Compañía Minera SAA and Empresa Minera Los Quenuales SA— for a period of three years. Also noteworthy is the Antapaccay mining operation, in which fuel supply has already been started with specialized personnel and completely from PETROPERÚ. This achievement makes it possible to consolidate the Company's participation in mining, a key industry for the country's development.

At the operational level, the Talara Refinery Modernization Project (PMRT) achieved 96.79% physical progress by the end of the year, highlighting a participation of local unskilled labor of 96.9% and local skilled labor of 60.1%, which exceeds the minimum established in the environmental impact assessment (EIA) of 70%. It should also be noted that approval was obtained of the temporary license contract for the exploitation of hydrocarbons in Lot I, in Talara, whose validity is twenty-two months from December 27,

2021, marking a milestone in the return of PETROPERÚ to the upstream.

A permanent management concern is the continuity of the activities and actions in favor of the care of the workers, thanks to which PETROPERÚ was recognized as a leader in the sector when receiving the SGS certification in covid-19 controls. In terms of training, more than 80,000 hours of continuous training were given, benefiting 63% of workers in their professional training and work performance.

In relation to the zero-tolerance commitment to corruption cases, 65 cases related to false reporting were recorded and corrective action was taken. In terms of transparency, 546 requests for public information were received, all of which were met within an average of seven working days.

On the relationship with communities, around S/ 9'545,651 has been invested in social programs in the productive sector, health, education and infrastructure, benefiting 289,478 people in the areas of influence adjacent to the Company's operations. Likewise, the National Institute of Civil Defense (INDECI) has valued PETROPERU's contribution to the Reactive Disaster Risk Management during the health emergency, for the benefit of vulnerable communities and populations.

In addition, in the first edition of the Program for the Recognition of Responsible Business Conduct (CER), created by the MINEM, in coordination with

the National Society of Mining, Petroleum and Energy (SNMPE), PETROPERÚ S.A. was recognized as one of the three companies with the best performance in the implementation of the Mechanism for Addressing Complaints and Social Claims, which complies with the main international standards in the field, having a procedure of the highest technical level and incorporating the human rights approach.

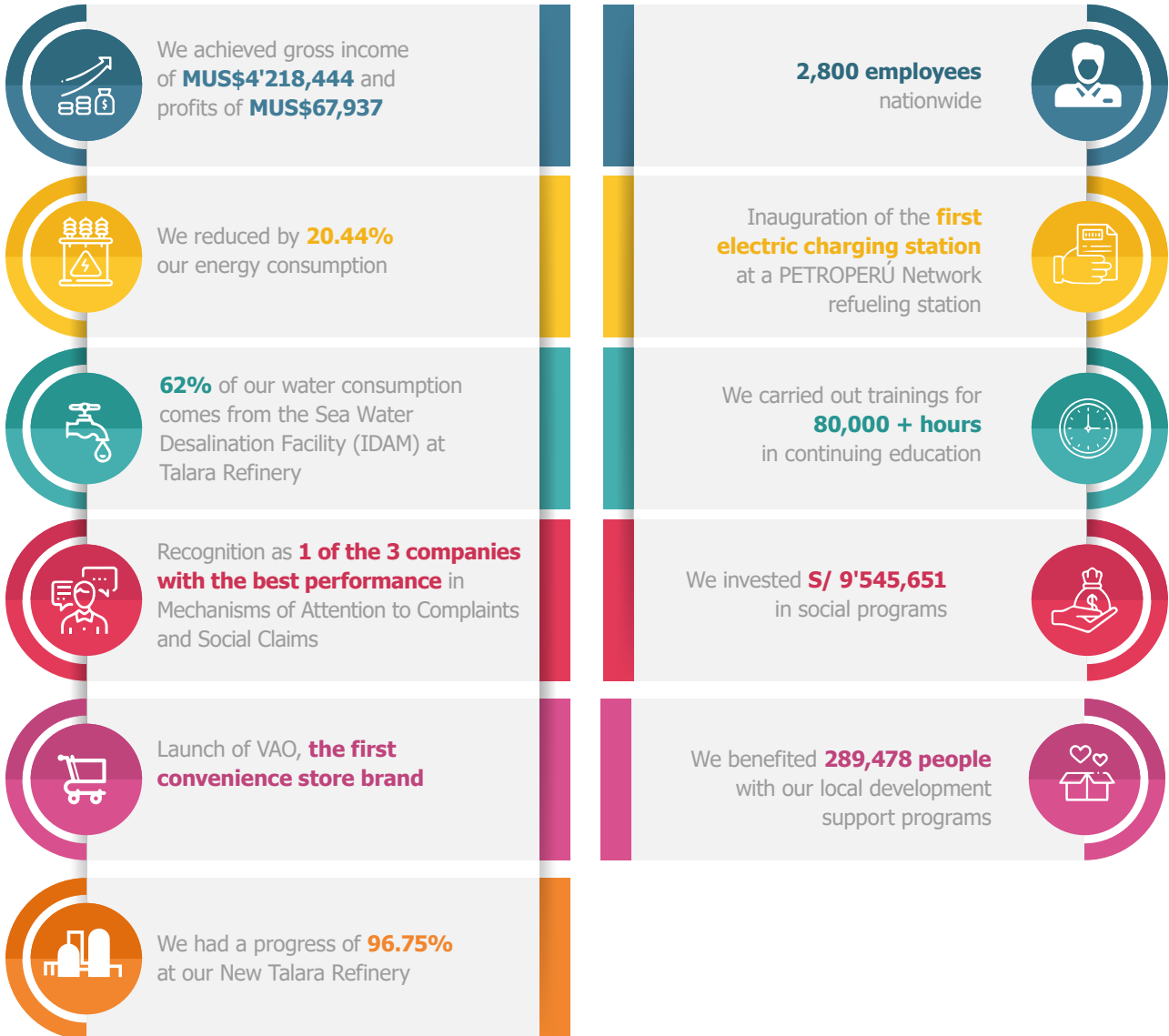
We invite you to review the detail of these and other achievements in the PETROPERÚ Sustainability Report, which has been prepared under the Global Reporting Initiative (GRI) Standards, in an essential modality, and which aims to socialize its business management, as well as the main economic, environmental and social results of the Company. Each of the implemented actions expresses and reflects the current commitment to raise the standards related to sustainability and social and environmental responsibility, contributing to the fulfillment of the Sustainable Development Goals of the 2030 Agenda of the United Nations.

Finally, it should be noted that these results represent a special motivation to continue investing in capital and human talent, as well as in the relationship with PETROPERÚ's stakeholders and in its comprehensive corporate management. This has a significant impact on strengthening its leadership as a state hydrocarbon company, and, in turn, in creating value for Peru, ensuring progress and development for Peruvian households.

**Carlos Vives Suárez**  
**Vice-chairman of the board of directors**

# Main results in 2021

(GRI 102-7)









# ABOUT PETROPERÚ

## Chapter I

## **1.1. Business Essence**

**(GRI 102-1) (GRI 102-2) (GRI 102-5) (GRI 102-16)**

Our company has been serving the country's fuel demand for more than fifty years. It was founded on 24 July 1969, by Decree-Law No. 17753, as a Peruvian State-owned private-law enterprise.

At PETROPERU we specialize in the transportation, refining, distribution and marketing of fuels and other petroleum products. Our goal is to ensure an adequate fuel supply throughout the country, respecting the standards of social, environmental and financial responsibility.

### **Vision**

Being a mixed capital energy company, recognized for its transparency, efficiency and socio-environmental responsibility.

### **Mission**

Provide quality hydrocarbons, carrying out our activities with reliability, financial sustainability and socio-environmental responsibility.

Coordinate, with the relevant stakeholders, the actions necessary to promote the sustainable development of the Company and the energy industry in Peru.

### **Values**

Our behavior and performance is based on our values of transparency, integrity, efficiency, safety and sustainability, and, primarily, on the focus on people.

We share our business essence based on our mission, vision and values. These, together with experience, have allowed us to overcome multiple challenges, guide the actions of our collaborators and managers, and interact with other stakeholders, becoming a leader in the hydrocarbon sector of our country.

## 1.2. Value chain and economic performance

(GRI 102-2) (GRI 102-3) (GRI 102-4) (GRI 102-6) (GRI 102-7) (GRI 102-9) (GRI 102-10)

### 1.2.1. Our Business Units

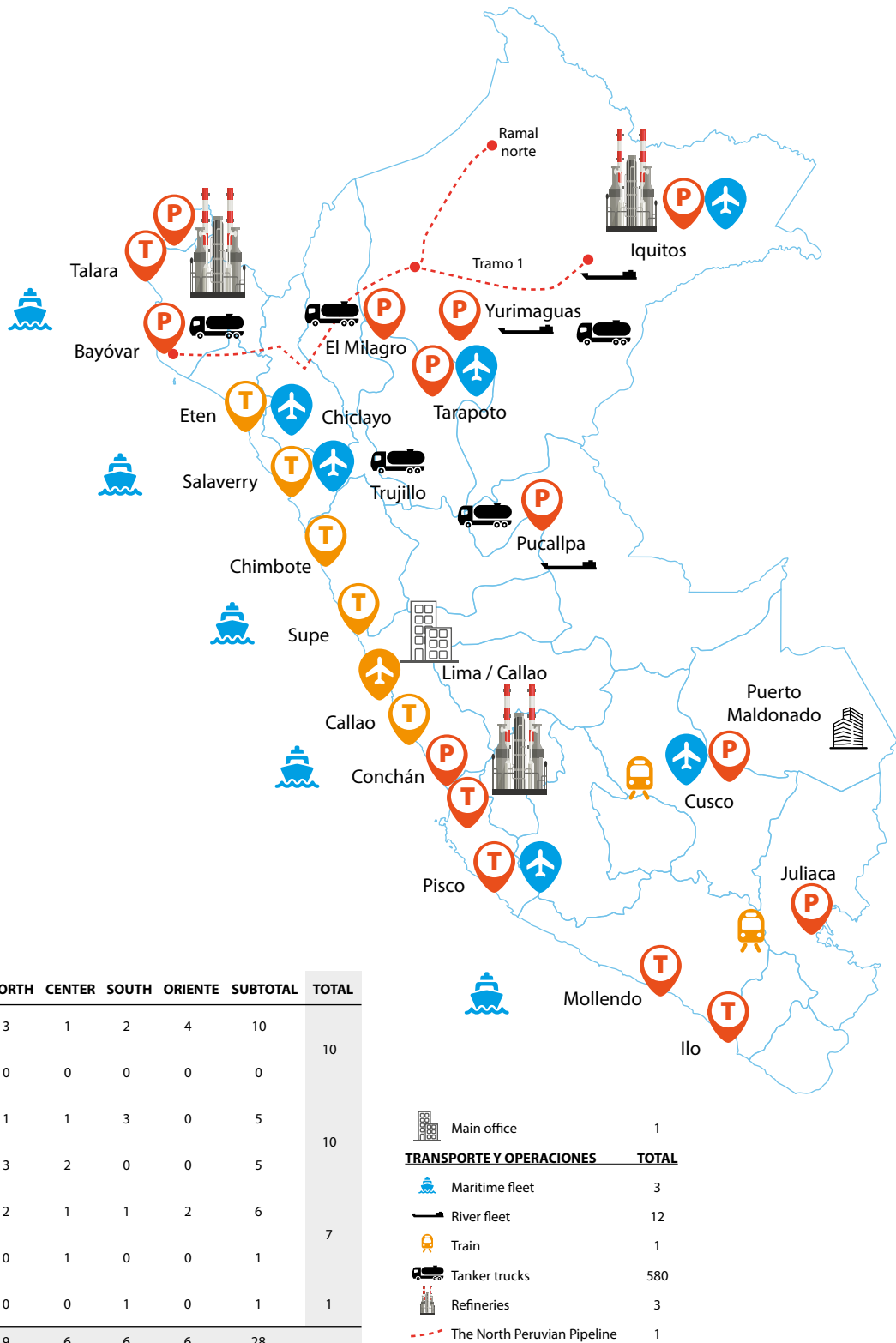
We have successfully positioned ourselves in Peru thanks to the fact that the commercialization of our products is carried out through the sales plants located on the coast, mountains and jungle of the country, as well as by the network of service stations affiliated to the PETROPERÚ brand on a national scale, managed mainly from the Main Office (OFP). In addition, we have operations at the national level, including refineries, sales plants, terminals, marine and land fleets, among others.

Commercial management focuses on meeting the needs of the market in all regions of the country, providing quality products through plants and sales terminals strategically distributed nationwide, and its affiliated chain of service stations.

Below, we present the location of our operations centers:

- Three refineries. Conchán Refinery (Lima), Iquitos Refinery (Loreto), Talara Refinery (Piura). Of these, only the first two were found operational during 2021.
- The North Peruvian Pipeline (ONP).
- Ten proprietary sales plants nationwide.
- Seven plants in airports.
- Ten supply terminals:
  - Northern terminals (Eten, Salaverry, Chimbote and Supe), with operation contracts
  - Terminals in the Center (Callao), with operation contracts
  - South terminals (Pisco, Mollendo, Ilo and Cusco and Juliaca sales plants).
- A maritime and river fleet, and a contracted fleet of tanker trucks and train.
- OFP (located at Avenida Enrique Canaval y Moreyra 150, San Isidro, Lima), and eight decentralized service offices in Talara, Trujillo, Arequipa, Iquitos and Lurín (Lima).

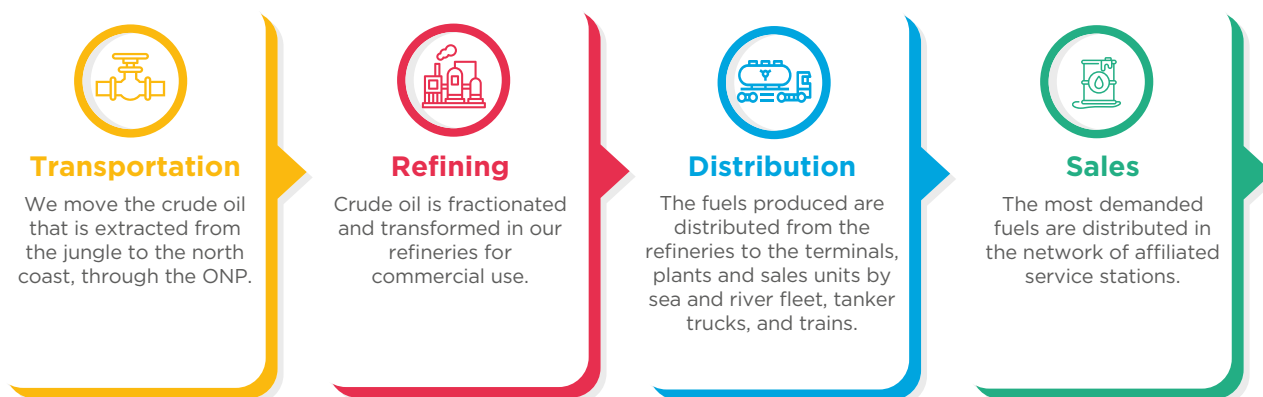
**Figure 1.** Location of PETROPERÚ Operations Centers



**Source:** Prepared by the company – Corporate Management Communications and Institutional Relations

## 1.2.2. Processes

In our years of experience in the hydrocarbon sector we have come a long way with dedication and passion, demonstrating that we are specialists in the production and marketing of high quality fuels. For this, we carry out transport, refining, distribution and marketing activities, which has made us a prosperous company that has what it takes to meet the demand of our country.



## 1.2.3. Products

We are always at the forefront and ready to take advantage of the new opportunities offered by the market. Our product offering is classified by the type of sector that makes use of them and by the function they perform. The main products we market are:












































- Liquefied Petroleum Gas (LPG)
- B5 Diesel
- B5 S-50 Diesel
- Gasohols
- Gasolines
- Marine fuels (IFO)
- Marine gas oil (MGO)
- Industrial oils
- Aviation gasoline 100 LL
- Turbo A-I
- Turbo JP-5
- Asphalts
- Solvents
- Naphthenic acid

The types of customers we serve are classified as follows:

PETROPERÚ Network (fuel stations/affiliated service stations)

- White fuel stations/service stations
- Retailer
- Wholesale distributor
- Bulk LPG distributor
- Chemical distributor
- LPG packaging plant
- Industrial aviation, maritime, construction, mining, agro-industrial, transport, electrical, fishing, oil, public services, Armed Forces and National Police of Peru, among others.

**Figure 2.** Main PETROPERÚ products

 Liquefied Petroleum Gas (LPG)	 Automotive	 Domestic	 Industrial	
 Gasolines	 Automotive			
 Gasohols	 Automotive			
 B5 Diesel	 Automotive	 Mining	 Industrial	 Heavy machinery
 B5 S-50 Diesel (Diesel Ultra)	 Automotive	 Mining	 Industrial	 Heavy machinery
 Marine gas oil (MGO)	 Fishing boats			
 Marine fuels (IFO)	 Ships			
 Aviation gasoline 100 LL	 Light aircraft			
 Turbo Jet	 Commercial aircraft	 Helicopters	 Military aircrafts	
 Industrial oils	 Industrial	 Heaters and dryers		
 Solvents	 Paint dilution	 Dry cleaning	 Machinery cleaning	
 Naphthenic acid	 Wood preservatives	 Corrosion inhibitor	 Wood dryers	
 Asphalts	 Road construction	 Landing strip	 Waterproofing and coating	

**Source:** Prepared by the company – Corporate Commercial Management

## 1.2.4. Commitment to our clients

At PETROPERU, we seek to meet the needs of customers and consumers, contributing to the positioning of our brand on a national scale. In this line, the PETROPERÚ Network was increased by 6% through different actions and initiatives, in order to strengthen around 700 service stations:

- **Strengthening of visual identity.** The change of visual identity was achieved in 120 service stations nationwide.
- **Monitoring our performance.** Through the Incognito Customer Program, the continuous improvement of all customer service processes in the service stations affiliated to the PETROPERÚ Network was guaranteed. 4,982 visits were made to 236 districts in 139 cities in the country's 24 departments. An average result of 67% service compliance was obtained.
- **Continuous training of our PETROPERU Network.** Training and monitoring carried out in person at 92 PETROPERU Network service stations in 12 departments of the country, including:
  - evaluation of the quality of the Customer Service Protocol service,
  - verification of the safety and health protocol at work,
  - verification of storage tank protocols and evaluation of convenience stores,
  - 30 training videoconferences on care protocols and 18 technical training videoconferences, aimed at the personnel of the PETROPERU Network stations, reaching a total of 5,551 man-hours of training.
- **Complaints and suggestions.** All queries, recommendations, complaints and suggestions received through the web portal and customer service mail were addressed.

Likewise, we continue to make improvements in the sales processes and attract new customers with innovative initiatives that strengthen the PETROPERÚ brand.

**Table 1.** Improvements in sales processes and attraction of new customers

<b>ALTOKE</b>	New digital sales channel for direct customers that allows them to self-manage fuel orders in a practical and efficient way. Pilots were carried out with service stations that supplied in Talara, Iquitos, Mollendo and Conchán.
<b>APP PETROPERÚ</b>	Application to retain consumers of service stations nationwide. As of the end of the year, 192,860 users were registered.
<b>VAO</b>	Launch of the first brand of the VAO convenience store in stations of the PETROPERÚ Network. At the end of the year, it had 4 VAO convenience stores in Lima and 1 in Trujillo.
<b>Primera electrolinera</b>	The first electric charging station was inaugurated at a PETROPERU Network refueling station.

**Source:** Prepared by the company – Corporate Commercial Management



Regarding our industrial customers, in 2021 we consolidated various contractual actions that have allowed us to ensure our participation in key sectors for the country's development.

- In mining, Glencore awarded us the good pro for the fuel supply service and internal services for its mining operations in Peru -Compagnia Minera Antapaccay SA, Compañía Minera Chungar SAC, Volcan Compañía Minera SAA and Empresa Minera Los Quenuales SA— for a period of three years.
- The service of operation and supply of fuel in the mine with specialized personnel of PETROPERÚ began in Antapaccay.
- Approval of the standards required in the operations of the Volcan Group and Antapaccay Mining Company was achieved, after completing a series of evaluations and audits in various fields, including quality, environmental, safety, human resources and training management, among others.
- In aviation, the tender convened by LATAM at Jorge Chávez International Airport was awarded.

### 1.2.5. Economic value created

(GRI 102-7) (GRI 102-10) (GRI 102-13) (GRI 102-45) (GRI 201-1)

In 2021, economic results were favorable for PETROPERÚ, mainly due to the measures adopted by the administration in operational management, such as the reduction of expenses and the increase in the value of inventories of intermediate and finished products. All this has helped us to recover our annual share of 55% in petrol/gas-oil stations, 40% in diesel and 36% in liquid fuels. This shows that we have provided high quality products and maintained the guarantee of supply at national level.

**Figure 3.** Main economic results



**Source:** Own preparation – Corporate Finance Management

We have an authorized, subscribed and paid-up capital of 5,368'412,525 common shares, whose nominal value is S/ 1 each.



With regard to the management of resources, we administer both our own resources and bank loans that are not part of the State budget. At the end of the year, we maintained short-term revolving credit lines granted by local and foreign banks, up to an amount of US\$ 2'955,750, which allow us to maintain sufficient cash to meet obligations and reverse the current negative working capital. These available lines generate profitability, and are used in the financing of daily operations, current investments and minor investment projects.

***Among the most relevant changes in our organization and supply chain, we can point out that we are in the stage of carrying out the largest project in our business history: the PMRT.***

As for the execution of investments, these amounted to MMUS\$ 827, thanks to the development of various investment projects with an advance of 90.4%, and current investments with an advance of 86.4%, which due to the magnitude of their scope are executed in the medium and long term. The main investment projects correspond to the PMRT, the New Ilo Terminal, the Ninacaca Supply Plant, the Puerto Maldonado Sales Plant, Lot 192 and Lot 64.

