

# CORPORATE NO DEFORESTATION POLICY

## **Intercorp Retail**

InRetail Perú adopted Intercorp Retail's No Deforestation Policy.

Approved at Board of Director's Meeting of July 21, 2022

## 1. PURPOSE

To have a policy and express intention to carry out actions to end all deforestation in the supply chains of Intercorp Retail and its business units, based on practices that manage the protection of natural capital and in alignment with the concepts of "No Gross Deforestation".

## 2. SCOPE

This policy is aimed at all the Business Units that make up Intercorp Retail and InRetail Peru Corp. Implementation of the guidelines of this policy applies to Tier 1 suppliers of the aforementioned business units.

## 3. DEFINITIONS

- 3.1. **Natural capital:** Refers to the renewable and non-renewable natural resources that exist on earth (e.g., plants, animals, air, water, soils, minerals) which are combined to produce services for people, these can come from ecosystems (e.g. timber, fiber, water regulation, climate, among others) or can come from geological (e.g. supply of minerals, metals, gas and oil).
- 3.2. **Biodiversity:** Refers to the enormous variety of forms in which life is organized. It includes all species that cohabit with humans on the planet: animals, plants, viruses, bacteria, and also the ecosystems where they live.
- 3.3. **No gross deforestation:** Refers to commitments made to voluntarily stop or reduce all deforestation associated with the products the company produces, markets, and/or sells.
- 3.4. **Private label suppliers:** Suppliers that directly supply goods, materials, or services to the company's proprietary brands.
- 3.5. **Forestry regulations and mandatory standards:** Refers to the specific forestry laws and/or regulations of each country where the company operates.

## 4. RESPONSIBILITIES

- 4.1. The Intercorp