Among the most relevant changes in our organization and supply chain, we can point out that we are in the stage of carrying out the largest project in our business history: the PMRT. This has allowed our total assets to grow by US\$ 1,425'778,153 in 2021 and our total liabilities to increase by US\$ 1,357'841,019.

In relation to the changes in the structure of our share capital, on July 31, 2020, the share capital increase of US\$ 153,857 was approved, as a result of the capitalization of distributable profits in 2019. However, in 2020 there was a loss of US\$ 67,280 thousand, so the increase in share capital during 2021 did not materialize.

On the other hand, it is important to note that PETROPERÚ does not belong to any economic group, so it does not consolidate information from any other company in its financial statements.

Our economic management is reported through quarterly financial reports. These are aimed at periodically monitoring our cash flow projections, constantly monitoring transactions, and making these results transparent in a timely manner to the Peruvian State and our main stakeholders.

The 2021 financial results were audited by the Audit Company Gaveglio Aparicio y Asociados SCRL–Price Waterhouse Coopers (PwC):

**Table 2.** PETROPERU's economic results

Concept (in thousands of dollars)	2021
<b>Direct economic value created</b>	
Net Sales	4'156,414
Other income	62,030
Total Gross Incomes	4'218,444
<b>Economic Value Distributed</b>	
Wages and benefits	113,699
Suppliers	3'724,959
Capital providers	21,503
Tax (incl. IT, payments to the SBS and municipal taxes)	126,244
Donations	19
Social or environmental programs*	1,565
Other operating costs	162,555
Total expenses	4'150,507
<b>Economic value withheld</b>	<b>67,937</b>

\*This amount does not include the social and environmental investment of the Talara and Puerto Maldonado Refinery Modernization projects.

**Source:** Own preparation – Corporate Finance Management

In a complementary way, aware of the importance of intersectoral alliances to promote the development of our society, and especially the supply of high quality fuels for our customers, we work in a series of strategic alliances with various guilds and associations, in order to generate synergies that add to our economic, social and environmental management.

Among our main allies are the following:

**Figure 4.** Main allies



National Society of Mining, Oil and Energy



Peruvian Hydrocarbon Society



Support Business Advisory Service



Association of Corporate Secretariats of Latin America



Piura Chamber of Commerce



Lima Chamber of Commerce



Canada-Peru Chamber of Commerce (CCCCP)



Alliance for Works for Taxes



Peruvian Renewable Energy Association



Regional Association of Companies in the Oil, Gas and Biofuel Sector in Latin America and the Caribbean



SPE Association–Lima Section



Proética<sup>1</sup>



Talara Chamber of Commerce and Industries

<sup>1</sup> The agreement with Proética was in force until August 4, 2021. Source: Corporate Management Communications and Institutional Relations

### 1.2.6. Talara Refinery Advances

The PMRT is an engineering mega-project that includes the construction of new process units, industrial services and facilities aimed at improving fuel quality. This seeks to increase the processing capacity of the refinery from 65 to 95 MBDC, to process crude oil of greater added value with less than 50 ppm of sulfur, as well as LPG, gasoline and diesel. With Board of Directors Agreement No.014-2021-PP of 05.02.21, the update of the investment amount by MUS\$ 4,999.8 was approved, without considering capitalizable interest (MUS\$ 5,718.35 including capitalizable interest)

The commissioning tests of the new process units are carried out, to subsequently start the start-up phase. In 2021, the purchase of Talara crude continued, with a total acquired volume of 9,706 MB. The main suppliers were CNPC, SAPIA, SAPET and UNNA-Lot IV (formerly GMP).

In 2021, the following projects were concluded:

- Supply and Replacement Service of Electropumps in Talara Refinery Crude Pumping Stations,
- Service for the Implementation of the Radar Level Measurement System in Four Tanks of Talara Refinery Products,
- Improvement and Repair Work of the Table Tank Patio Piping Rack,
- Improvement Work of the Pipe Rack Section of Tank Patio Tablazo to Talara Refinery,
- Improvement Work of the Pipe Rack Section of Tank Patio Tablazo to Talara Refinery,
- Capitalization of OTS and STA of the PMRT,
- Operation & Maintenance of Auxiliary Units,
- Training with TR: On-the-Job Training (TOJ2), Panelist Training (OTS), MAC Training and supplier trainings, and
- Reception of new systems: on November 3, 2021, the Treated Water Storage and Distribution System (STA) was received; on December 22, the Closed Cooling Circuit (CWC); and on December 22, the INT steam system.

These actions allowed a physical advance of 96.75% of the project in 2021. In relation to the cumulative economic progress of the project, its execution amounts to MMUS\$ 5,370. This represents 93% of the total approved investment amount (including capitalizable interest).

Thus, as of December 2021, the workforce amounted to 4,453 jobs. 96.9% were local unskilled labour out of a total of 716, and 60.1% were skilled labour out of 3,737.

## 1.3. Corporate Governance

### 1.3.1. Composition of the Board of Directors (GRI 102-18)

Since 2010 we have had a Code of Corporate Governance<sup>2</sup>. This serves as a guide for the management of PETROPERU's governing bodies and collaborators. In July 2021, the Good Corporate Governance workshop was held, Building the Foundations of Transparency, which managed to train 343 collaborators from various company departments, strengthening the concepts and involvement in the adoption of corporate governance practices.

In order to ensure compliance, each year the Company evaluates compliance with corporate governance. For this, it takes as main references the PETROPERU Code of Good Corporate Governance, the Code of Good Corporate Governance for Peruvian Companies and the PETROPERU Plan of Action for Good Corporate Governance, as well as other national and international references, taking into account the pillars of the set of standards.

PETROPERU is made up of the following governing bodies:

**General Shareholders' Assembly.** The Peruvian State is PETROPERU's sole shareholder. This body is represented by five members of the State: the heads of the MINEM and the Ministry of Economy and Finance (MEF), the deputy ministers of hydrocarbons and finance, and the general secretary of the MINEM.

**Board of Directors.** Its primary function is to define the organization's strategy and oversee management. It is made up of six members, five of whom are elected by the State as the sole shareholder, and one by our collaborators. There is a condition that two of the members of this group are independent directors.

**Board Committees.** The Board of Directors has four support committees, which are composed of three members of the Board of Directors. Of the three directors, two must have the status of independent directors, with the committee being chaired by one of them.

**General Management.** It is the executing body of PETROPERU's management, and exercises the legal representation of the Company. The general manager is an agent of the Board of Directors, and is responsible for directing, coordinating and controlling the actions of the other bodies of the Company.

<sup>2</sup> The new Code was approved on May 28, 2018, by Board of Directors Agreement No. 047-2018-PP and amended on November 5, 2020 by Board of Directors Agreement No. 110-2020 PP.

At the end of 2021, the Board of Directors of PETROPERÚ held 46 sessions, in which we highlight the attendance of the directors at all the sessions held. This denotes alignment with the activities foreseen in the Board's Annual Work Plan for 2021.

A relevant fact is that the Board of Directors had changes over the course of the year. In the following tables, the periods and their conformation are detailed.

From the beginning of 2021 until September 15, 2021, the Board of Directors consisted of the following members:

**Table 3.** Board members as of September 15, 2021

Name	Position
Eduardo Alfredo Guevara Dodds	President of the Board of Directors
Hernán Barros Cruchaga	Independent Director
José del Carmen Cabrejo Villagarcía	Independent Director
Raúl Ricardo Pérez Reyes Espejo	Director
Jaime Augusto Aguirre Guarderas	Director

On 30.04.2021, the General Shareholders' Meeting unanimously agreed to formalize, as of 01.05.2021, the appointment of Mr. Oscar Electo Vera Gargurevich, as Workers' Representative on the Board of Directors of Petróleos del Perú –PETROPERÚ S.A.

**Source:** Prepared by the company – General Secretariat

As of September 16, 2021, the General Shareholders' Meeting agrees to appoint a new Board of Directors, whose members and trajectory are described below.

**Table 4.** Board members as of September 16, 2021

Name	Position
Mario Candelario Contreras Ibárcena	President of the Board of Directors
Luis Rafael Zoeger Núñez	Independent Director
Juan Donato Pari Choquecota	Independent Director
Carlos Alberto Palacios Olivera	Director
Hugo Ángel Chávez Arévalo	Director
Óscar Electo Vera Gargurevich	Workers' Representative in the Board of Directors

**Source:** Prepared by the company – General Secretariat

 **Mario Candelario Contreras Ibárcena**

Chemical engineer from the Universidad Nacional Mayor de San Marcos (UNMSM) and active member of the Colegio de Ingenieros del Perú-Filial Talara, with specialization in Mining Management and Marketing for Service Companies from ESAN University, with extensive experience in oil operations.

 **Hugo Ángel Chávez Arévalo**

Economist graduated from UNMSM, graduated from the Master's Degree in Economics, and with a PhD in Economics, with a mention in Global Economic Management by UNMSM. He has extensive experience in the public and private sector. He is an expert in economic, financial, administrative and commercial matters.

 **Carlos Alberto Palacios Olivera**

Mechanical Engineer from the Universidad Nacional de Ingeniería (UNI), and Master in Business Administration, with a mention in Finance from the School of Business Administration for Graduates (ESAN). He also has more than twenty-five years of experience in the Peruvian energy sector, including the tariff regulation of the distribution of electricity and natural gas.

 **Juan Donato Pari Choquecota**

Economist engineer from the Universidad Nacional del Altiplano, with PhD studies in Global Economy and Master's Degree in Social Promotion and Citizenship. He has experience in facilitating workshops and organizational processes, and has been a congressman of the Republic.

 **Luis Rafael Zoeger Núñez**

Chemical engineer from the Universidad Nacional de Trujillo, with extensive experience in the management of public and private companies in the energy sector, as well as in the design and execution of oil-natural gas, electricity generation and social responsibility projects.

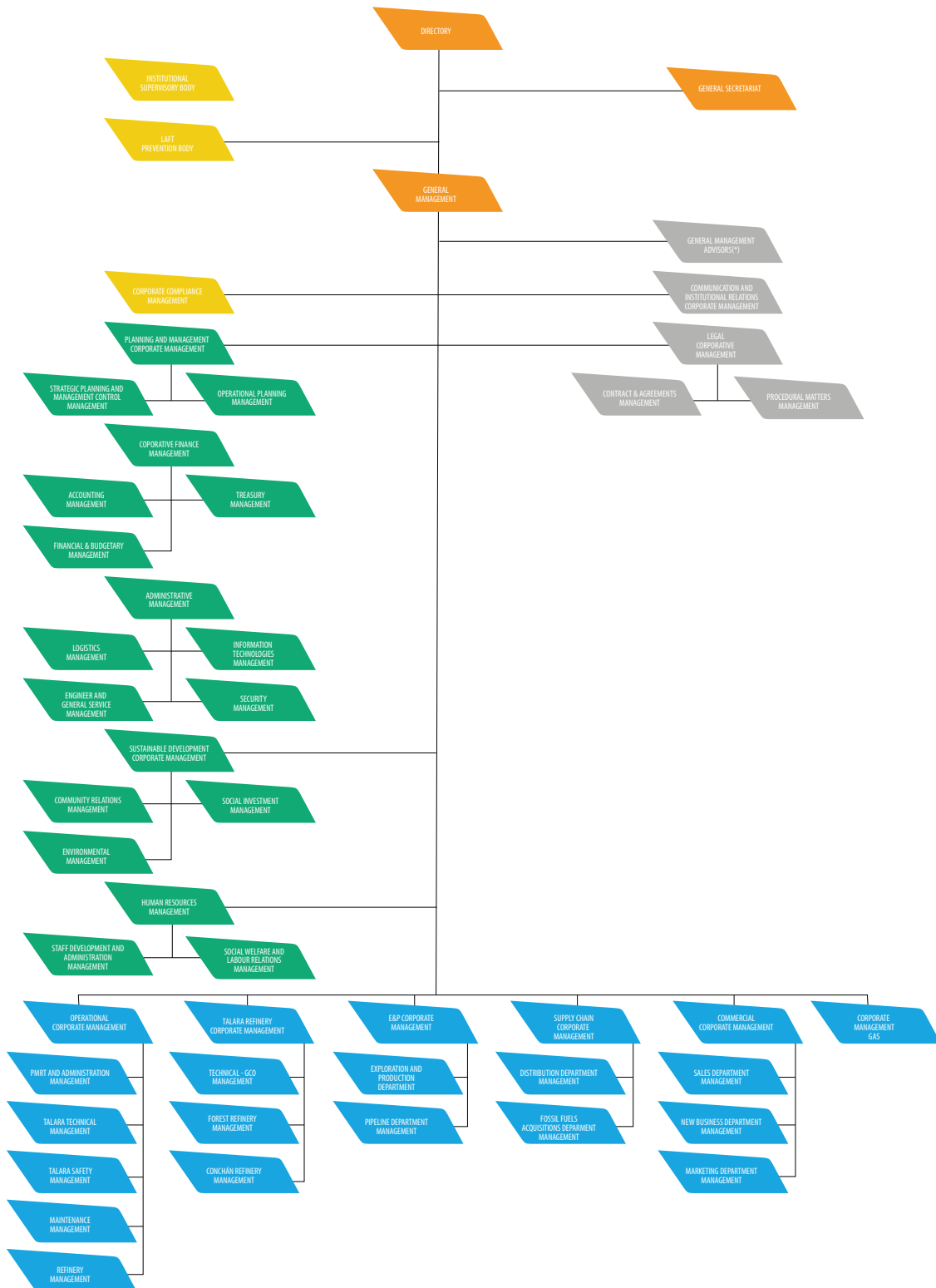
 **Óscar Electo Vera Gargurevich**

Chemical engineer from the Universidad Nacional de Trujillo, and master in Global Business Administration and Energy from the Pontifical Catholic University of Peru. He has more than thirty-seven years of experience in the oil industry, in which he has held managerial and managerial positions in different departments of the Company.

It should be noted that the Vice President of the Board of Directors who presents this document, in 2022, is Carlos Vives Suárez, appointed by Agreement of the General Shareholders' Meeting held on April 1, 2022.

# Organization Chart

Figure 5. PETROPERÚ Organizational Chart



Source: Prepared by the company – Human Resources Corporate Management



It is important to note that our Board of Directors complies with the Rules of Internal Regulations for the Organization and Functioning of the Board of Directors, which define rules and procedures of mandatory compliance for its operation, its organizational structure, and the evaluation and nomination of its members, as well as for the functions and responsibilities of the Board of Directors and its president. It also includes measures to be taken in the event of non-compliance, such as vacancy, termination and other liability measures.

A relevant aspect of the Regulation is that it establishes the formation of two committees and empowers the Board of Directors to form others that it deems necessary. The four committees of the Board of Directors are detailed below:



***Committee on  
Corporate  
Governance  
Practices***

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Its function is to suggest to the Board the mechanisms to be adopted to improve good corporate governance practices in PETROPERÚ. Likewise, it coordinates that the sustainability management instruments implemented are aligned with standards of good corporate governance.



***Audit and  
Control  
Committee***

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It is responsible for supervising risk management and internal control, supervising the preparation of relevant economic and financial information, and managing conflict management. Likewise, review and monitor the work of both the internal and external audit and the Comptroller General of the Republic.



***Administrative  
Committee***

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It carries out supervisory functions for the management, direction and administration actions provided for in our Articles of Association. In some cases, at the request of the Board of Directors for candidates for managers and executives, it supervises compliance with policies and standards relating to evaluations, remuneration and incentives aimed at our collaborators



***Innovation and  
Business  
Development  
Committee***

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It seeks the implementation of research, development and innovation strategies, with the aim that PETROPERÚ continues to lead the Energy sector.

It should be noted that the Company is currently in the process of reconstituting and strengthening the fundamental components of corporate governance, especially with regard to transparency and integrity. To this end, efforts are made to re-establish and deepen the application of good practices and achieve better standards of corporate governance in governing bodies. In this way we intend to build a culture that includes respect for and the practice of the components of corporate governance, prioritizing aspects such as supervision, prevention, internal control, risk management, ethics, transparency in information, and the willingness to disclose quality information in a sufficient, truthful and timely manner to the market and our stakeholders.

### **1.3.2. Main acknowledgements**

We highlight our awards and distinctions to which we have been creditors 2021, mentioning some of them below:

- certification in covid-19 controls by SGS, after implementing new and strict bio-safety protocols that reinforce our commitments to the health of all employees,
- acknowledgement by INDECI and the shoulder-to-shoulder business movement for the important contribution to Reactive Disaster Risk Management, for the benefit of people in vulnerable situations in the country during the health emergency due to COVID-19,
- acknowledgement by the MINEM and SNMPE Responsible Behavior Recognition Program as one of the three companies with the best performance in Mechanisms for Addressing Complaints and Social Claims, through high-level procedures that include the human rights approach, which comply with international standards,
- acknowledgement by the Fundación Corresponsables, in the twelfth edition of its 2021 Co-Responsible Awards, for our innovative good practices in communication with the PETROPERÚ Stay at Home campaign,
- ranked 58th among the top 100 reputable companies in the country, according to the Corporate Reputation Business Monitor (MERCO),
- we improved our innovation indicator in 36 positions, according to the MERCO ranking, due to the implementation of the new visual image of the Company and the systematization of processes due to the virtuality of remote work,
- we ranked 18th in the Top 100 Talented Companies 2021 ranking, which measures companies with good climate and job quality, rising 15 positions compared to 2020, and
- we ranked second according to the Oil and Gas Sector Ranking, climbing two positions, compared to 2020.



# OUR COMMITMENT TO SUSTAINABILITY

## Chapter II

## 2.1. Our contribution to the SDGs

(GRI 102-12)

At PETROPERÚ, we include sustainability across the board in our business management, and we seek to ensure that our actions generate value with triple impact at the economic, environmental and social levels.

In that regard, we rely on international agreements, such as the 1992 Rio Declaration on Environment and Development and the 2005 Universal Declaration on Cultural Diversity-Convention on the Protection and Promotion of the Diversity of Cultural Expressions. In addition, internally, we have the Social Management Policy, which places economic, environmental and social aspects at the same level of importance. This policy follows the Principles of the United Nations Global Compact, the Principles of Ecuador, the Universal Declaration of Human Rights and the Principles of the Organization for Financial Cooperation and Development.

In 2021, we maintained our international certifications, that is, the ISO 9001:2015 Quality Management System, the ISO 14001:2015 Environmental Management System and the ISO 45001:2018 Occupational Health and Safety Management System. These certifications guarantee our commitment to business management in the areas indicated.

Thus, our business model takes into account the following dimensions:

- **Social.** It fosters social equity and promotes the participation of our stakeholders.
- **Production ethics.** Our processes are at the forefront of new technologies to make our management transparent.
- **Economic.** We invest in local communities so that we experience joint growth.
- **Cultural.** We value the multicultural diversity of our peoples and strengthen our national identity.
- **Environmental.** We implement environmental management systems and tools to prevent and reduce impacts.

These aspects align with our 2019-2023 Annual and Five-Year Objectives, which are detailed below:

- Sourcing the market efficiently.
- Generation of high quality products and services through efficient, safe and environmentally friendly operation.
- Financial sustainability of PETROPERÚ.
- Ensuring the sustainability of our operations.
- Strengthening of the Company through the management of human talent and good corporate governance.

In 2021, our sustainability practices were recognized by the Merco Companies and Leaders Ranking of Peru, ranking 58th among 100 companies that operate in our country. In that sense, we seek to continue aligning our performance with the Sustainable Development Goals (SDGs) and contribute to the fulfillment of the 2030 Agenda. The purpose of all this is to maintain our leadership as a socially and environmentally responsible company, as well as to grow economically without compromising future generations.

**Figure 6.** SDGs prioritized for PETROPERÚ



**Source:** Prepared by the company – Corporate Management Sustainable Development

Below, we detail our main actions that contribute to five of the seventeen SDGs.

**Figure 7.** Main actions in prioritized SDGs for PETROPERU



We carried out the first vaccination against COVID-19 in partnership with the Ministry of Health (MINSA), benefiting thousands of inhabitants of native communities surrounding the ONP and Talara. We run medical campaigns to fill health gaps, benefiting more than 2,000 people. We deliver biosecurity kits, protecting 30,150 people. The Program was developed for.



More than 80 low-income students were offered opportunities in the academic reinforcement programme, leading to the admission of two students to university. We also support the education of children in the area through the delivery of 9550 school packages. We improved social-emotional knowledge and skills in more than 230 families in the Fernando Rosas and Nazareth communities.



S/ 2'819,127.77 has been invested in programs related to productivity, employability and income generation, benefiting 4640 people. Among them we can highlight activities that increase the potential and capacity for job placement by strengthening skills and competencies.



We concluded the first stage of road rehabilitation in the Northern Cone, impacting positively on more than 900 inhabitants. .



We implement participatory environmental monitoring programs, in order to strengthen confidence in the population about the management of our operations and their perception of possible environmental impacts.

**Source:** Prepared by the company – Corporate Management Sustainable Development

## 2.2. Interest groups to create value

(GRI 102-40) (GRI 102-42) (GRI 102-43) (GRI 102-44) (GRI 102-45)

The identification of our stakeholders is of utmost importance, since they are the ones who can perceive impacts of our activity and propose actions to improve our management. The spaces and mechanisms for dialogue with them make it possible to determine changes and issues of materiality that they consider of greater importance according to their expectations.

As of 2021, we have ten “mapped” interest groups, with which we have a close and constant relationship. An update and review of the 2019 and 2020 interest groups was carried out, these were validated with the responsible area.

### Key stakeholder groups

- Shareholders–Shareholders’ Meeting
- Shareholders-investors
- Partners
- State
- Contractors
- Civil Society
- Clients
- Media
- Local communities
- Employees

The relationship with our stakeholders has been regaining greater presence due to the progress in vaccination against covid-19, giving priority to constant dialogue. In this way, the communication channels with our allies and the frequency of these adopted in 2021 are detailed.

***As of 2021, we have ten “mapped” interest groups, with which we have a close and constant relationship. An update and review of the 2019 and 2020 interest groups was carried out, these were validated with the responsible area.***

**Figure 8.** PETROPERU’s main stakeholders

Stakeholder	Communication channels	Frequency
Shareholders–Shareholders’ Meeting	<ul style="list-style-type: none"> <li>• Intranet and Yammer</li> <li>• e-mail</li> <li>• Meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Permanent</li> <li>• Permanent</li> <li>• According to schedule</li> </ul>
Shareholders-investors	<ul style="list-style-type: none"> <li>• Earnings Release</li> <li>• Press releases</li> <li>• Inquiries by mail</li> <li>• Investor website</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly</li> <li>• According to a matter of importance</li> <li>• Permanent</li> <li>• Permanent</li> </ul>
Partners	<ul style="list-style-type: none"> <li>• Digital channels and face-to-face and virtual meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Permanent</li> </ul>
State	<ul style="list-style-type: none"> <li>• Relationship meetings</li> <li>• Official Notice</li> </ul>	<ul style="list-style-type: none"> <li>• Permanent</li> <li>• Permanent</li> </ul>
Contractors	<ul style="list-style-type: none"> <li>• Digital channels, and face-to-face and virtual meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Permanent</li> </ul>
Civil Society	<ul style="list-style-type: none"> <li>• Digital channels and newsletter</li> <li>• Meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Permanent</li> <li>• Permanent</li> </ul>
Clients	<ul style="list-style-type: none"> <li>• Digital channels, and face-to-face and virtual meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Permanent</li> </ul>
Media	<ul style="list-style-type: none"> <li>• Press releases and notices</li> <li>• Press Conferences</li> <li>• Visits to facilities or projects</li> <li>• Newsletter</li> </ul>	<ul style="list-style-type: none"> <li>• Daily</li> <li>• According to schedule</li> <li>• Annual</li> <li>• Monthly</li> </ul>
Local communities	<ul style="list-style-type: none"> <li>• Meetings and visits</li> <li>• Digital channels and newsletters</li> </ul>	<ul style="list-style-type: none"> <li>• Permanent</li> <li>• Annual</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Intranet and Yammer</li> <li>• e-mail</li> <li>• Meetings</li> <li>• Showcases and totems</li> <li>• Magazine</li> <li>• Relationship with unions (letters, meetings)</li> </ul>	<ul style="list-style-type: none"> <li>• Daily</li> <li>• Daily</li> <li>• According to schedule</li> <li>• Biweekly</li> <li>• Quarterly</li> <li>• According to schedule</li> </ul>

**Source:** Prepared by the company -Corporate Management Sustainable Development, Corporate Commercial Management, Corporate Finance Management, Corporate Human Resources Management, Corporate Communications and Institutional Relations Management, General Secretary





# WE ACT ETHICALLY AND EFFICIENTLY

## Chapter III

### **3.1. Ethical behavior** **(GRI 205-2) (GRI 205-3)**

As a representative company of the Peruvian State, ethics is established transversally in our performance and in the activities of all our areas. In this way, we aim to eradicate any incorrect behavior that puts PETROPERÚ's sustainability, image and reputation at risk, making it more efficient in obtaining corporate results and goals.

Therefore, managing and addressing the anti-corruption issue is of vital importance because it allows us to maintain honest and transparent relations with all our stakeholders and, in general, with all citizens. In this sense, we align ourselves with objective 5 of our strategy, which states: "Strengthen our company through the management of human talent and good corporate governance", which reflects our interest in strengthening the governance of the Company, the fight against corruption and the promotion of a culture of institutional integrity.

In line with this strategy, we have different internal management instruments grouped into three systems, which allow us to prevent acts of non-compliance, fraud and corruption, as well as detect them and take measures that do not put our image, the well-being of our stakeholders or that of the public at large at risk. These systems are:

- Integrity System
- System for the Prevention of Crime of Corruption
- Money Laundering and Terrorist Financing Prevention System (SPLAFT)

In general, we can indicate that the Integrity System promotes the culture of integrity throughout the Company, guiding the behavior of our collaborators to

prevent irregular acts of fraud and corruption, and thus raise the standards of ethical conduct and maintain the image of PETROPERÚ with its stakeholders.

The System for the Prevention of Crimes of Corruption is established as an important defence tool in the case of fiscal investigations, and is provided in accordance with Law No. 30424 and Legislative Decree No. 1352, which addresses good practices recommended by international entities, such as the Organization for Economic Cooperation and Development (OECD), the International Financial Action Task Force (FATF) and the United Nations (UN), so that companies assume responsibility for the commission of crimes. It works as an early warning system that allows us to identify unusual and suspicious operations, prevent possible breaches, and that the commission of crimes adopts timely measures that reduce the risk of their exposure. In this way, we generate a climate of internal and external trust in PETROPERU.

The SPLAFT, through the Policy and Regulations, points out our position of vigilance against various breaches of the law—drug trafficking, tax and customs crimes, and illegal mining, among others—both nationally and internationally. The SPLAFT is given in compliance with Law No. 27693.

It is important to specify that between October and November 2021 there were organizational changes that divided the systems indicated into different areas.

Finally, we must mention the Anti-Bribery Management System-ISO 37001, which is in the process of implementation. This presents an initial scope, and seeks to

be applied with much more attention in those processes and procedures that are at greater risk of being violated, such as procurement and contracting.

In this way, we conduct our business in accordance with corporate governance and ethical practices. Our position is firm by not tolerating any act involving fraud, corruption, deception, payment, improper authorization, bribery, money laundering, terrorism or other inappropriate conduct throughout the organization, both internally and externally. We consider that such acts generate countless negative externalities and represent an obstacle to the development of our country.

The evaluation of systems is carried out through indicators of degree of compliance with the activities stipulated in their annual work plans. We can cite, for example, the training and dissemination of the Integrity System, which we determine through the number of communications from Senior Management. As well as the dissemination of codes, policies and guidelines, either through communications or through training talks aimed at staff. The latter is measured through the percentage of collaborators who sign the commitment to adhere to the Integrity System.

In relation to the System for the Prevention of Money Laundering and Terrorist Financing, this is monitored through the analysis of alerts, and unusual and suspicious operations. Each month we report to the Planning and Management Department on progress in meeting the objectives according to the indicators generated. Likewise, we report the monthly progress of the Annual Work Plan.

Our management systems related to the fight against corruption have been established on a corporate scale, so they

have scope for our operations and personnel. However, in the field of suppliers, contracts covered by an emergency situation (Article 47 of the Regulation) and the processes that contain the exception report of being registered in the Database of Qualified Suppliers (BDPC), authorized by the corresponding level, are excepted.

In 2021, the Compliance Office set itself the following objectives:

- The implementation of the ISO 37001:2016 standard, Anti-Bribery Management Systems, for purchasing and contracting processes. With it we seek to establish a standard structure recognized worldwide for the prevention, detection and treatment of the risk of bribery, as well as for the increase of the competitiveness and reputation of the Company; to date the implementation process is continued.
- The execution of the Gap Closure Plan of the 2020 Integrity Perception survey, to measure the progress of activities proposed for the closure of gaps identified in the integrity perception consultation carried out previously.
- The execution of the Money Laundering and Terrorist Financing Risk Identification Plan (LAFT), to measure the progress of activities related to the evolution of the risks of money laundering and terrorist financing.
- Continue with the implementation of each component of the SPLAFT.
- Continue with the actions for the implementation of the Corruption and Anti-Bribery Crime Prevention Systems.
- Improve the management of complaints, based on stronger investigations and with resources allocated for this purpose, as well as the management of conflicts of interest.

**Table 5.** Main components of anti-corruption systems

Integrity System
Purpose
<p>Establish the standard of ethical conduct of all PETROPERÚ internal and external collaborators.</p>
Components
<ul style="list-style-type: none"> <li>• Integrity Code and Integrity Policy and Fight against Corruption and Fraud</li> <li>• Integrity Code</li> <li>• Integrity System Guideline</li> <li>• Corporate Transparency Policy</li> <li>• Transparency Portal and Access Management to Public Information</li> <li>• Whistleblowing Channel Integrity Line</li> <li>• Ethics and integrity awareness and training</li> </ul>
Achievements in 2021
<ul style="list-style-type: none"> <li>• Approval of the 2021 Compliance Officer Awareness, Dissemination and Training Plan.</li> <li>• 19 trainings on ethics and integrity with 4,082 attendees nationwide.</li> <li>• 107 complaints were received through the Company’s receiving channels. Seven corrective measures were applied and the others are under investigation.</li> <li>• Update of the Integrity Code, including the declaration of interests in the Commitment of Adherence to the Integrity System.</li> <li>• The Integrity and Anti-Corruption and Anti-Fraud Policy was approved.</li> <li>• The Whistleblower Protection Procedure-PROA1-427 was approved</li> </ul>
Common Achievements in 2021
<ul style="list-style-type: none"> <li>• Subscription of the commitment to adhere to the Crime Prevention System of Corruption, the SPLAFT and the Anti-Bribery Management System by 706 collaborators, and the Integrity System, by 2,785 collaborators.</li> <li>• Update and incorporation of LAFT prevention clauses, as well as corruption and bribery offences, in contracts and documents signed with PETROPERÚ partners.</li> <li>• Update of the Prevention Policy of LAFT, of the Crimes of Corruption and Anti-Bribery Management of PETROPERÚ, approved by Board of Directors Agreement No. O31-2021-PP.</li> </ul>

**Source:** Prepared by the company – Compliance Officer

## Sistema de Prevención de Delitos de Corrupción

## SPLAFT

Provide an early warning system for possible breaches or commission of crimes that allow timely measures to be taken, reducing the risk of exposure, in order to generate a climate of internal and external trust in PETROPERU.

Timely detection and reporting of suspicious transactions, to prevent the products sold by PETROPERÚ from being used for purposes related to LAFT crimes, thus guaranteeing the reservation of information related to this system.

- Head of Prevention
- Risk Assessment
- Complaints procedure
- Dissemination and training
- Evaluation and Monitoring

- Compliance Officer
- Due diligence measures in the knowledge of collaborators and contractors
- Approve policy, manual and code of conduct for prevention and risk management of LAFT.
- Record operations and report suspicious ones.
- Execute internal and external audits.
- Semi-annual report to supervisors.
- Awareness-raising and training of SPLAFT.

- Two trainings on the Crime Prevention System, with a participation of 491 collaborators from different areas.

- LAFT irrigation report with recommendations to improve its identification and evaluation.
- Strengthening the knowledge and internal regulatory framework of the system.
- Maintenance of the system through its improvement and of SPLAFT evaluation mechanisms.

All these instruments and their respective reporting mechanisms are socialized by different means, and allow us to prevent, detect and control any irregular act. In this way we improve our reputation, ensure compliance with these mechanisms and achieve our business objectives.

In 2021, more than 90% of our employees gained knowledge of anti-corruption policies and procedures. At this point, the supervisors stand out, who achieved 99%.

**Table 6.** Internal socialization of anti-corruption policies and procedures

Employees	Total Employees	Number of trained employees	Percentage
Executive	53	50	94 %
Supervisors	1,300	1,286	99 %
Employees	1,256	1,087	87 %
<b>Total</b>	<b>2,609</b>	<b>2,423</b>	<b>93 %</b>

In 2021, about 6% of staff were not active due to the pandemic.

**Source:** Prepared by the company – Corporate Human Resources Management, Compliance Officer

In the external sphere, that is, in relation to PETROPERÚ's business partners, we highlight that 100% of our suppliers have knowledge of anti-corruption policies and procedures, which reinforces our Zero Tolerance Program for corruption cases.

**Table 7.** External socialization of anti-corruption policies and procedures

Partners	Total Partners	Number of partners communicated	Percentage
Suppliers	448	448	100 %
Clients	737	490	66 %

In 2021, due to a state of emergency, no communication letters on the Integrity Code were issued to the General Shareholders' Meeting.

**Source:** Prepared by the company – Corporate Human Resources Management, Compliance Officer

Regarding capacity building, during 2021 all Board members were trained on anti-corruption issues. On the collaborators' side, they were informed about the policies of integrity, transparency, anti-corruption and money laundering through webinars, due to the COVID-19 pandemic. We had a participation of 4,518 people, but this virtual methodology did not allow us to differentiate the work range among the attendees, that is, whether they were executives, collaborators or supervisors.

The following table shows the training topics and the number of attendees, in which the issue of integrity is the one that marks the largest number of trained collaborators.

**Table 8.** Personnel trained in ethical and anti-corruption matters in 2021

Ethical and anti-corruption matters	Number of participants*
Integrity	3,518
Transparency	600
LAFT	159
Corruption prevention	241
<b>Total</b>	<b>4,518</b>

\* The number of participants corresponds to the number of attendees per talk.

**Source:** Prepared by the company – Compliance Office

To further promote ethical management in the public sector, at PETROPERÚ we have different communication channels that align with our culture of transparency. Among these, one of the most prominent is the Integrity Line, which corresponds to our official and formal system to report complaints of non-compliance with the Integrity System, both for collaborators and the general public. The Integrity Line is operated by an independent company in order to guarantee the confidentiality of the complainant's identity and also allows anonymity. For our part, we receive the complaint with an identification code, and the operating company is responsible for maintaining communication with the complainant to obtain further information or to offer a response.

Through the Integrity Line we make available the following complaint channels:

- Web form: [www.lineadeintegridadpetroperu.com](http://www.lineadeintegridadpetroperu.com)
- E-mail address: [reportes@lineadeintegridadpetroperu.com](mailto:reportes@lineadeintegridadpetroperu.com)
- Telephone exchange: 0-800-77-788; voicemail: option 2
- Postal address or personal interview: Avenida Antonio Miró Quesada 425 (otrora Juan de Aliaga), piso 10, oficina 1005, Magdalena del Mar, Lima 17, Peru

The handling and handling of complaints is regulated by the Complaints Response Plan Procedure for Breaches of the Integrity System. In this, we specify that the Integrity and Discipline Committee is the body in charge of the attention and decision-making for the investigation of complaints.

At the end of 2021, 107 complaints were registered through the Company's receiving channels, of which 16 correspond to alleged cases of corruption, representing approximately 15% of the total. It is important to note that the imposition of a sanction is subject to verification of the reported fact and there are other cases that are still under investigation. In this regard, different disciplinary measures were established. For example, the dismissal of 2 employees for serious misconduct was applied, since it was found that PETROPERÚ's employees favoured a company in a recruitment process. Similarly, 2 supervisors were suspended 7 calendar days for failing to follow the procedure in the event of a declaration of a conflict of interest situation. In another case, a written warning was imposed on a worker who omitted in his commitment to



adhere to the Integrity System to declare a conflict of interest situation. Finally, we note that no complaint triggered the closure of any contract with our business partners for corruption.

In 2021, despite our efforts in prevention and training through our Zero Tolerance Program in cases of corruption, 65 cases related to false reporting were recorded; of these, 63 led to the dismissal of workers for serious misconduct. These cases have been referred to investigative processes related to the filing of false information in accountability. Likewise, two workers were dismissed for serious misconduct, derived from the investigation process for presenting false information in a colluded manner in a recruitment process. Regarding public cases against officials, the administration has filed 10 complaints against officials for events that occurred in 2019, 2020 and 2021; investigations that are pending before the Provincial Prosecutor's Office Specializing in Crimes of Corruption of Officials.

Due to organizational changes that generated new guidelines, the PETROPERU Integrity and Discipline Committee (called PETROPERU Integrity Committee from 2017 to July 2021) met until the fortnight of September 2021. Subsequently, the Board of Directors approved its deactivation with Board of Directors Agreement No. 140-2021-PP of December 16, 2021.

Regardless of this, we continue to address complaints by the corresponding area.





## 3.2. Purchase management

### (GRI 102-9)

In 2021, our Board of Directors approved the new Procurement Regulation Text of PETROPERÚ in which we optimized the management of purchases through technology. We have created a new modality of electronic contracting, and aspects that maximize framework contracts have been included, which will reduce the time required for contracting.

We want to highlight the inclusion of clauses that reinforce the requirements in transparency, truthfulness, good practices and correct behavior. For example, in our contracts signed with customers and in accordance with the Company's rules, the Integrity System clause is considered, in which the customer is obliged to comply with the provisions of the Corporate Policy on Integrity and the Fight against Corruption and Fraud, as well as with the Integrity System Guideline and with the Prevention of Money Laundering and Financing of Terrorism, Corruption Crimes and Bribery Clause. Likewise, we emphasize that everyone involved in recruitment is obliged to comply with the Regulations and Corporate Policies, such as Integrated Quality Management, Environment, Safety and Health at Work and Social Management Policy.

At the environmental level, a new Call for Proposals Portal (SUPLOS) was implemented in procurement, in which suppliers submit their technical and economic proposals electronically. In this way, we reduced the use of paper in the submission of applications by suppliers.

Likewise, we use a questionnaire as an affidavit, in order to pre-qualify our suppliers, and evaluate the level in which they are governed under principles of sustainability, both social and environmental. Management information in these dimensions from our suppliers is entered into our BDPC.

In this sense, in 2021 1,890 suppliers were registered in the BDPC, of which 1,128 companies are registered in our BDPC, 91.1% of national suppliers and 8.9% of international suppliers. It should be noted that, the 1,128 registered companies have been evaluated, through questionnaires in the form of an affidavit, on social impacts including corruption issues. These results are relevant to establish necessary actions in order to manage the expectations of critical actors and mitigate the social risks of each operation. On the contrary, if there are suppliers that do not conform to our conditions, they are registered in restrictive lists.

The implementation of this system brings advantages that have an impact on benefits for our Company, such as:

- Optimal supplier registration
- Identification of risks in contractual administration
- Updated information from customers and suppliers
- Supply chain management based on continuous improvement

In PETROPERU, we are aware that our operational activities are carried out in geographical areas that host a high biodiversity. In this sense, our action is established in six principles that are both the support of the Company's environmental strategy and objectives and the basis of our environmental protection and performance standards. These principles are:

- Efficient use of energy.
- Air quality care.
- Responsible Water Consumption.
- Reduction of impacts on the soil.
- Comprehensive waste management.
- Biodiversity conservation.



# OUR ENVIRONMENTAL PERFORMANCE

## Chapter IV

## 4.1. Actions in the framework of the fight against climate change

(GRI 302-1) (GRI 302-4) (GRI 305-1) (GRI 305-2)

### 4.1.1. Energy

Knowing and properly managing our energy matrix allows us to notice the availability of the main energy resources to plan and optimize our activities related to transport, refining, distribution and marketing. In addition, it allows us to manage its use, adopting efficiency-oriented measures.

Within this framework, we implement operational, technological, administrative and user awareness actions to contribute to the sustainable use of our energy resources. Among them, we point out the following:

- we provide preventive and corrective maintenance in our business units,
- we are at the forefront of technological advances for our teams,
- we promote the rational use of energy among our collaborators,
- development of KPIs<sup>3</sup> that allow identifying the performance linked to energy use versus the amount of product processed or stored, and
- we encourage the sale of cleaner fuels.

#### WE PLAN TO PROPERLY MANAGE ENERGY

We have an Energy Saving Committee. It prepares energy management and action plans to implement various actions aimed at the administration and identification of improvements in our operational headquarters that contribute to energy savings.

At the Iquitos Refinery, some of the actions carried out correspond to the following:

- replacement of conventional furnace burners to optimize combustion,
- performance of test runs including Brittany crude to optimize the temperature of the load to the Primary Distillation Unit (UDP),
- installation of four electric motors and there are projects to replace four process pumps, and
- replacement of all luminaires with LEDs in the UDP area.

On the other hand, in the Conchán Refinery, some of the planned actions are related to:

- control of excess oxygen in H1 and H2 furnaces by means of range control 2.0 to 3.8 %,
- optimizing the crude oil Circuit 2 heat exchange train by cleaning heat exchangers, and
- improvement in burner technology and steam generation by replacing boilers.

The Committee also identifies opportunities for improvement, including:

- cleaning of missing heat exchangers and furnace tubes,
- installation of electricity meters in each electrical substation; and
- use of renewable energy (solar).

**Source:** Prepared by the company – Minutes of the Energy Savings Committee

<sup>3</sup> Key performance indicators .

We consumed a total of 815,299.45 gigajoules (GJ), of which 82% was own generation, and 17%, from other companies. Compared to 2020, our energy consumption was reduced by 20.99%. This decrease was mainly due to the cessation of operations of the Talara Refinery as part of the completion process of the construction phase and the start-up of the New Talara Refinery.

With regard to the calculation methodology, the Intergovernmental Panel on Climate Change (IPCC) guidelines for the 2006 National Greenhouse Gas Inventories were taken into account. For direct energy consumption, the fuel consumption values of each stationary or mobile combustion source were collected, as well as the type and amount of fuel consumed in each case. These values were converted into energy units, using lower calorific values for the respective values.

In the case of indirect energy consumption, the information of the activity parameters, delivered by the electricity service provider company, was collected.

**Table 9.** Energy consumption in 2021

Usage	Type of fuel	Energy (GJ)	Energy Matrix
Direct	Diesel 2/Diesel B5	253,500.72	31.09
	Acidic gas	399.04	0.05
	Regenerator gas	0.00	0.00
	Natural gas	314,003.90	38.51
	Gasohol	513.95	0.06
	LPG	13.29	0.00
	Industrial oil	105,933.50	12.99
Subtotal		674,364.4	82.54
Indirect	Electricity	140,935.04	17.29
<b>Total</b>		<b>815,299.45</b>	<b>100.00</b>

**Source:** Prepared by the company – Corporate Management Sustainable Development

According to the graphs presented, we can see that the main source of energy corresponds to natural gas, since its consumption represents 38% of total consumption.

### 4.1.2. Emissions

Aware of the environmental impact that the use of fossil fuels has on the atmosphere, as well as the role played by companies in the sector as main suppliers of these products, our Company is committed to contributing to the development of the country, ensuring the production and marketing of quality fuels, while introducing improvements aimed at reducing and controlling their own emissions. Among the main ones, it is possible to mention:

- Operational Level. Air quality monitoring and preventive maintenance of vehicle units.
- Technological level. Process plants to produce cleaner fuels and more modern emission systems.
- Commercial level. Promotion of low-sulphur fuels.
- User level. Encourage air care with daily actions.

Like energy consumption, we use the methodology established in 2006 by the IPCC for our emissions inventory. This governing body standardizes emission

factors that allow us to convert emissions of different gases into a standard unit: the tonne of CO<sub>2</sub> equivalent.

In PETROPERU, the base year used to compare the management of greenhouse gas (GHG) emissions is 2013 (adjusted in 2016). This was the first year in which an inventory of GHG emissions was developed under a single methodology and verified by an independent third party.

This report includes emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O) gases. In 2021, our total GHG emissions were 51,813.23 tonnes of CO<sub>2</sub> equivalent, representing a 20% reduction compared to 2020.

Regarding the type of emissions by operation and by source, we can highlight that the operation of Refinery Management Conchán represents 34% of the emissions, and with respect to the source of emissions, direct stationary emissions are the most relevant, with 86% in relation to the total.

**Table 10.** Emissions in 2021

Operation	Direct emissions	Indirect emissions	Total
Conchán	16,357.40	1,344.65	17,702.05
Forest	11,867.35	515.82	12,383.17
ONP	14,703.18	205.54	14,908.72
Talara	1,725.59	4,292.22	6,017.80
OFP	18.19	257.38	275.57
Distribution-Commercial	200.20	322.59	522.78
Subtotal	44,871.91	6,938.19	51,810.10
Biomass combustion	3.13	0.00	3.13
<b>Total</b>	<b>44,875.04</b>	<b>6,938.19</b>	<b>51,813.23</b>

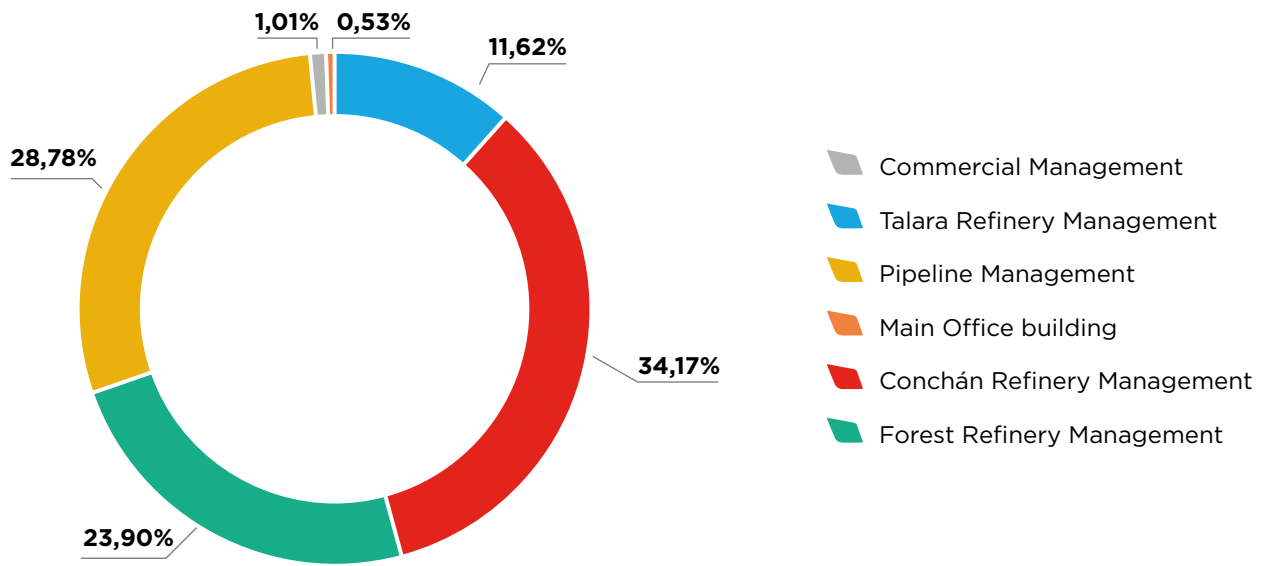
**Source:** Prepared by the company – Corporate Management Sustainable Development

**Table 11.** Emissions by source type

Emissions	Operation	tCO <sub>2</sub>	tCH <sub>4</sub>	tN <sub>2</sub> O	tCO <sub>2</sub> eq	Percentage
Direct emissions	Stationary sources	50,018.50	1.41	0.26	44,751.68	86.42 %
	Sources of venting/process	0.00	0.00	0.00	0.00	0.00 %
	Fugitive emissions	0.00	3.89	0.01	120.23	0.23 %
Indirect emissions	Use of electricity	6,895.51	0.21	0.03	6,908.60	13.34 %
Subtotal		56,914.02	5.51	0.30	51,780.50	99.99%
Biomass combustion		3.13			3.13	0.01 %
<b>Total emissions</b>		<b>56,917.15</b>	<b>5.51</b>	<b>0.30</b>	<b>51,783.64</b>	<b>100.00 %</b>

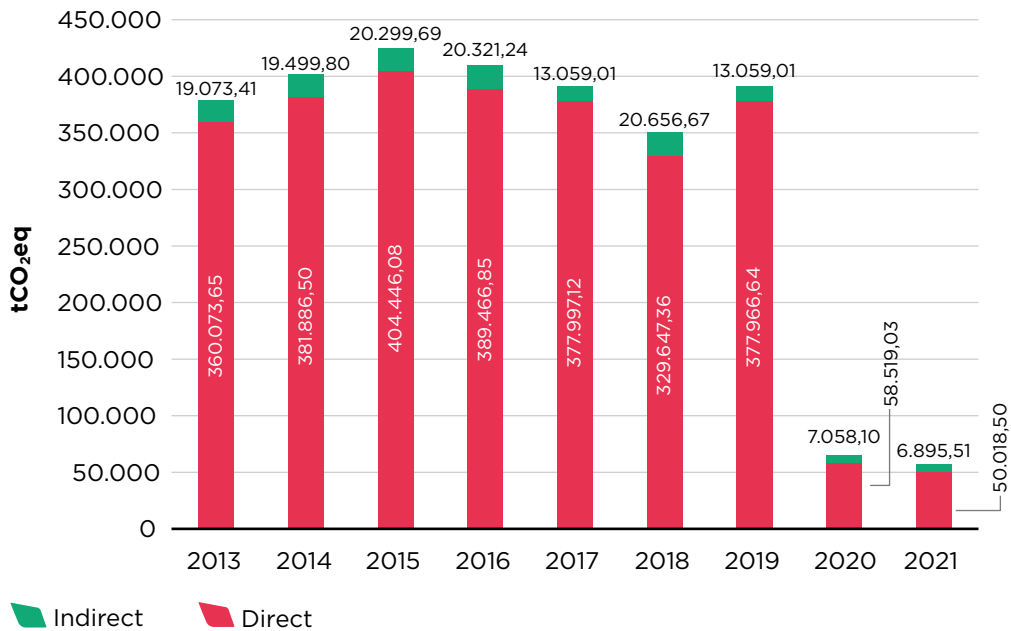
**Source:** Prepared by the company – Corporate Management Sustainable Development

**Figure 9.** Distribution of GHG Emissions by Unit



**Source:** Prepared by the company – Corporate Management Sustainable Development

**Figure 10.** Distribution of GHG emissions by year and scope



**Source:** Prepared by the company – Corporate Management Sustainable Development



### 4.1.3. Water resources management (GRI 303-3) (GRI 303-5)

The water resource is an important element in the proper development of our activities and processes, especially in those that require cooling, washing of impurities and steam production. Its management is responsible and implies the rational use as part of the operational controls to minimize the generation of effluents in our operations.

PETROPERU recognizes the importance of proper water management, and in particular the proper and rational use of water. Likewise, the controlled extraction of water from surface and underground sources intended for the Company's operating processes.

Among the measures we have adopted to make sustainable use of water resources, we would like to highlight the following:

- Operational Level. Implementation of wastewater treatment plants and reuse of these.
- Technological level. Modernization of equipment.
- Commercial level. Maintenance of desalination plant.
- User level. Promoting responsible water consumption.

The main sources of surface fresh water, which correspond to rivers, lakes and lagoons, account for about 21% of the liquid used, while underground sources account for 3%. In this way, in areas that are classified with water stress, we choose to supply ourselves with sea water, in order to reduce the pressure on groundwater and surface water. Likewise, by increasing its availability, we avoid competing for its use with the neighboring populations that require it for their consumption. In 2021, we extracted 707,035 m<sup>3</sup> of water from the ocean, which corresponds to the 62% treated in our IDAM of Talara Refinery.

To collect this information, the different areas of non-industrial services or management control of each headquarters account for consumption, using the measurements of the meters or receipts provided by the supplier companies.

It should be noted that the water extraction that we carry out in PETROPERÚ is in accordance with the authorized volumes and water rights granted by the competent entity.

Below, we detail the water consumption in cubic meters by source type and operation:

**Table 12.** Water consumption by source and operation

Operation	Surface water	Groundwater	Municipal Supply/Other Company	Total
OFP	-	-	12,968.00	12,968.00
Conchán <sup>4</sup>	118,015.00	-	Water Tank 12,444.56	130,503.06
			Drum 43.50	
Talara	707,035.00	-	68,291.00	775,326.00
Forest	53,218.86	-	-	53,218.86
ONP	82,429.10	34,021.00	13,254.00	129,704.10
Distribution	-	-	31,301.39	31,301.39
<b>Total</b>	<b>960,697.96</b>	<b>34,021.00</b>	<b>138,302.45</b>	<b>1'133,021.41</b>

**Source:** Prepared by the company – Corporate Management Sustainable Development

**Table 13.** Water extraction by source at corporate scale

Source Type	Total extraction (m <sup>3</sup> )	Percentage
Municipal supply or from other company	138,302.45	12.21 %
Surface water from the ocean	707,035.00	62.40 %
Surface water from rivers	135,647.96	11.97 %
Surface water from the lake	118,015.00	10.42 %
Groundwater	34,021.00	3.00 %
<b>Total</b>	<b>1'133,021.41</b>	<b>100.00 %</b>

**Source:** Prepared by the company – Corporate Management Sustainable Development

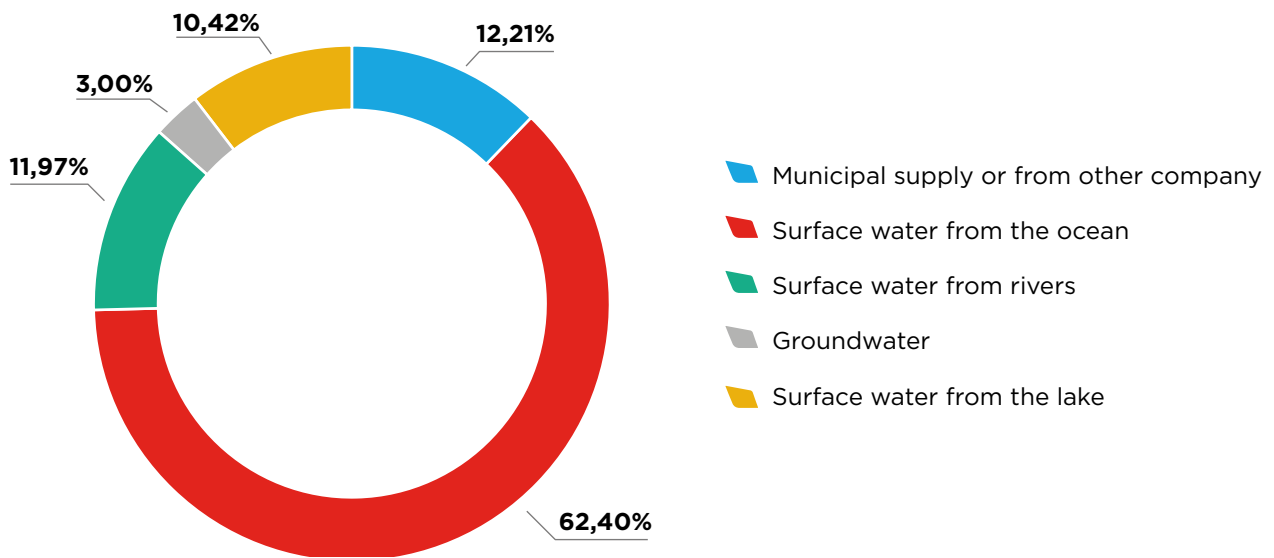
**Table 14.** Extraction of water by source and by headquarters at corporate scale

Source Type/ Location	OFP	Conchán	Talara	Forest	ONP	Distribution	Total
Municipal supply or from other company	12,968.00	12,488.06	68,291.00	-	13,254.00	31,301.39	138,302.45
Surface water from the ocean	-	-	707,035.00	-	-	-	707,035.00
Surface water from rivers	-	-	-	53,218.86	82,429.10	-	135,647.96
Surface water from lakes	-	118,015.00	-	-	-	-	118,015.00
Groundwater	-	-	-	-	34,021.00	-	34,021.00
<b>Total</b>	<b>12,968.00</b>	<b>130,503.06</b>	<b>775,326.00</b>	<b>53,218.86</b>	<b>129,704.10</b>	<b>31,301.39</b>	<b>1'133,021.41</b>

**Source:** Prepared by the company – Corporate Management Sustainable Development

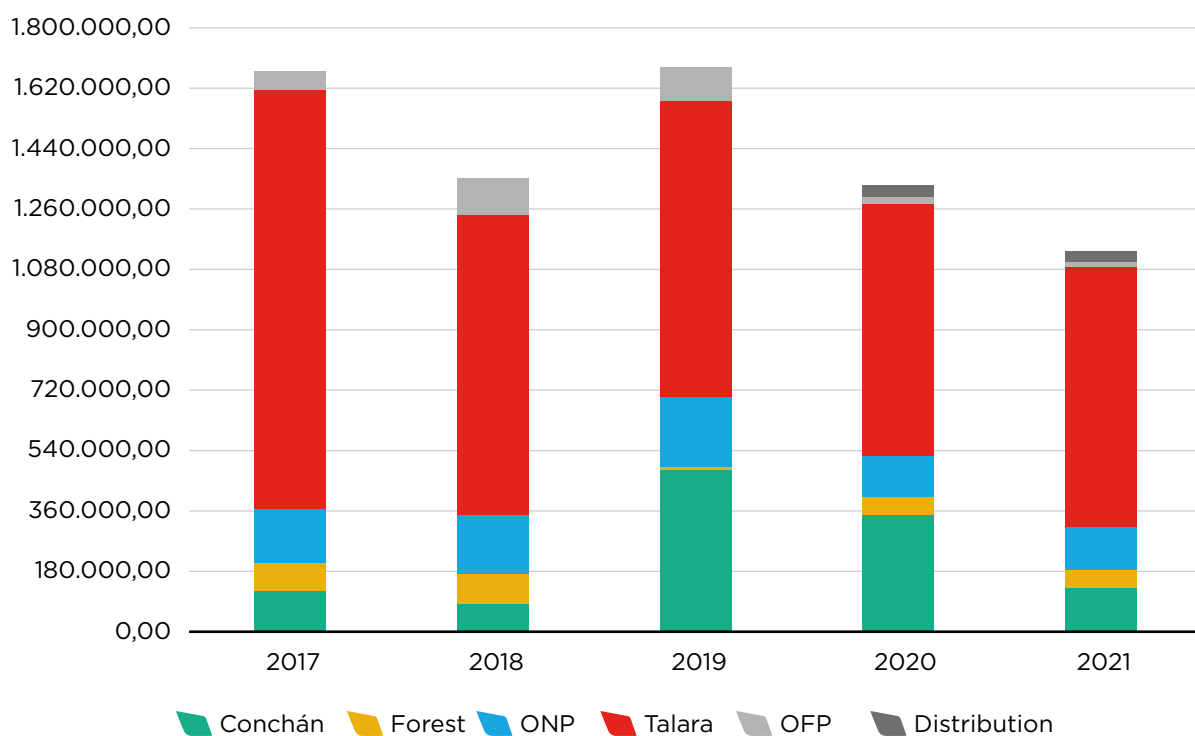
<sup>4</sup> The actual consumption records of the meter are presented, which is within the authorization range of the National Water Authority (Ana).

**Figure 11.** Water consumption by source-2021 corporate scope



**Source:** Prepared by the company – Corporate Management Sustainable Development

**Figure 12.** Water consumption by location in m<sup>3</sup>



**Source:** Prepared by the company – Corporate Management Sustainable Development

#### 4.1.4. Waste management (GRI 306-3)

PETROPERÚ proposes and implements strategies that minimize, segregate, recover and properly dispose of the waste generated in our facilities nationwide, taking as a reference the Solid Waste Management Law and its Regulations.

In 2021, we adopted some measures that allow us to manage our waste comprehensively. These are:

- we prioritized digital procedures, which allowed us to reduce waste such as paper and associated shipping procedures,
- we contribute to the recovery of reusable material from the OFP through the agreement with Children's Villages, an entity to which recyclables (paper, cardboard and plastics) are delivered, and
- we reuse all the organic waste generated in the Iquitos Refinery through composting, so that it is then used as fertilizer for the green areas of the operation.

Regarding the generation of solid waste, in 2021 1,439.64 tons of non-hazardous and 69,433.68 tons of dangerous were obtained. Of all the offices, Talara Refinery is the one that recorded the largest generation of non-hazardous and hazardous waste.



More information on waste generation<sup>5</sup> by site is shown in the following tables:

**Table 15.** Generation of hazardous and non-hazardous solid waste by site

Location	Non-hazardous waste (kg)		Hazardous waste (kg)	Total (kg)	Percentage
	Organic Waste	Inorganic Waste			
Conchán	0.00	12,230.00	1'399,420.00	1'411,650.00	1.99 %
Forest	16,370.00	16,752.00	42,730.80	59,482.80	0.08 %
Talara	708,665.21	480,997.78	67'817,800.00	69'007,462.98	97.39 %
ONP	93,150.00	71,164.90	164,314.90	328,629.80	0.46 %
OFP	0.00	26,294.00	2,960.00	29,254.00	0.04 %
Distribution	3,180.05	10,840.85	6,452.82	20,473.72	0.03 %
<b>Total</b>	<b>821,365.26</b>	<b>618,279.53</b>	<b>69'433,678.52</b>	<b>70'873,323.30</b>	<b>100.00 %</b>
Percentage	1 %	1 %	98 %	100 %	-

**Source:** Prepared by the company – Corporate Management Sustainable Development

**Table 16.** Non-hazardous solid waste by site

Location	Non-hazardous (t)	Final disposal
Conchán	12.23	It is managed through the District Municipality of Lurín.
Forest	33.12	Agreement with the District Municipality of Punchana and are taken to landfills.
Talara	1,189.66	In places authorized by the Provincial Municipality of Talara and are taken to landfills.
ONP	164.31	They are taken to landfills.
OFP	26.29	Final provision in charge of the Municipality of San Isidro and the Authorized Companies.
Distribution	14.02	Agreement with the municipalities where the Sales Plants and Airport Plants are located.
<b>Total</b>	<b>1,439.64</b>	

**Source:** Prepared by the company – Corporate Management Sustainable Development

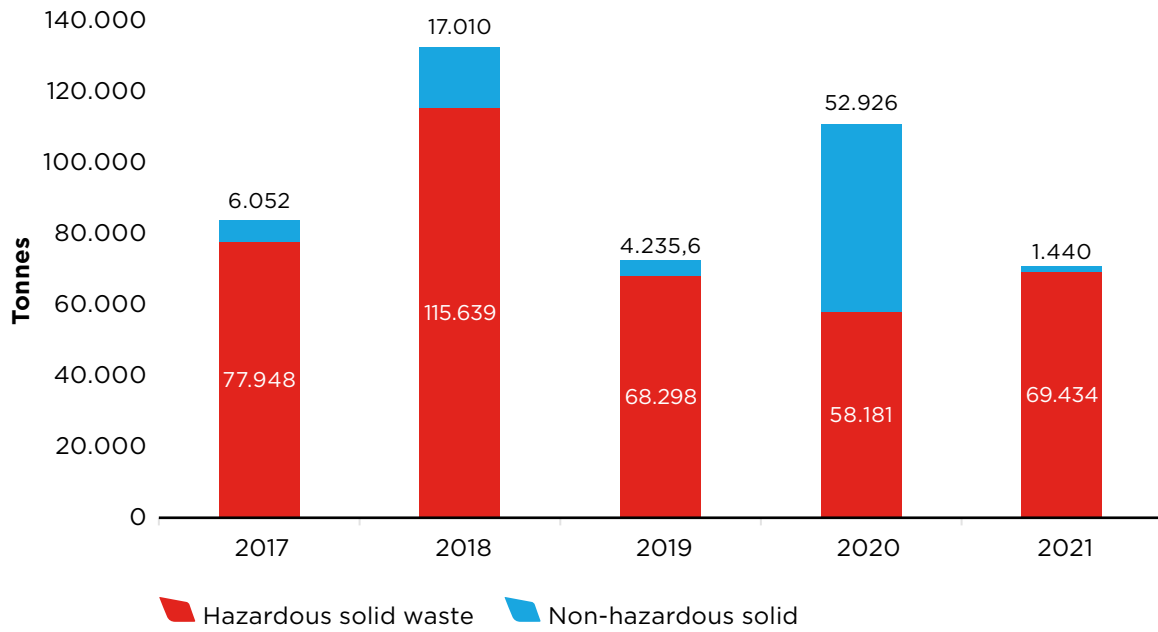
**Table 17.** Hazardous solid waste by site

Location	Hazardous (t)	Final disposal
Conchán	1'399,420.00	Disposition through authorized companies.
Forest	42.73	Disposition in an accredited security infill.
Talara	67,817.80	Disposition in the security padding owned by PETROPERÚ.
ONP	164.31	Disposition through authorized companies.
OFP	2.96	Final disposition by authorized companies
Distribution	6.45	Disposition through authorized companies.
<b>Total</b>	<b>69,433.68</b>	

**Source:** Prepared by the company – Corporate Management Sustainable Development

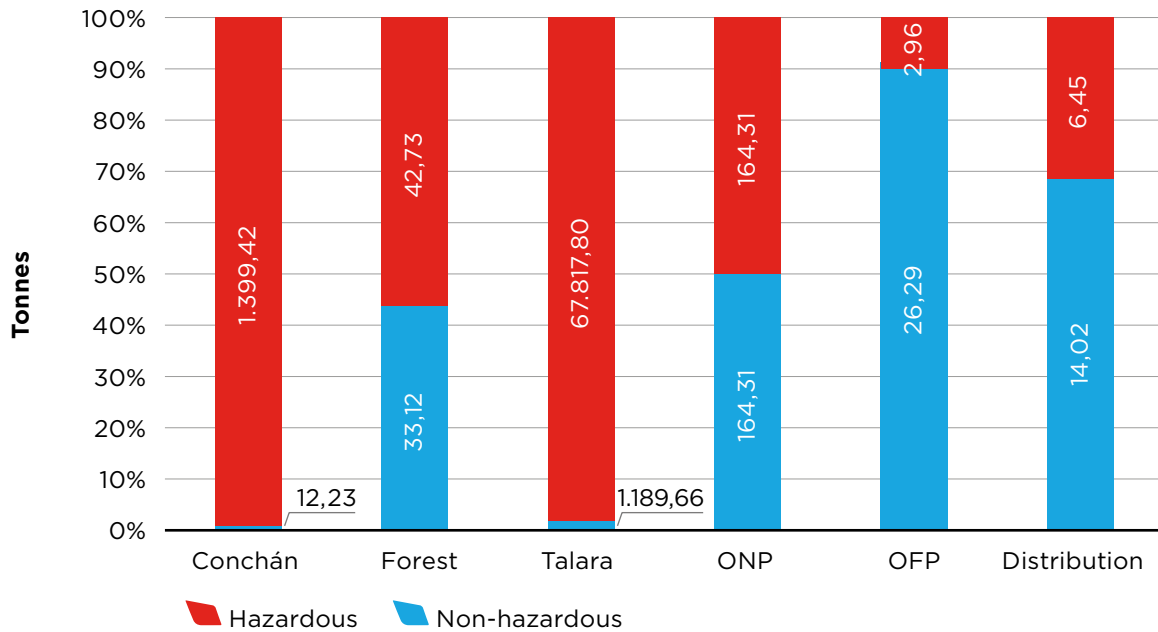
<sup>5</sup> Waste generated includes reusable waste destined for Children's Villages and waste composted in Selva.

**Figure 13.** Solid Waste Generation (t) 2017-2021



**Source:** Prepared by the company – Corporate Management Sustainable Development

**Figure 14.** Solid waste generation (t)-2021



**Source:** Prepared by the company – Corporate Management Sustainable Development

## 4.2. Biodiversity conservation (GRI 304-1)

For the management of natural resources in the areas surrounding our operations, we have the Biodiversity Policy. This includes guidelines and criteria that guide the Company's action towards a culture of protection and conservation of biological diversity in our headquarters at the national level. It also ensures that the reforms and modernization of the units comply with the requirements required at the national and international levels, and in turn with the demands of the market and society, in order to continue with the creation of sustainable value.

In line with this policy, the PETROPERU Biodiversity Management Plan has been approved. It focuses on the protection and conservation of highly sensitive biodiversity in the Company's areas of influence, seeking to achieve six results through different activities:

- implementation of strategic alliances,
- development of baselines,
- monitoring & evaluation,
- selection of important species,
- implementation of biodiversity projects; and
- dissemination of results.

In 2021, we strive to continue the cooperation agreements and agreements with our strategic allies, through the implementation of work plans that ensure responsible management of natural resources. The detail of this work is as follows:

- National Service of Natural Areas Protected by the State (SERNANP). Implementation of the 2020/2021 Work Plan for the implementation of actions in the Pacaya-Samiria National Reserve.
- Smithsonian Institution. Implementation of the work plan of the first phase of the Collaboration Agreement, which included the training of key personnel on issues related to biodiversity and ecosystem services, the development of the design of terrestrial biological monitoring for the ONP, the design of marine biological monitoring in Talara Refinery and Bayóvar Terminal, and the design of a landscape study.
- National Forestry Service (SERFOR). Implementation of development programs and technical training on forest ecosystem restoration and wildlife management.

It is important to note that, in a current scenario of the COVID-19 pandemic during 2021, the restrictions made it difficult to carry out field work.

The following table shows the facilities near protected natural areas:

**Table 18.** Facilities near protected natural areas

Facility	Type of facility	Area in km <sup>2</sup>	Location with respect to the ANP or high biodiversity area
Morona Station	Industrial area (pumping and storage) Housing area	0.067	Inside the Santiago Comaina Reserved Area <sup>6</sup> Terrestrial and freshwater ecosystems
Station 1	Industrial area (pumping and storage) Housing area	0.39	Inside the buffer zone of the Pacaya Samiria National Reserve <sup>7</sup> Terrestrial and freshwater ecosystems
Station 5	Industrial area (pumping and storage) Housing area	0.027	Inside areas of unprotected high biodiversity Terrestrial and freshwater ecosystems
Station 6	Industrial area (pumping and storage) Housing area	0.062	Inside areas of unprotected high biodiversity Terrestrial and freshwater ecosystems
Bayóvar Terminal	Industrial area (pumping and storage) Housing area	5.198	Adjacent to the Reserved Zone of Illescas <sup>8</sup> Terrestrial and marine ecosystems

**Source:** Prepared by the company – Corporate Management Sustainable Development

### 4.3. Environmental care (GRI 307-1) (GRI 419-1)

We are subject to permanent compliance with legal obligations and contractual commitments, due to our status as a state company and private regime, respectively. These features create the need to maintain a permanent legal support that covers the entire organization.

For this reason, Legal Corporate Management plays an essential role in providing corporate support to ensure the uniformity of legal strategies. Its main function is to advise effectively, proactively and comprehensively to manage risks, and in this way prevent contingencies and conflicts. Its management objectives are defined and aligned based on PETROPERÚ's Annual and Five-Year Objectives, which focus on administrative authorities, including sectoral and environmental authorities, when issuing pronouncements of sanctioning administrative procedures and supervision procedure.

<sup>6</sup> In accordance with Supreme Decree No. 023-2007-AG.

<sup>7</sup> In accordance with Supreme Decree No. 007-2007-AG.

<sup>8</sup> Ministerial Decision No. 251-2010-MINAM.



In 2021, management ordered the following measures to strengthen the exercise of its functions:

- daily report of the new legal norms published in the Official Gazette El Peruano, in order to avoid incurring administrative infringement,
- legal support provided to the operational area from the supervision stage, in order to avoid the initiation of an administrative procedure sanctioning the Company,
- support in the technical-legal strategy for the defense of the interests of the Company in the framework of sanctioning administrative procedures,
- environmental regulatory support for environmental remediation of contaminated sites and abandonment plans, among others,
- identification of roles and definition of responsibilities of each of the departmental managements of the Legal Corporate Management,
- designation of the lawyers responsible for each subject,
- formation of internal work teams,
- legal accompaniment to the operational areas of the Company, in order to provide timely and efficient legal support, and
- preventive legal support to control risks and avoid legal contingencies.

The monitoring of these actions is evaluated through systematic indicators in process status reports, procedures, administrative measures and supervisions filed, pending coordination and monitoring meetings, reports on compliance with deadlines in response to queries, and monthly reports on variations in administrative processes.

In terms of environmental compliance, we are subject to supervision by the Energy and Mining Investment Supervisory Agency (OSINERGMIN), the Environmental Assessment and Control Agency (OEFA) and other administrative authorities. These entities, within the framework of their functions, have the competence to verify and supervise that the development of the Company's activities is carried out in accordance with current environmental regulations.

Despite the preventive actions, this year OEFA in the processing of three administrative sanctioning procedures (PAS), imposed significant fines on us<sup>9</sup>, amounting to a total amount of 7,932.29 UIT. On the other hand, OSINERGIM, in the processing of two PAS imposed significant fines amounting to a total amount of 2,106 UIT, for allegedly not adopting prevention measures against the generation of negative environmental impacts as a result of spills occurred in the ONP. We have also been creditors to four non-monetary sanctions imposed by OEFA regarding the imposition of corrective measures, and one sanction imposed by OSINERGMIN regarding the imposition of the mandate in the ONP. Fines and non-monetary sanctions were imposed on us within the framework of sanctioning administrative procedures initiated as a consequence of supervisions of the Company's facilities and operations.

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<sup>9</sup> The Corporate Legal Management internally provided that significant fines will be those in excess of 1000 UIT.

**Table 19.** Significant fines in 2021

Authority	Number of files	Total amount of non-significant fines
OEFA	12 PAS	1'072,964 UIT
OSINERGMIN	61 PAS	1'165,221 UIT

**Source:** Prepared by the company – Legal Corporate Management

It is important to mention that the Corporate Legal Management, in its operational role, identifies regulatory breaches of an environmental nature and implements legal support actions to different areas, in order for the operating units to adopt necessary measures to avoid the commission or repetition of said behaviors.

## 4.4. Attention to environmental risks (GRI 102-11)

As a state-owned company, we comply with legal obligations established in laws and regulations, contractual responsibilities, and voluntary commitments. Our actions transversally include the precautionary principle. In addition, we execute certain actions in our contingency plans that seek to act in a timely manner in the event of an emergency. These management instruments respond to the Regulation of Environmental Protection in Hydrocarbon Activities, the Law of Safety for Hydrocarbon Activities and the law that indicates the obligation to prepare and present contingency plans.

PETROPERÚ seeks to strengthen among its workers a preventive culture in safety, environmental protection and occupational health that contributes to the sustainability and continuity of the business, with the aim of providing a timely response in the event of an emergency due to operational or natural causes.

In 2021, there were three significant environmental emergencies, two in progress of the ONP and one in the Pucallpa Sales Plant. In the case of significant emergencies, OSINERGMIN regulations are taken as a reference, which order to immediately report, within twenty-four hours, those events greater than one barrel and those events less than one barrel must be reported monthly to the competent entity.

**Table 20.** Significant environmental emergencies by location in 2021

Location	Date	Location	Substance	Volume (barrels)
Pipeline	13/10/2021	Km 609 + 140 of Section II of the ONP	Loreto Crude (20.1° API)	114.9
Pipeline	31/12/2021	Km 373 + 262 of Section II of the ONP	Breña Crude (19.9° API)	6,420.0
Distribution	29/10/2021	Dispatch Isle No. 1 Cusco Plant	B5 S-50 Diesel	3.98

**Source:** Prepared by the company – Corporate Management Sustainable Development

Significant events are mainly those linked to the ONP, because the emergencies involved the spill of hydrocarbons and the affectation of environmental components. The areas affected by these spills are intervened and cleaned up to restore the environmental quality of the components of the affected environment.

As part of the implementation of the Contingency Plan, specialized companies are hired to carry out first response tasks, such as containment, as well as to carry out environmental remediations of the affected areas.

Parallel to all remediation activities, monitoring is carried out to allow the achievement of environmental objectives in the intervened areas.

Some of the control and management actions related to the management of emergencies and reduction of impacts on the ground are:

- implementation of facilities for soil protection, such as waterproofing of tanks,
- monitoring of the maintenance master plan,
- implementation of emergency response teams, procedures and plans, including response brigades and barriers,
- investigation and remediation of the impacted sites of our facilities,
- development of post-closure environmental assessments of remediation projects such as follow-up monitoring, and
- remediation of impacted sites from our past activities and privatized units.





# OUR HUMAN CAPITAL

## Chapter V

## **5.1. Diversity and inclusion**

**(GRI 102-7) (GRI 102-8) (GRI 401-1)**

We consider human talent as the axis responsible for the success of our business. Therefore, from Corporate Human Resources Management, we have implemented the 2021-2023 Management Strategy to ensure our sustainable growth and contribute to the attraction, development and retention of human capital, thus maintaining a continuous motivation among them and ensuring optimal work performance.

In 2021, we gradually resumed face-to-face activities, updating work modalities and adopting others to achieve an improvement in the permanent work environment throughout this process. Among the most important activities managed, we have the following:

### **5.1.1. Organizational climate and culture:**

- we implemented strategies to strengthen the corporate philosophy, giving continuity to the Somos PETROPERÚ program,
- we incorporated the ADKAR model for the management of organizational change, advising the main projects of the Company,
- the Entre Nos (Among Us) program, which promotes the trust links of People Management with the PETROPERÚ worker, in order to contribute to building a favorable climate together, was deployed in 12 sessions with 90 workers,
- the Conversando con Tu Líder (Talking to Your Leader) program developed 43 virtual sessions in open and horizontal conversation spaces between the general manager with groups of supervisory and auxiliary personnel at the corporate level, involving 697 workers during 2021 and 347 actions implemented,
- we conclude the 2021 Organizational Culture Diagnosis with the participation of employees from all the Company's headquarters, areas and levels, and
- followed up on the implementation of work climate action plans. Managers executed their 2021 plans with quarterly reports, 78% of which were executed on a corporate scale as of December 2021.

### **5.1.2. Personal and occupational well-being:**

- we implemented the Master Plan for the projects of the New Talara Refinery (network of change managers),
- we run the DAKUJAMU program with virtual activities aimed at staff and their family, reaching the participation of 1,100 collaborators connected on a corporate scale. This program was developed by professionals in social work, psychology, nutrition and sports training, who provided tools to promote the achievement of a healthy lifestyle, contributing to personal growth and adequate family coexistence,
- we sign collective labor agreements 2021-2022 with the Unified Union of Petroleum, Energy, Derivatives and Related Workers of the Grau Region (SUTPEDARG), Unique Union of Petroleum Workers of Peru–Oil Pipeline Operations (WITHOUT OLE) and the National Convention of PETROPERU Unions, and

- we achieved the approval of benefits of collective origin for personnel with worker category from January 1, 2022, in compliance with the collective labor agreement 2022.

All these achievements have had a positive impact on the overall well-being of our employees. Thus, at the end of the year, we had a record of 2,810 employees, including 554 women, reaching an approximate percentage of representation of 20%. This is a permanent challenge to increase the presence of women on our payroll.

As for the contractual situation, about 90% of our employees have an indefinite term contract, with 48-hour working hours. In relation to the facilities, Talara Refinery is the one that houses the largest number of collaborators, due to the size of the PMRT.

In our organization we firmly believe that having committed collaborators allows us to guide the Company towards a sustainable culture of high performance, seeking to leave a positive footprint in our country. For this reason, all forms of work are remunerated and have benefits in accordance with the law.

Below, the number of collaborators is presented in detail, by type of day, age group, type of contract, location of service and sex during 2021:

**Table 21.** Workers by age and sex

Age group	Sex	Commercial	OFP	ONP	Conchán Refinery	Selva Refinery	Talara Refinery	Total General
Under 30	Male	25	18	26	19	8	172	268
	Female	5	17	7	6	7	38	80
<b>Subtotal</b>		<b>30</b>	<b>35</b>	<b>33</b>	<b>25</b>	<b>15</b>	<b>210</b>	<b>348</b>
Between 31 and 40	Male	53	109	71	57	81	394	765
	Female	28	96	9	9	10	65	217
<b>Subtotal</b>		<b>81</b>	<b>205</b>	<b>80</b>	<b>66</b>	<b>91</b>	<b>459</b>	<b>982</b>
Between 41 and 50	Male	53	109	41	53	41	170	467
	Female	7	72	9	11	5	12	116
<b>Subtotal</b>		<b>60</b>	<b>181</b>	<b>50</b>	<b>64</b>	<b>46</b>	<b>182</b>	<b>583</b>
Between 51 and 60	Male	18	60	40	23	24	41	206
	Female	7	35	1	6	-	8	57
<b>Subtotal</b>		<b>25</b>	<b>95</b>	<b>41</b>	<b>29</b>	<b>24</b>	<b>49</b>	<b>263</b>
Over 61	Male	24	79	175	49	41	182	550
	Female	6	39	16	4	7	12	84
<b>Subtotal</b>		<b>30</b>	<b>118</b>	<b>191</b>	<b>53</b>	<b>48</b>	<b>194</b>	<b>634</b>
<b>Total</b>		<b>226</b>	<b>634</b>	<b>395</b>	<b>237</b>	<b>224</b>	<b>1,094</b>	<b>2,810</b>

**Source:** Prepared by the company – Human Resources Corporate Management

**Table 22.** Contributors by type of contract, sex and region

Type of Contract	Sex	Commercial	OFP	ONP	Conchán Refinery	Selva Refinery	Talara Refinery	General total
Indeterminate term	Male	117	318	319	184	184	832	1,954
	Female	47	234	40	34	27	122	504
Subtotal		164	552	359	218	211	954	2,458
Fixed-term deposit	Male	56	51	27	15	11	117	277
	Female	6	24	2	1	2	8	43
Subtotal		62	75	29	16	13	125	320
Injunction	Male	-	6	7	2	-	10	25
	Female	-	1	-	1	-	5	7
Subtotal		-	7	7	3	-	15	32
General total		226	634	395	237	224	1,094	2,810

**Source:** Prepared by the company – Human Resources Corporate Management

**Table 23.** Contributors by type of work day and sex

Day	Sex	Commercial	OFP	ONP	Conchán Refinery	Selva Refinery	Talara Refinery	General total
48 hours	Male	173	368	101	199	194	959	1,994
	Female	52	252	38	34	29	135	540
Subtotal		225	620	139	233	223	1,094	2,534
44 hours	Male	-	7	252	2	1	-	262
	Female	1	7	4	2	-	-	14
Subtotal		1	14	256	4	1	-	276
General total		226	634	395	237	224	1,094	2,810

**Source:** Prepared by the company – Human Resources Corporate Management

### (GRI 405-1)

One of the key instruments in human management is our Equity, Diversity and Inclusion Policy<sup>10</sup>:

**Purpose.** Implementation of actions that promote equal opportunities for our direct collaborators and contractors without distinction of sex, age, social status, religion, sexual orientation, ethnic origin, color, marital status, unionization, political opinion, disability and nationality, among others.

<sup>10</sup>Equity, Diversity and Inclusion Policy (POLA1-012), approved in Board of Directors Agreement No. 108-2020-PP.



To promote it, there is the Joint Committee, which includes three representatives elected by vote and three appointed by the administration. It is responsible for proposing the action plan, which establishes objectives to implement diversity across the organization, and strategies to meet short, medium and long term objectives.

Another relevant fact is the development of a survey to determine the baseline in terms of diversity and equal opportunity. In this way, we will have a diagnosis and indicators can be developed to evaluate performance in this area.

Below are the employees by job category, age range and sex:

**Table 24.** Members of the Board by Age Range and Sex

Age range	<30		Subtotal	31-40		Subtotal	41-50		Subtotal	51-60		Subtotal	>61		Subtotal	Total
	H	M		H	M		H	M		H	M		H	M		
Board of Directors	-	-	-	-	-	-	-	-	-	2	-	2	4	-	4	6

Note: Members of the Board of Directors at the end of 2021.

Source: Prepared by the company – Human Resources Corporate Management

**Table 25.** Contributors by job category, age range and sex

Age range	<30		Sub total	31-40		Sub total	41-50		Sub total	51-60		Sub total	>61		Sub total	Total
	H	M		H	M		H	M		H	M		H	M		
General Manager	-	-	-	-	-	-	-	-	-	1	-	1	-	-	-	1
Corporate Manager	-	-	-	-	-	-	2	3	4	4	-	4	4	1	5	13
Department Managers	-	-	-	2	2	4	11	-	11	5	1	6	8	1	9	30
Heads	-	-	-	38	18	56	55	12	67	18	3	21	33	3	36	180
Coordinator/supervisors	79	35	114	379	148	527	230	76	306	73	27	100	121	40	161	1,208
Employees	189	45	234	346	49	395	169	26	195	105	26	131	384	39	423	1,378
<b>Total</b>	<b>268</b>	<b>80</b>	<b>348</b>	<b>765</b>	<b>217</b>	<b>982</b>	<b>467</b>	<b>116</b>	<b>583</b>	<b>206</b>	<b>57</b>	<b>263</b>	<b>550</b>	<b>84</b>	<b>634</b>	<b>2,810</b>

Source: Prepared by the company – Human Resources Corporate Management

## 5.2 Employment

(401-1)

In 2021, we established various instruments approved by the General Management to manage employability in PETROPERÚ. To optimize hiring time, the Staff Recruitment Procedure was approved (v.9 in 2020 and v.10 in 2021). Likewise, to fill vacancies generated in positions at levels 4, 5 and 6, with its own personnel with experience and knowledge acquired in the course of their career in the Company, we developed the Internal Personnel Recruitment Procedure (PROA1-101 v.4).

In order to retain talent, our Corporate Human Resources Management implemented the Staff Development Program based on 2021 Skills and Objectives. In this framework, it is planned to design the Performance Evaluation Program to evaluate the period January-December 2021, with the aim of having a strategic process that measures the contributions of the collaborators. In this way, we will be able to identify gaps so that they are addressed through individual development plans and that they promote professional growth.

In order to reduce the number of modal recruitments in administrative positions, specific services and when there is an increase in activity, we have established guidelines for the temporary recruitment of personnel.

We have also managed to implement the Work with Us job market, whose design considers the profile filter, thus reducing the time for curriculum review in the selection process. At the end of 2021, there were 39,133 registered users.

Despite all these achievements, the turnover rate in 2021 was 14%. This rate can be related to the activities of control, audit and control of internal procedures, which concluded in the application of disciplinary procedures in accordance with the internal labor regulations and labor standards in force, resulting in a significant number of dismissals. Likewise, due to the state of emergency decreed by the Government due to the pandemic, most of our vulnerable personnel were on leave with compensation, which led to contracts for substitutes.

In relation to hiring, at the end of the year 474 employees were added to our human capital; many of these were hired for Talara Refinery. In addition, a total of 186 vacant positions (levels 2, 3, 4, 5 and 6) have been filled. Likewise, 140 people have been hired for an indefinite period to fill vacant positions in the complementary organization of the Talara Refinery Management and the Talara QHSSE Department Management. These people come from Cascade 5 and 6 Programs.

The following are the turnover rates, and new hires by facilities, age range and sex:

**Table 26.** Worker turnover

Worker turnover	Commercial	OFP	ONP	Conchán Refinery	Selva Refinery	Talara Refinery	General total
Staff turnover rate	17 %	14 %	14 %	15 %	19 %	13 %	14 %
Voluntary resignation turnover rate	4 %	2 %	2 %	0 %	2 %	2 %	2 %
Number of employees due to dismissal or destitution	2	38	15	2	8	51	116
Number of employees due to death	2	5	5	3	2	11	28
Number of workers due to retirement	2	5	11	1	1	12	32
Number of workers due to mutual by dissent	1	12	7	1	2	-	23
Number of workers due to resignation	9	11	6	-	4	22	52
Number of workers due to expiration of contract	23	26	26	31	26	68	200
General Total Number of Workers	39	97	70	38	43	164	451
Percentage of collaborators withdrawn by mutual agreement	2.6	12.4	10.0	2.6	4.7	0.0	5.1
Percentage of voluntary withdrawals/total withdrawals	23.1	11.3	8.6	0.0	9.3	13.4	11.5

**Source:** Prepared by the company – Human Resources Corporate Management

**Table 27.** Worker turnover by age and sex

Worker turnover	Commercial		OFP		ONP		Conchán Refinery		Selva Refinery		Talara Refinery		General total		
	F	M	F	M	F	M	F	M	F	M	F	M	F	M	Total
31-40	3	17	7	11	5	12	4	11	4	15	8	39	31	105	136
41-50	-	7	7	20	-	6	-	6	-	5	1	22	8	66	74
51-60	-	2	3	7	1	4	-	2	-	2	-	14	4	31	35
Over 61	-	2	4	19	2	25	-	2	-	4	1	50	7	102	109
Under 30	3	5	7	12	3	12	2	11	1	12	5	24	21	76	97
General total	6	33	28	69	11	59	6	32	5	38	15	149	71	380	451

**Source:** Prepared by the company – Human Resources Corporate Management

**Table 28.** New hires

New hires	Commercial		OFP		ONP		Conchán Refinery		Selva Refinery		Talara Refinery		General total		
	F	M	F	M	F	M	F	M	F	M	F	M	F	M	Total
Under 30	4	24	7	11	3	23	5	12	4	6	7	39	30	115	145
31-40	4	30	12	15	-	39	1	16	5	22	6	53	28	175	203
41-50	1	11	6	22	2	14	1	5	-	8	-	24	10	84	94
51-60	-	1	3	12	-	2	-	-	-	-	-	6	3	21	24
Over 61	-	-	1	6	-	-	-	-	-	-	-	1	1	7	8
<b>General total</b>	<b>9</b>	<b>66</b>	<b>29</b>	<b>66</b>	<b>5</b>	<b>78</b>	<b>7</b>	<b>33</b>	<b>9</b>	<b>36</b>	<b>13</b>	<b>123</b>	<b>72</b>	<b>402</b>	<b>474</b>

**Source:** Prepared by the company – Human Resources Corporate Management

Maintaining motivation in our employees, as well as a good work environment, goes hand in hand with fluid and interactive internal communication between all parties. In addition, in a scenario of the COVID-19 pandemic, we strengthen the communication channels, in order to keep the worker informed and collect their concerns.

Among the most outstanding actions of this year, we highlight the following:

- we maximize the reach of the internal social network Yammer, in which more than 2,600 workers participate,
- we activate the Petroinforma communication channel through WhatsApp instant messaging, which allows us to reach the worker faster,
- we continue with the spaces for direct dialogue between the leaders of PETROPERÚ and the collaborators through virtual presentations of the General Management, allowing to inform the situation of the Company, the progress of the main projects and the measures adopted in biosafety. In total, 20 presentations were made in 2021,
- we executed 61 group conversations led by the General Management and the Board Presidency, in which more than 820 collaborators participated. These meetings were held weekly and allowed to know the requirements and concerns of the staff on labor aspects, benefits and other topics of interest, and
- in December, we disseminated two messages from the General Management to the collaborators, where we shared the main themes of the new PETROPERÚ administration.

All the information provided by the collaborators in these spaces of exchange has been taken into account by the Company as an input for the promotion of initiatives for the well-being of our human capital.



### **5.3. We promote collective partnerships** (GRI 102-41)

In our organization we respect the right to free union membership<sup>11</sup>, maintaining harmonious labor relations between the Company and labor organizations in order to favor a better work climate and satisfaction in workers.

As of the end of 2021, our Company has registered twelve trade union organizations on a corporate scale, including 1,869 of our unionized employees. This represents 66.5% of a total of 2,810 collaborators in the corporate field.

Below, the different trade union organizations, the number of members and the state of collective bargaining for 2021-2022 are detailed. We note that, at the end of 2021, salary increases were approved through a refund of an increase in remuneration to 49.9% of our collaborators and an extraordinary bonus for closing the specifications to 39.8% of them.

<sup>11</sup> In compliance with Law No. 25593 (Law on Collective Labour Relations) and its Regulations approved by Supreme Decree No. 011-92-TR.

**Table 29.** Unionized workers, by type of work and affiliated union

No.	Union organizing	Employees	Collective bargaining 2021-2022
1	Sindicato Único de Trabajadores de Petróleos del Perú-Operaciones Oleoducto (SIN OLE)	141	Yes
2	Unión Sindical de Trabajadores de Petróleos del Perú-Operaciones Oleoducto (US OLE)	32	Yes
3	Sindicato de Unidad Nacional de Trabajadores Petroleros de PETROPERÚ S.A. (SIN UNTP)	54	Yes
4	Sindicato de Trabajadores de Petróleos del Perú-OFP (STPP OFP)	20	Yes
5	Sindicato Nacional de Profesionales de Petróleos del Perú-PETROPERÚ S.A. (SINAPROPP)	270	Yes
6	Sindicato de Trabajadores Administrativos de PETROPERÚ S.A. (STAPP)	740	*
7	Sindicato Único de Trabajadores de Petróleos del Perú SA-Operaciones Conchán (SUTRAPEP OC)	120	Yes
8	Sindicato Único de Trabajadores de Operaciones Selva (SU TOS)	106	Yes
9	Sindicato Unificado de los Trabajadores del Petróleo, Energía, Derivados y Afines de la Región Grau (SUTPEDARG)	267	Yes
10	Sindicato Único de Trabajadores de la Refinería Talara-Petróleos del Perú SA (SUTREPPSA)	2	**
11	Sindicato de Trabajadores Refineros de PETROPERÚ-Refinería Talara (SITRAREPP)	51	Yes
12	Sindicato Nacional Único de Trabajadores Empleados y Administrativos de PETROPERÚ S.A. (SINUTREAPP)	66	Yes
<b>Total</b>		<b>1,869</b>	

\* It did not sign a 2021-2022 collective labor agreement and decided to continue with the optional arbitration stage. The arbitration award was issued on January 26, 2022; without prejudice to the claim for challenge and request for nullity and suspension of the execution of the award that was made by the Administration at that time, on June 3, 2022 the payment of the 2021 arbitration award was made effective, taking into account that it is a mandatory resolution (of strict compliance).

\*\* SUTREPPSA is in the process of dissolution. The remaining members filed a dissolution petition with the Administrative Labour Authority. Said union belonged to the Convention (registered in its 2021 Claims Form).

**Source:** Prepared by the company – Human Resources Corporate Management

We establish different collective labour agreements with the trade unions that are of faithful compliance for the Company. We socialize the various procedures and guidelines of labor relations, thus favoring the orientation of staff and unions. Likewise, in line with the current legal regulations, this is the single ordered text (TUO) of the Collective Labor Relations Law and its Regulations, the Company has a Union Permits Guideline (LINA 1-072), which defines the previous actions for the granting of union licenses.

An important fact is that in 2021, Emergency Decree No. 014 was repealed by means of Law No. 31114, and, in accordance with what was indicated by the Ministry of

Labor and Employment Promotion, we initiated conciliation meetings. However, by failing to reach an agreement after a considerable time, the STAPP decided to submit its process to optional arbitration. On the contrary, the Convention decided to resume direct contact meetings with our Company. On November 30, 2021, the SIN OLE and SUTPEDARG signed the first collective labor agreement 2021-2022, separating from the Convention. For its part, the Convention also signed the collective agreement on December 6, 2021. In all these processes, we fully comply with the legal regulations in force, respecting the right to freedom of association of our collaborators.

In relation to the actions taken in response to sexual harassment, we comply with Law No. 27942 (Law on the Prevention and Punishment of Sexual Harassment) and its Regulations approved by DS No. 014-2019-MIMP. We have the Procedure for the Prevention, Investigation and Punishment of Acts of Sexual Harassment (PROA1-081), and in accordance with it, we carry out the following activities:

- Compulsory virtual course, of asynchronous nature, Prevention and Punishment against Sexual Harassment, addressed to all staff, from April 30 to November 23, 2021.
- Treatment of Victims of Sexual Harassment Course, aimed at all staff, since July 15, 2021.

## **5.4. Growth based on training**

### **(GRI 404-1) (GRI 404-2)**

We provide the opportunity to strengthen the capacities and enhance the skills of our employees, as this impacts our business performance and the creation of value for our community and for the country.

Training programs seek to strengthen workers' knowledge and attitudes. In 2021, we have innovated through the use of technology in the delivery of courses, carrying them out virtually and effectively. In addition, we have agreements with educational institutions, including the SENATI institute, for the delivery of courses to our collaborators free of charge.

At the end of 2021, despite the context of covid-19 and in accordance with our Annual Training Plan, we carried out specialized programs, in accordance with the need of the user area and in compliance with the law. Thus, we managed to train 1,764 collaborators, reaching 63% of the total, and 82,565 hours of training were provided on strategic issues, mainly related to health, safety, operations, procedures, computing and skills, which ensures development and continuous training. These actions contribute to compliance with our Training Policy<sup>12</sup>, which regulates the requirements and conditions of training, and prioritises the training activities that must be implemented.

<sup>12</sup> Approved by Board of Directors Agreement No. 019-2020-PP.

**Table 30.** Staff training

Workers trained	2021
Number of trained workers	1,764
Number of hours taught	82,565
Percentage of employees trained	63 %

**Source:** Prepared by the company – Human Resources Corporate Management

The following table details the different types of training activities, with their respective number of participants and approximate hours.

**Table 31.** Types of training activities

Type	Participants	Approximate Hours
7+ trainings	155	3,851.15
6+ CAREC	20	848
47+ talks	1,274	2,364.60
20+ courses	11,148	30,763.92
13+ SENATI	1,512	4,734
6+ workshops	374	984
3+ webinars	572	958
Others	14,184	199,514.25

**Source:** Prepared by the company – Human Resources Corporate Management

Below are some of the courses provided to improve worker skills:

**Table 32.** Courses to improve worker skills

Courses	Participants	Sum of approximate hours
Soft Skills	6	12
Change management	32	32
Leadership	202	188
Remote work	3	45
Workplace Stress Management	1	14
Emotion Intelligence Management	2	26

**Source:** Prepared by the company – Human Resources Corporate Management



Regarding the hours of training by job rank, managers, administrative and operational received on average three hours of training per person.

- 42 hours on average training for female managers.
- 30 hours on average training for male managers.

The following tables specify the hours of training and the collaborators who received training, according to the work range and sex.

**Table 33.** Training Hours by Job Rank

Job Range	Number of employees trained	Men		Women		Average hour of training per worker
		Hours of training	Average hour of training per worker	Number of employees trained	Hours of training	
Senior Management	1	4	4	0	0	0
Managers	16	483	30	5	210	42
Administration	454	43,496	34	301	19,538	41
Operations	1,560	14,387	23	194	444	37
<b>Total</b>	<b>2,031</b>	<b>58,370</b>	<b>91</b>	<b>500</b>	<b>20,193</b>	<b>120</b>

**Source:** Prepared by the company – Human Resources Corporate Management

## 5.5. We internalize the culture of health and safety at work

**(GRI 102-11) (GRI 403-1) (GRI 403-4) (GRI 403-8)**

PETROPERU considers it important to take care of the physical, mental and social well-being of our employees. To do this, we offer a safe work space that does not pose a health risk, avoiding the presence of agents that cause occupational diseases. In that sense, our focus is on driving a better health and safety culture, identifying hazards, and controlling risks. We rely on our Integrated Policy of Quality Management, Environment, Safety and Health at Work (CASS), to ensure a good product and service without neglecting the quality of life of our employees, suppliers and communities.

It should be noted that in this management we act under the precautionary principle, mitigating possible negative impacts, and designing prevention and intervention strategies, thanks to the application of the Procedure for Reporting and Investigating Incidents, Accidents and Emergencies. In addition, we have a suggestion box so that employees can share their concerns.

It should be noted that we have the recertification of ISO 45001:2018, within the framework of the CASS Corporate Management Model, which validates compliance of our management model with international health and safety requirements and standards.

In the respective evaluation of our management, the leaders of the organization ensure compliance with the Occupational Health and Safety Law in the Company. In addition, they issue monthly incident reports, reports, indicators and other necessary data.

In 2021, actions, procedures and guidelines continued to be implemented to develop our management in a health and safety context. The most relevant were the following:

- incident, Accident and Emergency Reporting and Investigation procedure,
- industrial Hygiene Guide, Golden Rules, QHSEE Passport, QHSEE Software, QHSEE Corporate Indicators, QHSEE Alert, QHSEE Corporate Induction,
- safety pillar Objective Leadership, which involves line managers in the application of health and safety management tools,
- PETROPERÚ T-Cuida card,
- safety moment, at the beginning of work meetings,
- application of the Alert and Lessons Learned tool, to improve the culture of accident reporting, and
- continuation of the corporate training program in behavior-based safety (SBC) and defensive management, to avoid unwanted situations.

In PETROPERU, we have a security system based on Act No. 29783, its internal regulations, and Supreme Decrees Nos. 043, 023 and 024. This system has been validated with ISO 45001 and has a scope that covers all our facilities.

Our actions are managed by the Senior Management with the support of the Central Committee on Safety and Health at Work, composed of the five representatives of the subcommittees and five representatives of the collaborators, who meet on a monthly basis. Its main responsibilities are:

- approve the Employer's Internal Health and Safety Regulations,
- approve the Annual Health and Safety Management Program at Work,
- approve the annual training plan for employees on occupational health and safety of the Project,
- promote adequate training, instruction and guidance for new workers on risk prevention,
- monitor compliance with legislation, internal standards and technical specifications of work related to occupational health and safety, as well as the internal regulations for occupational health and safety,
- carry out periodic inspections in administrative and operational areas, as well as in facilities, machinery and equipment, in order to strengthen preventive management, and
- consider the circumstances and investigate the causes of all incidents, accidents and occupational diseases that occur in the workplace, issuing the respective recommendations to avoid their repetition.

It should be noted that Senior Management approves the involvement of our collaborators in the development and review of health and safety practices, as well as in the improvement of elements of occupational health and safety management. Through our communication channels, such as email or monthly meetings, this participation is made for the contribution of ideas.

In this context, the Occupational Health and Safety Management System has a total scope and does not exclude any worker or contractor, as shown below:

**Table 34.** Coverage of the Occupational Health and Safety Management System

Scope	Amount	Percentage
Employees covered by the Occupational Health and Safety Management System *	2,810	100 %
Contractors covered by the Occupational Health and Safety Management System *	7,835	100 %

\*They are subject to internal audit or certification by a third party.

**Source:** Prepared by the company – Safety Dpt. Management

### 5.5.1. Identification of risks and prevention actions (GRI 403-2) (GRI 403-9) (GRI 403-7)

In our Company, we pay special attention to ensuring that work environments are free of agents that may cause damage to the physical or mental well-being of employees. Therefore, through our procedure of hazard identification, risk assessment and determination of controls, we have been able to establish the hazards and evaluate the risks to intervene and prevent injuries or diseases of our collaborators in their work space. In addition, we conduct an annual management performance assessment to implement improvements in the following year.

It is important to note that employees have the power to report the hazards identified by means of the security ballot and the PETROPERÚ T-CUIDA card. In this way, the conditions of danger are communicated to the immediate manager and the execution of the work to be performed can be suspended, without reprisals being taken.

Likewise, we have trained our staff in this topic through the Hazard Identification and Risk Assessment and Control (IPERC) course, which helps them identify risks, and the Stop Work procedure has been applied, which allows employees to inform their immediate boss about a situation that poses a danger to their life, which causes the immediate cessation of the activity they were carrying out.

We are concerned about investing in safety training for our employees; however, in 2021, accidents have been reported, which we detail below:

**Table 35.** Accidents Reported

Accidents	Amount
Minor	23
Serious	24
Fatal	0
<b>Total</b>	<b>47</b>

**Source:** Prepared by the company – Safety Dpt. Management

In cases of reported accidents, we apply our Incident, Hazardous Incident, Accident and Emergency Management mechanism, to comply in a timely manner and ensure adequate reporting at an internal level and to different authorities. We also implement good corrective and preventive practices. We have frequency and severity indices that allow us to monitor the preventive culture in the Company.

**Table 36.** Safety Indices

Indicator	2021
Corporate Frequency Index	1.61
Corporate severity index	23.67

The calculation has been made on the basis of 1'000,000 hours worked.

**Source:** Prepared by the company – Safety Dpt. Management

Among the main injuries or accidents that have been identified in our internal staff and contractors in the year, we have the following:

**Table 37.** Main injuries identified

Nature of the injury	Amount	Percentage (%)
Contusion	29	62
Cut	8	17
Dislocation	2	4
Injury	1	2
Inflammation	1	2
Contact with work material	1	2
Burn	1	2
Fracture	1	2
Laceration	1	2
Others	2	4
<b>Total</b>	<b>47</b>	<b>100</b>

**Source:** Prepared by the company – Safety Dpt. Management

The framework of our management model has established methodologies for hazard identification, environmental aspects and risk assessment. This makes it possible to determine the controls to eliminate or reduce the level of risk and prevent damage in terms of injuries, illnesses of personnel in the workplace and associated environmental impacts. The hazard and risk review exercise is carried out at least once a year or when any change occurs in the process or installation, determining, among others, the following significant hazards and risks:

**Table 38.** Main hazards and risks identified

Significant hazards	Significant Risks
Exposure to the SARS-CoV-2 virus	Respiratory infection, lung disease, pneumonia
Flammable or combustible material (gases, liquids, solids)	Fire
Flammable or pressurized material	Explosion
Noise (equipment and process)	Exposure to noise
Working at heights	Fall from height
Vehicle transit	Bruises, wounds, injuries, fractures
Use of tools and electrical equipment	Burns, bruises, blows, cuts, wounds
Hydrocarbons/chemicals	Inhalation of hydrocarbons or chemicals
Inadequate posture	Exposure to inadequate posture
Confined space	Exposure to oxygen deficiency or toxic gases

**Source:** Prepared by the company – Safety Dpt. Management

Once the hazards and risks have been determined, the controls are identified, taking into account the hierarchy of these described below:

- eliminate the hazard,
- replace with processes, operations or materials,
- employ engineering controls,
- use administrative controls, and
- use personal protective equipment.

Faced with the occurrence of an unwanted event, we have a methodology that supports the preparation of investigation reports of incidents, accidents and emergencies. In addition, it allows compliance in an adequate and timely manner with the presentation of the internal reports of the Company and the different authorities, as well as proposing relevant corrective or preventive measures.

Likewise, we ensure the prevention and mitigation of the impacts on the health and safety of our collaborators linked to commercial activities. In this line, we ensure that the products marketed by PETROPERÚ are prepared according to the technical specifications, in accordance with the applicable regulations. Each of the products has a safety data sheet (SDS), which provides reference information for safe handling. These documents are public and are available to our customers and the general public on the Company's website ([www.petroperu.com.pe](http://www.petroperu.com.pe)). Likewise, the product delivered to customers has a batch test report, corresponding to the quality control carried out.

## **Committed to prevention**

**(GRI 403-5) (GRI 403-6) (GRI 403-7)**

Our management is oriented to the implementation and consolidation of a culture of safety and self-care, in order to mitigate and prevent occupational hazards and significant negative impacts. Therefore, during the year we have coordinated and carried out several trainings or talks, some of which are detailed below:

**Table 39.** Main training and prevention talks

Action	Topic
Talk	<ul style="list-style-type: none"> <li>• Stop Work</li> <li>• Awareness-raising on PETROPERU's Integrated Policy on Quality, Environment, Safety and Health at Work</li> <li>• IPER Matrices/Matrices</li> <li>• Covid-19 Suspicious Cases Drill</li> <li>• First Aid Brigade Instruction</li> </ul>
Semester	<ul style="list-style-type: none"> <li>• Induction, Prevention and Control Covid-19</li> <li>• Occupational Health and Safety Management and Leadership</li> <li>• Work Permits, Safe Work Analysis (ATS), Hazard Identification and Risk Assessment and Control (HIRAC), Behavior Based Safety (CBS) and Defensive Management</li> </ul>
Others	<ul style="list-style-type: none"> <li>• Training of emergency response brigades</li> <li>• Fire and Safety Week</li> <li>• First aid</li> </ul>

**Source:** Prepared by the company – Safety Dpt. Safety

Some of the main actions we carried out in 2021 were:

- carrying out 10 virtual awareness campaigns,
- 10 webinars on industrial safety and process safety, attended by 2,597 attendees,
- execution of three virtual courses: Virtual QHSSE Induction, IPERC, ATS and Work Permit, Induction, Prevention and Control of Covid-19,
- execution of 144 drills,
- 107,512 hour training on Environment, Safety and Health (HSE) courses, Work Permits, ATS, IPERC and Fire, as well as specific, technical and specialized trainings,
- execution of 4 corporate safety stops, with the participation of 19,796 workers, including its own personnel and contractors, to raise awareness of the consequences of the accidents that occurred, the importance of the use of tools such as Stop Work and PETROPERÚ T-Cuida card, and the prevention of fires and vehicle accidents, and
- issuance of 2,306 PETROPERÚ T-CUIDA cards.

We act on principles that seek to safeguard the physical integrity, health and quality of life of our employees, contractors and the environment close to our operations. All these efforts allowed us to record zero fatal accidents in operations.

### 5.5.2. Health first: resilience and learning

The year 2021 was marked by the progressive return to face-to-face presence, which required an accompaniment to all our collaborators in this new stage in the face of covid-19. A Corporate Strategy CASS Control, Monitoring and Verification of Covid-19 Biosafety Guidelines was developed, in order to control and prevent the spread of the virus, whose scope was for collaborators and contractors.

In addition, we proceeded to prepare the Plan for the Surveillance, Prevention and Control of Covid-19, which considered other types of measures:

- social distancing,
- use of respiratory protection,
- hand washing,
- cleaning, disinfection and conditioning of environments, according to MINSA requirements, with modern implementation of heat detection systems and biosafety controls (signaling, capacity reduction, alcohol dispensers, footbaths, etc.), and
- application of COVID-19 screening tests (serological or molecular).

As part of the development of the plan, we develop the following actions:

- 27,227 Covid-19 tests carried out in our operations,
- 980 Covid-19 cases between confirmed and suspected, and
- 561,995 affidavits of health granted electronically to our collaborators, to continue their work without inconvenience.

With this, we have achieved the Certification of Controls against Covid-19 by SGS Peru, in compliance with the requirements of RM No. 972-2020-MINSA, RM No. 128-2020-MINEM/DM and RM No. 135-2020-MINEM/DM.

On the other hand, the PETROPERU Medical Services Headquarters has deployed a series of vaccination campaigns in our operational headquarters to prevent influenza and pneumococcus, in addition to certain specific training. Finally, it should be noted that all our employees have EPS insurance whose objective is to protect their health.



**Table 40.** Health Campaigns

Operation	Number of campaigns	Number of beneficiaries
OFP/Commercial/GCS	2	150
Conchán	1	143
Talara	1	321
ONP	1	143
Forest	1	83
<b>Total</b>	<b>6</b>	<b>840</b>

**Source:** Prepared by the company – Human Resources Corporate Management

One of the most significant components to adopt a culture of prevention is continuous training and education in PETROPERÚ and in our contractors. The main training topics addressed were occupational medicine and prevention. The following tables detail the number of trainings on these topics in our business units:

**Table 41.** Training in Occupational Medicine

Operation	Number of trainings	Participants	
		Number of workers	Number of contractors
OFP/Commercial/GCS	11	504	237
Conchán	10	155	41
Talara	29	744	11
ONP	109	764	595
Forest	5	20	1
<b>Total</b>	<b>164</b>	<b>2,187</b>	<b>885</b>

**Source:** Prepared by the company – Human Resources Corporate Management

**Table 42.** Training in Health Prevention

Operation	Number of trainings	Participants	
		Number of workers	Number of contractors
OFP/Commercial/GCS	20	1,075	545
Conchán	25	720	64
Talara	12	488	0
ONP	163	769	896
Forest	105	439	86
<b>Total</b>	<b>325</b>	<b>3,491</b>	<b>1,591</b>

**Source:** Prepared by the company – Human Resources Corporate Management

All collaborators and contractors have medical services in the topics of our Company and health care in some specialties, such as psychology and nutrition. All documentation related to the health of our collaborators is handled by the medical services area confidentially.

**Table 43.** Medical care in PETROPERU infirmaries

Patient	OFP/Commercial	Conchán	Talara	ONP	Forest	Total attentions	%
PETROPERÚ	175	538	135	787	161	1,796	50.2
Contractors	27	264	50	1,236	201	1,778	49.7
Interns	0	0	0	0	0	0	0,0
Visitors	0	0	0	2	0	2	0.1
<b>Total</b>	<b>202</b>	<b>802</b>	<b>185</b>	<b>2,025</b>	<b>362</b>	<b>3,576</b>	<b>100</b>

**Source:** Prepared by the company – Human Resources Corporate Management

**Table 44.** Table 44Health attentions at PETROPERÚ in 2021

Patient	OFP/COMMERCIAL	CONCHÁN	TALARA	ONP	FOREST	Total attentions	%
Psychology	43	844	1,265	453	90	2,695	21.5
Nutrition	236	942	1,508	6,640	507	9,833	78.5
<b>TOTAL</b>	<b>279</b>	<b>1,786</b>	<b>2,773</b>	<b>7,093</b>	<b>597</b>	<b>12,528</b>	<b>100.0</b>

**Source:** Prepared by the company – Human Resources Corporate Management



# OUR RELATIONSHIP WITH THE POPULATION

## Chapter VI

## Our relationship with the population of the operating environment

(GRI 411-1) (GRI 412-2) (GRI 413-1)

We carry out strategic operations on a national scale, and for us the relationship with the population close to them is key, in order to promote spaces for collaboration and dialogue, which allow a constant and fluid interrelationship. In this way, we seek to ensure the sustainability of our activities, jointly and participatively identifying opportunities for improving the living conditions of the population.

We manage our relationship under the guidelines and guidelines provided by the Social Management Policy and the Integrity Code, documents that reaffirm our commitment to ensure respect for human rights in all the Company's activities. It reaffirms our commitment to the eradication of child labour, forced labour and all forms of discrimination, and maintains our alignment with the Global Compact, the IFC Performance Standards, the Ecuadorian Principles and the Universal Declaration of Human Rights.

Since 2018, we have also incorporated actions aligned with the United Nations Guiding Principles, in training programs on voluntary principles and human rights, in order to ensure a good relationship with the population of the operating environment, in which personnel involved in the protection of our operations have participated. With regard to our collaborators, 33 people were trained, corresponding to 1.17% of the total staff.

**Table 45.** Training in Human Rights

76 people were trained	28 from the Peruvian National Police
	15 security contractors
	33 interns of the QHSSE, Legal and Social units

**Source:** Prepared by the company – Corporate Management Sustainable Development

At the end of the year, there had been no verified cases involving the violation of human rights, the rights of the indigenous population or the exploitation of children.

## 6.1. Complaints and Claims Procedures

Our social management tools allow us to maintain a correct monitoring of the relationship with all our stakeholders. Likewise, for their efficient use it is necessary to keep them updated.

Our Complaints and Social Claims Mechanism allows us to efficiently collect the doubts and concerns of the main interest groups, and identify possible points of emergence of problems with the interest groups, through an early intervention

In this line, we have various means for receiving complaints, claims and suggestions. All workers are responsible for managing these requests, which can be submitted in the following ways:

- face-to-face, on Company premises or off Company premises,
- over the phone,
- online, through the web portal,
- in writing, by letter or fax, and
- physical mailbox, in hard-to-reach places.

Our staff is trained to attend to and handle complaints, claims and suggestions, and to guide the user when they have any oral or written limitations, in order to provide adequate attention. Regarding responsibilities, the manager is responsible for communicating to the interested party the actions taken and their deadline for implementation, as well as evaluating the progress of these.

The Mechanism for Addressing Complaints and Social Claims was recognized as one of the three best practices of the Responsible Business Conduct Recognition Program of the MINEM and SNMPE. This recognition positions us as referring to national and regional scales in dealing with complaints and claims.

## 6.2. Support for local development

This translates into milestones our social investment during 2021:



### EMPLOYABILITY

- Educating for Tomorrow's Work Program
- We increase the potential and capacity for job placement by strengthening skills and competencies.
- 600 schoolchildren and 50 teachers benefited.
- Ilo (Moquegua), Ninacaca (Pasco), Pariñas (Talara), Villa El Salvador (Lima).



### EDUCATION

- Program for the Improvement of Apprenticeships
- Improvement of social-emotional knowledge and skills.
- 230 families benefited.
- Communities of Fernando Rosas and Nazareth (ORN, ONP).



### HEALTH

- First Vaccination
- We partnered with the MINSA to carry out the first massive vaccination against covid-19.
- Thousands of inhabitants of Talara, as well as native communities of Saramuro and Saramurillo (ONP), benefited.



### INFRASTRUCTURE

- We finished the road rehabilitation in the Northern Cone-I Stage
- We subscribe to the addendum of the II Stage GORE and PETROPERÚ inter-institutional agreement.
- More than 900 inhabitants benefited.



### COMMUNICATION WITH THE POPULATION

Achievements of the Office of Information and Citizen Participation (OPCP) of the PMRT

- 111,850 people served by different channels (more than 86,000 compared to 2020).
- Record of applications, registering 81,422 of them.
- 5,388 phone calls for data update
- 857 calls were received, 6,413 vacancies and 5,207 candidates sent.
- Home telephone verification of 3,508 pre-selected and 13,127 people.
- 86 broadcasts of pre-selection sessions.



### SOCIO-ENVIRONMENTAL

Participatory Socio-Environmental Monitoring Program

- Generation of trust in the population about our operational management and improvement of the perception regarding environmental pollution.
- Training in surveillance activities, promotion, solid waste, monitoring of environmental components to 35 residents.
- The program was developed in Ilo and Conchán.
- Likewise, the work of accompanying the environmental monitoring of the committees of Talara and Puerto Maldonado continued

**Source:** Prepared by the company – Corporate Management Sustainable Development

**Figure 15.** Main results of social actions



**Source:** Prepared by the company – Corporate Management Sustainable Development

Our relationship actions, which include social projects, are aimed at managing social risks and opportunities for improvement, generating shared value for the Company and its stakeholders. Within this framework, all of our facilities have a programme with the participation of local communities or support programmes for local development.

Below is a detailed breakdown of our social investment by operation and by theme:

**Table 46.** Amount and beneficiaries of social actions by installation

Facility	Beneficiaries	Amount (S/)
Conchán Refinery	48,530	290,057.37
Corporate	982	423,293.39
Iquitos Refinery	19,012	413,634.80
ONP	52,222	3'750,802.21
Central and South-Mountains Plants	6,943	179,031.18
East-Forest Plant	799	111,296.97
Talara Refinery	160,990	4'377,535.15
<b>Total</b>	<b>289,478</b>	<b>9'545,651.07</b>

**Source:** Prepared by the company – Corporate Management Sustainable Development

**Table 47.** Amount and beneficiaries of social actions by topic

Topic	Beneficiaries	Amount (S/)
Contractor Social Alignment	30	293,169.60
Environment	1,012	438,003.31
Social support	5,056	522,924.60
Education	17,112	388,477.85
Governance	116	689,153.18
Infrastructure	18,610	1'453,696.88
Christmas	32,050	755,979.82
Participation and communication	112,151	1'796,364.28
Productive and employment	5,205	2'708,266.70
Health	97,561	485,034.86
Safety and human rights	425	14,580.00
Volunteering	150	-
<b>Total</b>	<b>289,478</b>	<b>9'545,651.07</b>

**Source:** Prepared by the company – Corporate Management Sustainable Development

Likewise, the following table shows the various projects and programs implemented in 2021, in which approximately MMS/ 6.2 have been invested, benefiting more 139,616 people.

**Table 48.** Social projects and programs

Program	Location	Objective	Beneficiary
Productive projects and income generation			
Innovation Project in Artisanal Productive Techniques	Communities surrounding Iquitos Refinery	Strengthening the skills and abilities of craftsmen in chambira fiber, through technological and computer tools to improve their competitiveness.	160+ artisans
Women in Action Programme	Talara	Digital literacy for women entrepreneurs to strengthen their productive ventures.	11 women entrepreneurs
Program in Technical Career Training	Pariñas (Talara)	Provision of comprehensive scholarships for higher technical education to young people with outstanding school performance (CETEMIN), in partnership with UGEL Talara.	120 full scholarships to young people



Program	Location	Objective	Beneficiary
Technified Irrigation System Project	San Pedro de Ninacaca Peasant Community	Permitting service for the water resource management project.	1,800 inhabitants
Cocoa and Macambo Cultivation Project	Nuevo Milagro Community, adjacent to ORN, ONP	Promoting the development of the value chain through technology transfer, aimed at installing and increasing crop production in the community.	16 families
Small Bird Production Project	Communities Barranca, July 28, Ungumayo, San Antonio, May 6, adjacent to the ONP Section I	Strengthen capacities in the management, reproduction, feeding, health of minor birds to diversify and enrich the protein diet.	500 families
Urban Agriculture Program in Conchán	Area of influence of the Conchán Refinery	Ensure the sustainability of bio orchards through the recovery of public spaces and contribute to food security.	56 families
Program for the Development of Skills and Competencies for the Improvement of the Path	Conchán, Ninacaca, Ilo, Talara	Enhance employability or job creation through skills and competency development.	1,600 students
<b>Health</b>			
Program of Interventions with Early Childhood Health Agents and Pata Daku Family, and Messaging and Health Promotion Program	Communities surrounding the ONP	Promotion of health and early childhood with emphasis on hygiene and nutrition practices.	12,000 inhabitants of the ONP's area of influence
Medical Campaigns	Locations close to our operations	Fill health gaps through health campaigns and delivery of medicines, in partnership with regional health directorates and the private sector.	2,000 people
Delivery of biosafety equipment	Talara, Conchán, Pucallpa	Massive delivery of biosafety kits, portable heartbeat detector, pulse oximeter and oxygen balloons.	32,050 people

Program	Location	Objective	Beneficiary
<b>Education</b>			
Academic Reinforcement Program	Communities surrounding Iquitos Refinery	Strengthen academic capacities of students with limited resources for the third consecutive year.	More than 80 students and 2 students were admitted to the university
Delivery of educational materials	Communities adjacent to Refinería Iquitos, districts of Villa El Salvador and Lurín, and neighbors of Refinería Conchán	Delivery of 9,550 school packages.	13 communities, 15 human settlements, 10 public schools
<b>Infrastructure</b>			
Support for public infrastructure	Communities and settlements adjacent to facilities	Improve public spaces such as sidewalks, bridges, roads, premises.	15,440 inhabitants
<b>Local leadership</b>			
Strengthening local governance	Authorities close to the ONP and Iquitos	Execution of governance, local leadership and public management workshops to strengthen local and district governments.	116 leaders and authorities

**Source:** Prepared by the company – Corporate Management Sustainable Development

### 6.3. Community relations

We have maintained actions of direct relationship with the population surrounding our operations, with the purpose of promoting an efficient interrelation for the identification of critical issues, seeking the strengthening of trust between the actors.

- Approximately MMS/ 3.4 invested in relationship actions
- 149,862+ people benefited from various locations surrounding our operations

During 2021, we carried out various activities in the environment of our operations:

**Table 49.** Community Engagement Activities

Activity	Location	Objective	Beneficiaries
Pipeline Integrity Awareness Talks	Communities surrounding Iquitos Refinery	Prevention of any accident and use of pyrotechnics in the vicinity of the refinery facilities.	345 people
Logistical facilities for liaison with the State	Communities surrounding the ONP	Support in transport, mobility, food to authorities and leaders.	150 villagers (authorities and leaders)
Specific improvement plan	ONP Providers	Improved competitiveness and contractor performance through ongoing technical assistance.	15 contractor companies, 30 beneficiaries
First socio-economic diagnosis	Communities surrounding Iquitos Refinery	Know the reality of the communities, their main economic activities and identification of their potential.	13 communities
Social intervention due to river accident	Yurimaguas	Accompaniment to affected families, medical campaign, support with food and articulation with key institutions.	150 people
Christmas Program Despertando Sonrisas (Awakening Smiles)	Communities surrounding operations	Create a space of joy and fun for Christmas parties for the benefit of children	32,050 minors
Social support	Communities surrounding operations	Strengthen ties of solidarity between the Company and neighboring populations through social support and donations.	4,600+ people

**Source:** Prepared by the company – Corporate Management Sustainable Development

## 6.4. We promote culture and art

We continue to reinforce cultural activities in the virtual ecosystem, using online digital platforms. Virtuality allowed us to expand and diversify the scope and dissemination of our Company's cultural activities and management, in addition to strengthening managed cultural social networks.

**Our goal.** Build a cultural citizenship through actions to enhance the cultural heritage of our country, in a sustainable, inclusive manner and with equal opportunities to contribute to the socio-cultural progress of the country.

During this period we develop workshops, conversations, cycles of conferences, guided tours, digital exhibitions and participation in fairs, among other presentations. With them we reach new audiences from Peru and abroad.

Below, we present the results obtained during 2021.

### **6.4.1. Our cultural social networks**

We continue to strengthen cultural social networks to promote timely dissemination, according to the media available, in order to provide greater options for user interaction.

- Our community grew to 67,081 followers on social media.
- We had an average interaction of 789,144.
- We achieved an average reach of 955,355 users.

On the other hand, we achieved a remarkable valorization in press mentions about cultural activities.

- Reach of press mentions about the cultural activities carried out by PETROPERÚ for a value of more than one and a half million soles, distributed on the web, print media, television and radio.

### **6.4.2. Renewed PETROPERU Cultural Management and Oil Museum website**

Our actions were disseminated in a timely manner and we provide online services for greater options of interaction with users on the websites we manage.

- 761,299 views on the website Gestión Cultural PETROPERÚ.
- Update of explanatory videos on the Oil Museum website.
- 185,112 visits on the Oil Museum website.

### **6.4.3. Virtual publications**

We continue to disseminate the works published by the Ediciones Copé label virtually, in order to preserve its editorial production, and continue to promote the knowledge of fellow citizens from and to all corners of the country. Likewise, we rescue previous publications and produce new digital titles.

In addition, the PETROPERÚ Virtual Library, created in 2020, continued to be strengthened and implemented so that users can enjoy online reading and download the publications of the Ediciones Copé label.

- It reached 690,685 visits.
- 151+ hosted titles.

In this library it is possible to find outstanding titles, such as the complete works of César Vallejo and Abraham Valdelomar, the collection El cuento peruano, works on the Incan Great Route, collection of works on the Independence of Peru, works winning the Cope 2020 Award (story and essay), and books from training workshops, among others.

#### 6.4.4. Printed publications

The Ediciones Copé label resumed printing some publications for the promotion of reading and resumed the book distribution plan, such as the works winning the 2020 and 2021 Cope Award, and the second volume of the Bicentennial Collection: 21. Relatos sobre mujeres que lucharon por la independencia del Perú.

#### 6.4.5. AWARD AWARD: 42 Years of Promotion of Peruvian Culture

Since 1979 we have invited the community to participate in the Copé Award, a literary contest organized and promoted by PETROPERÚ that seeks to recognize the best of creation in Peruvian essay, story, novel and poetry, as part of the commitment to the development of culture, reading and literary creation in Peru. During 2021, we continued to strengthen the participation of writers from various regions of the country as well as from abroad.

In this edition, the awards were distributed as follows:

**Table 50.** Results of the Copé Award

Category	Writer	Works
Poetry Copé Gold Award	Daniel Arenas Bardales	<i>Ciertas formas del fuego</i>
Poetry Copé Silver Award	César Olivares	<i>Buey manso o doce cantos para disuadir al matarife (con interludios)</i>
Poetry Copé Bronze Award	Miguel Gil Castro	<i>Cinco días en Huarochirí</i>
Novel Copé Award	José Luis Villanueva Victorio	<i>El resplandor de la serpiente</i>

**Source:** Prepared by the company – Corporate Management Communications and Institutional Relations

Record call in each category: 983 participants in the XX Biennial of Poetry and the VIII Biennial of Novel.

### 6.4.6. Sponsorships and participations

Participated in the following activities:

- International Festival Hay Festival Arequipa 2021
- Inkafest-School Video Contest
- SUNASS-Water Fair
- Book Fair of the Bicentennial, Ayacucho and Huancayo
- Launch of the National Museum of Peru (MUNA)
- Co-editing of a book on independence with UNMSM and the Economic Culture Fund
- Hubert Lanssiers National Poetry Competition (in the country's prisons)
- Cultural program in Radio Cutivalú of Piura

### 6.6.7. Own cultural products

#### **COPErsaciones de oro**

It is a cycle of virtual interviews to disseminate to the winners of the Copé Award. In the case of 2021 it corresponded to the winners of the Cope Poetry Prize.

- There were 21 shows produced with the participation, together with the winners, of various exponents of national and international research and writing.
- Cycle range: 95,251 views.

#### **Crossroads Looks of the Bicentennial**

As part of the various activities in commemoration of the Bicentennial of Independence, we continue the cycle of conferences called Crossroads Looks of the Bicentennial, by prominent Peruvian and foreign researchers with a scope of 27,396 reproductions. The main themes were:

- The role of women in the first hundred years of our Republic.
- The value of the regions and the liberating expedition.
- The Peruvian Republican experience and transnational cultural challenges.

#### **Copé International Dialogues**

In partnership with the Ministry of Foreign Affairs of Peru, we began the second cycle of this program with the aim of disseminating Peruvian literature and the Cope Awards abroad, as well as bringing readers abroad to the Virtual Library of our Company.

- Three talks were organized with Colombia, Argentina and Mexico, in which important academics from these countries and winners of our Copé Award competition were convened.
- Cycle range: 4,782 views.

### Conocer Es Querer

Lecture series aimed at secondary schoolchildren in the country, with the aim of showing the participation of women in the various disciplines, and encouraging knowledge of the contributions of fellow countrymen in the course of history, as well as their contribution in various fields of knowledge and the importance of cultural expression in our country.

- Cycle range: 31,793 views.

### International Book Tour 21. Relatos sobre mujeres que lucharon por la independencia del Perú

Cycle of presentations as part of the work of dissemination of the creation and historical and literary research of Peru, in coordination with the Ministry of Foreign Affairs. There was a virtual presentation for the book 21. Relatos sobre mujeres que lucharon por la independencia del Perú in Barcelona, Madrid, Sevilla, Valencia and Bilbao.

- Cycle range: 2,839 views.

### 6.6.8. Cultural promotion activities

- 13 specialized workshops were held in various disciplines: narrative, music, dance, poetry, theatre, etc.
- Scope: 700+ participants from various regions of the country and abroad.

### 6.6.9. Participation in book fairs

We carried out virtual presentations and conversations of the winning works of the Cope Award for Storytelling and Essay 2020, as well as other recent publications of Cope Editions, at the book fairs of Huancayo, Ayacucho and Lima.

- Range: 6,774+ views on our digital platforms.







# SUSTAINABILITY REPORT

## Chapter VII

## About our 2021 sustainability report

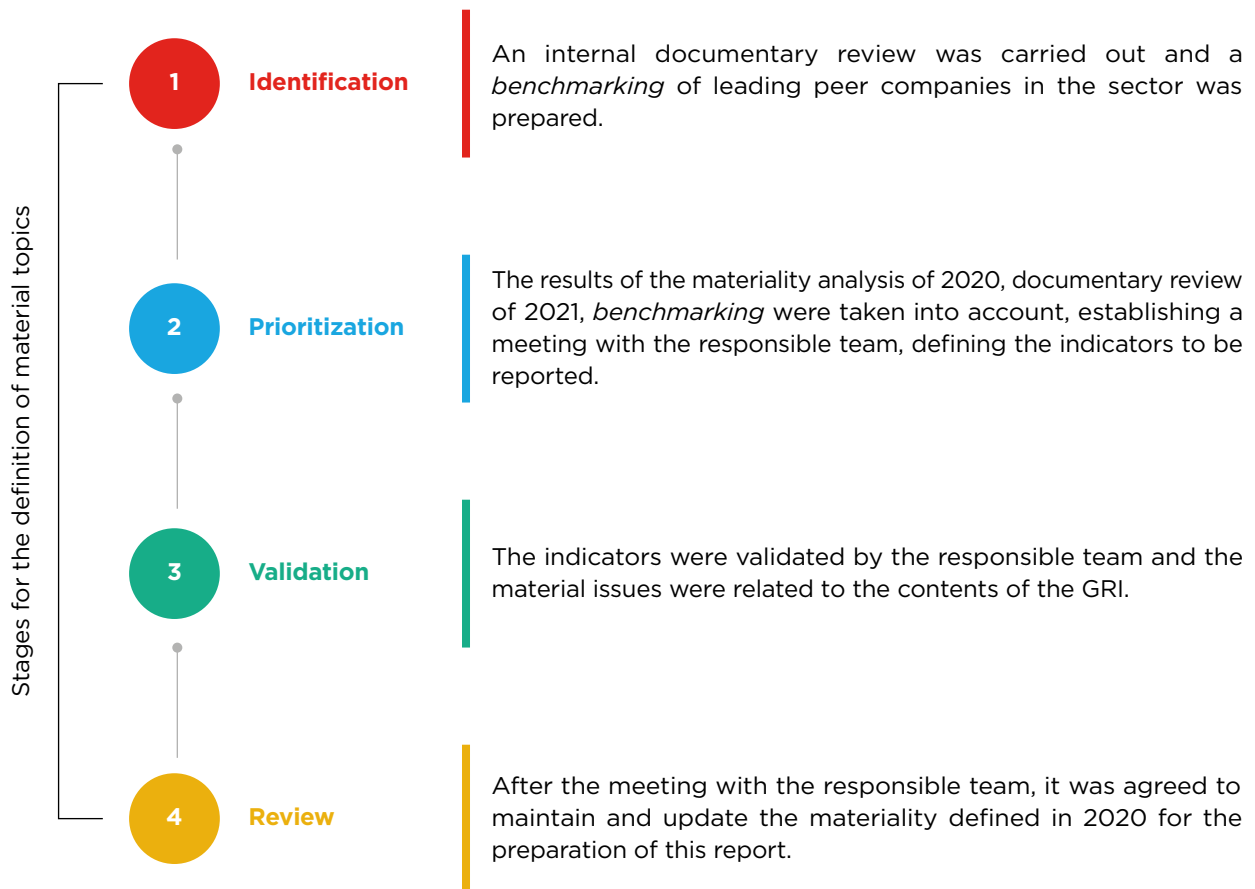
(GRI 102-46) (GRI 102-48) (GRI 102-49)  
(GRI 102-50) (GRI 102-51) (GRI 102-52) (GRI 102-54)

This report has been prepared in accordance with the essential option of the GRI Standards. We present our main management results in the social, economic and environmental fields, and we demonstrate PETROPERÚ's commitment to meet the expectations of its various stakeholders.

The period covered by the report corresponds to January 1 to December 31, 2021. The preparation cycle of this report is annual. There are no significant changes in information in relation to the previous reports. The date of the last report corresponds to 2020.

For the preparation of this report, an update of the materiality analysis was carried out and the sustainability issues communicated in the 2020 Sustainability Report were validated. The update included both a documentary review and the preparation of a benchmarking of the leading companies in the sector on an international scale. A validation meeting of the indicators was held with the team responsible for PETROPERÚ and the indicators to be reported for 2021 were defined. This analysis included four stages which are detailed below:

Figure 16. Materiality Update Process



Source: Prepared by the company – Corporate Management Sustainable Development

This report has taken into account the application of the principles indicated by the GRI both to define the content and the quality of the document. Thus, we have applied, in the first place, the principle of materiality, which was previously explained in four stages, in which the assessments of the stakeholders on the significant impacts of our organization are included. Second, we apply the principle of sustainability, which is validated with the alignment of our performance with the SDGs and our contribution to the fulfillment of the 2030 Agenda. Third, the principle of inclusion of stakeholders, which is reflected in the compilation of their expectations and substantial approaches in relation to PETROPERU's activities and impacts. Fourth, the principle of comprehensiveness, which relates to the scope of material issues and the coverage of these to reflect economic, environmental and social impacts. Finally, the principle of quality was considered, taking into account precision, balance, clarity, comparability, reliability and punctuality in its content.

## **Our indicators**

**(GRI 102-44) (GRI 102-46) (GRI 102-47)**

As observed in the materiality matrix, we have updated our material topics corresponding to the management of PETROPERÚ in 2021, and established a relationship between the material topics and the contents of the GRI.

### **High impact (priorities 1 and 2)**

- Environmental impacts
- Anti-corruption
- Socio-economic impacts
- Health and Safety at work
- Investment in infrastructure
- Water
- Energy

### **Medium impact**

- Community engagement
- Diversity/discrimination
- Main materials used and reuse

**Table 51.** List of Material Aspects, Coverage and Related Stakeholders

No.	Material topic	Standard series	Coverage	Stakeholder
1	Environmental impacts	GRI 307-1 GRI 304-1	Internal and external	Community, State, civil society, partners, media, shareholders
2	Anti-corruption	GRI 205-2 GRI 205-3	Internal and external	Shareholders, customers, partners, State, civil society
3	Socio-economic impacts	GRI 201-1 GRI 419-1	Internal and external	Community, State, civil society, partners, media, shareholders
4	Health and Safety at work	GRI 403-1 GRI 403-2 GRI 403-4 GRI 403-5 GRI 403-6 GRI 403-7 GRI 403-8 GRI 403-9	Internal and external	Contractors, collaborators
5	Investment in infrastructure	GRI 201-1	Internal and external	Shareholders, partners, collaborators, state, competitors
6	Water	GRI 303-3 GRI 303-5	Internal and external	Shareholders, customers, community, State
7	Energy	GRI 302-1 GRI 302-4 GRI 305-1 GRI 305-2	Internal and external	Shareholders, customers, community, State
8	Community engagement	GRI 413-1	External	Community, media, civil society
9	Diversity/discrimination	GRI 401-1 GRI 404-1 GRI 404-2 GRI 405-1 GRI 411-1 GRI 412-2	Internal and external	Collaborators, Contractors, Shareholders, Community, State
10	Main materials used and their reuse	GRI 306-3	External	Shareholders, community, customers, State

**Source:** Prepared by the company – Corporate Management Sustainable Development

## Table GRI Contents

### (GRI 102-55) (GRI 102-48)

This report has been prepared in accordance with the GRI Standards, in an essential modality.

**Table 52.** GRI Contents

GRI standard	Contents	Page Number	SDGs
<b>General Contents</b>			
<b>Company Profile</b>			
GRI 102: General contents 201602: General contents 2016	102-1. Organization Name	Page 1-2	
	102-2. Activities, brands, products, and services	Page 10-13	
	102-3. Location of the head office	Page 2	
	102-4. Location of operations	Page 11	
	102-5. Ownership and legal form	Page 10	
	102-6 Services Markets	Page 10-13	
	102-7. Organizational Dimensions	Page 10-13	
	102-8. Information on employees and other workers	Page 54–65	SDG 8, SDG 10
	102-9. Supply chain	Page 10, 36-37	
	102-10. Significant changes to the organization and its supply chain	Page 10-15	There were no significant changes in the supply chain.
	102-11. Precautionary principle	Page 52-53, 66-73	
	102-12. External initiatives	Page 24-27	
	102-13. Membership to associations	Page 17	
<b>Strategy</b>			
	102-14. Statement from Senior Management	Page 7-8	
<b>Ethics and integrity</b>			
	102-16. Values, principles, standards, and norms of behaviour	Page 10	SDG 16
<b>Government</b>			
	102-18. Governance structure	Page 19–22	

GRI standard	Contents	Page Number	SDGs
GRI 102: General Contents 2016	Participation of Stakeholders		
	102-40. List of stakeholder groups	Page 27-28	
	102-41. Collective bargaining agreements	Page 63	
	102-42. Identification and selection of stakeholders	Page 27-28	
	102-43. Approach to stakeholder engagement	Page 27-28	
	102-44. Key issues and concerns mentioned	Pages 27-28, 85-86	
	102-45. Entities included in the consolidated financial statements	Page 15-16, 27-28	The financial statements included in this report correspond to PETROPERÚ.
	102-46. Definition of report contents and topic coverage	Page 84-85	
	102-47. List of material topics	Page 84-85	
	102-48. Re-statement of information	Page 84-90	There are no significant changes or restatements of information in relation to the previous reports.
	102-49. Changes in the information reported	Page 84-90	There are no significant changes or restatements of information in relation to the previous reports.
	102-50. Reporting period	Page 84-90	From January 1 to December 31, 2021.
	102-51. Date of most recent report	Page 84-90	2020
	102-52. Reporting Cycle	Page 84-90	Annual
	102-53. Contact for questions about the report	Page 2	
102-54. Statement of the report in accordance with GRI standards	Page 84-90		
102-55. GRI Content Index	Page 84-90		
102-56. External verification	-	The report has external verification.	

## Specific Contents

### Economic performance

GRI 201: Economic performance 2016	103-1: Explanation of the material issue and its coverage.	Page 15-16
	103-2: The management approach and its components.	
	103-3: Evaluation of the management approach.	
	201-1: Direct economic value generated and distributed.	

GRI standard	Contents	Page Number	SDGs
<b>Anti-corruption</b>			
GRI 205: Anti-Corruption 2016	103-1: Explanation of the material issue and its coverage. 103-2: The management approach and its components. 103-3: Evaluation of the management approach.	Page 29-37	SDG 16
	205-2: Communication and training on anti-corruption policies and procedures 205-3: Confirmed incidents of corruption and actions taken	Page 29-37	
<b>Energy</b>			
GRI 302: Energy 2016	103-1: Explanation of the material issue and its coverage. 103-2: The management approach and its components. 103-3: Evaluation of the management approach. 302-1: Energy consumption within the organization 302-4: Reduction of energy consumption	Page 38-42	SDG 7
<b>Water</b>			
GRI 303: Water and effluents 2018	103-1: Explanation of the material issue and its coverage. 103-2: The management approach and its components. 103-3: Evaluation of the management approach. 303-3: Water extraction 303-5: Water consumption	Page 43-45	SDG 6
<b>Biodiversity</b>			
GRI 304: Biodiversity 2016	103-1: Explanation of the material issue and its coverage. 103-2: The management approach and its components. 103-3: Evaluation of the management approach. 304-1: Owned, leased or managed operations centers	Page 49-50	SDG 15

GRI standard	Contents	Page Number	SDGs
<b>Emissions</b>			
GRI 305: Emissions 2016	<p>103-1: Explanation of the material issue and its coverage.</p> <p>103-2: The management approach and its components.</p> <p>103-3: Evaluation of the management approach.</p> <p>305-1: Direct GHG emissions (scope 1)</p> <p>305-2: Indirect GHG emissions when generating energy (Scope 2)</p>	Page 38-42	SDG 3, SDG 12, SDG 13, SDG 15
<b>Effluents and waste</b>			
GRI 306: Waste 2020	<p>103-1: Explanation of the material issue and its coverage.</p> <p>103-2: The management approach and its components.</p> <p>103-3: Evaluation of the management approach.</p> <p>306-3: Waste generated</p>	Pages 46-48	SDG 3, SDG 6, SDG 12, SDG 14, SDG 15
<b>Environmental compliance</b>			
GRI 307: 2016 Environmental Compliance	<p>103-1: Explanation of the material issue and its coverage.</p> <p>103-2: The management approach and its components.</p> <p>103-3: Evaluation of the management approach.</p> <p>307-1: Non-compliance with environmental laws and regulations</p>	Page 50-51	SDG 16
<b>Employment</b>			
GRI 401: Employment 2016	<p>103-1: Explanation of the material issue and its coverage.</p> <p>103-2: The management approach and its components.</p> <p>103-3: Evaluation of the management approach.</p> <p>401-1: New worker hires and staff turnover.</p>	Page 54-57	SDG 5, SDG 8, SDG 10



GRI standard	Contents	Page Number	SDGs
<b>Public health and safety at work</b>			
GRI 403: Occupational health & safety in the workplace 2018	103-1: Explanation of the material issue and its coverage.	Page 66-73	SDG 3, SDG 8
	103-2: The management approach and its components.		
	103-3: Evaluation of the management approach.		
	403-1: Occupational Health and Safety Management System		
	403-2 Hazard identification, risk assessment and incident investigation		
	403-4: Participation of workers, consultation and communication on health and safety at work		
	403-5: Worker training on occupational health and safety		
	403-6: Promotion of workers' health		
	403-7: Prevention and mitigation of impacts on the health and safety of workers directly linked through business relationships		
403-8: Workers covered by a social management system for health and safety at work			
403-9: Work accident injuries			
<b>Training and education</b>			
GRI 404: Training and education 2016	103-1: Explanation of the material issue and its coverage.	Page 64-66	SDG 4, SDG 5, SDG 8, SDG 10
	103-2: The management approach and its components.		
	103-3: Evaluation of the management approach.		
	404-1: Average training hours per year per worker		
	404-2: Programs for upgrading worker skills and transition assistance programs.		

GRI standard	Contents	Page Number	SDGs
<b>Diversity and equality of opportunities</b>			
GRI 405: Diversity and equal opportunities 2016	<p>103-1: Explanation of the material issue and its coverage.</p> <p>103-2: The management approach and its components.</p> <p>103-3: Evaluation of the management approach.</p> <p>405-1: Diversity in governing bodies and employees</p>	Page 58-59	SDG 5, SDG 10
<b>Rights of indigenous peoples</b>			
GRI 411: Right of Indigenous Peoples	<p>103-1: Explanation of the material issue and its coverage.</p> <p>103-2: The management approach and its components.</p> <p>103-3: Evaluation of the management approach.</p> <p>411-1: Cases of violations of the rights of indigenous peoples</p>	Page 74-75	SDG 2, SDG 3, SDG 4, SDG 5, SDG 10, SDG 11, SDG 16
<b>Human rights assessment</b>			
GRI 412: Human Rights Assessment	<p>103-1: Explanation of the material issue and its coverage.</p> <p>103-2: The management approach and its components.</p> <p>103-3: Evaluation of the management approach.</p> <p>412-2: Worker training on human rights policies or procedures</p>	Page 74-75	
<b>Local communities</b>			
GRI 413: Local communities 2016	<p>103-1: Explanation of the material issue and its coverage.</p> <p>103-2: The management approach and its components.</p> <p>103-3: Evaluation of the management approach.</p> <p>413-1: Operations with local community participation, impact evaluations and development programs.</p>	Page 74-79	SDG 2, SDG 3, SDG 4, SDG 5, SDG 10, SDG 11, SDG 16
<b>Socioeconomic compliance</b>			
GRI 419: Socio-economic compliance 2016	<p>103-1: Explanation of the material issue and its coverage.</p> <p>103-2: The management approach and its components.</p> <p>103-3: Evaluation of the management approach.</p> <p>419-1: Non-compliance with laws and regulations in the social and economic fields.</p>	Page 50-52	SDG 16



# DECLARACIÓN DE ASEGURAMIENTO

## ASSURANCE STATEMENT

### STATEMENT OF ASSURANCE OF SGS DEL PERÚ S.A.C. REGARDING SUSTAINABILITY ACTIVITIES IN THE "SUSTAINABILITY REPORT 2021" OF PETRÓLEOS DEL PERÚ - PETROPERÚ S.A.

#### NATURE AND SCOPE OF ASSURANCE

SGS del Perú S.A.C. was contracted by PETROPERÚ S.A. to carry out an independent assurance of its "2021 Sustainability Report". The scope of assurance, based on the SGS Sustainability Report Assurance methodology, includes the text and data for 2021, contained in this Report. The information presented in the "2021 Sustainability Report" is the responsibility of PETROPERÚ. SGS del Perú has not participated in the preparation of any material included in the "2021 Sustainability Report". Our responsibility is to express an opinion on the text, data, graphics and statements, within the scope of the assurance, with the intention of informing all PETROPERÚ stakeholders.

The SGS Group has developed a set of protocols for Sustainability Assurance based on the best practices given in the *Global Reporting Initiative* (GRI) standards published in 2016 and the updates of 2018, 2019, 2020 and the ISAE3000 assurance standard. These protocols give different Assurance level options, depending on the context and capacity of the Reporting Organization. This report has been secured using our protocols for assessing the veracity of content and its alignment with GRI standards at a limited level.

The assurance comprised a combination of previous research, interviews with strategic collaborators, review of documentation, records and data; and evaluation of the report for alignment with ERM protocols. On this occasion, due to the restrictions due to Covid-19, the facilities of PETROPERÚ were not visited. The financial data contained in the Sustainability Report are being audited and up to the date of the audit could not be verified as part of this assurance process.

#### DECLARATION OF INDEPENDENCE AND COMPETENCE

The SGS Group is the world leader in inspection, analysis and verification, operating in more than 140 countries and providing services that include certification of management systems; audits and training in quality, environmental, social and ethical matters; ensuring sustainability reports and verification of greenhouse gases. SGS del Perú affirms its independence from PETROPERÚ, being free of bias and conflicts of interest with the organization and interested parties.

The assurance team was chosen based on the knowledge, experience and qualifications for this task; and was composed of two people trained in Sustainability Reporting Assurance. The Lead Auditor has the following experience: Environmental Management System, Quality, Occupational Health and Safety and, Social Systems. She is also a Leading Auditor of Sustainability Reporting Assurance, Greenhouse Gas Verifier, Water Footprint Auditor.

#### ASSURANCE OPINION

Based on the methodology described and the verification carried out, we have not observed circumstances that indicate that the information and data contained in the verified "Sustainability Report 2021" is not reliable and does not provide a fair and balanced representation of PETROPERÚ's sustainability activities in 2021. The assurance team is of the opinion that the report can be used by PETROPERÚ stakeholders. We state that the organization has chosen a level of assurance appropriate to its needs. In our opinion, the content of the report complies with the requirements of the *Global Reporting Initiative* (GRI) Standards published in 2016 and its updated 2018 indicators ("Water and Effluents" and "Occupational Safety and Health"), in 2019 ("Taxation") and 2020 ("Waste") with Essential Option.





## ASSURANCE STATEMENT



### CONCLUSIONS, FINDINGS AND RECOMMENDATIONS REGARDING GRI STANDARDS

PETROPERÚ's "2021 Sustainability Report" is adequately aligned with the *Global Reporting Initiative* (GRI) Standards published in 2016, with Essential Option. The material aspects and their limits within and outside the organization have been defined according to the Principles of the GRI for Definition of Report Content (Participation of Interest Groups, Sustainability Context, Materiality and Exhaustiveness). Likewise, the content of the Report complies with the quality principles of the GRI.

During the audit, we have found several strengths of PETROPERU that we detail below:

- PETROPERU has published GRI Sustainability Reports consistently for 9 consecutive years, and they have been externally insured.
- PETROPERU has 3 certified management systems for its operations, such as: ISO 9001, ISO 14001 and ISO 45001.

Some opportunities for improvement were identified to be considered in future Sustainability Reports:

- To strengthen its management and align with the objectives of the Peru National Carbon Footprint Program, evaluate being part of this MINAM program and measure the Organization's Carbon Footprint Inventory, as well as establish reduction goals.
- For Indicator GRI 404-2, part B on transition assistance programs was not implemented in 2021.
- Due to the Covid-19 situation, for this Sustainability Report 2021, no consultation was carried out with the relevant stakeholders and no new assessment was made for the choice of material topics, it is recommended to carry out this update for future Reports.
- Since Water is being reported as a Material Topic, as well as extraction and consumption is considered, it is important to consider the discharge in future Reports.
- Align with the "Circular Economy" model for waste management, which aims to reduce materials and waste, closing the economic and ecological flows of resources. In this way, the value of the products, the materials and resources are kept in the economy as long as possible.
- Strengthen prevention efforts and measures to prevent future spills.
- Consider direct water footprint measurement, as well as intensify water reuse and recycling.

### Assurance Team:

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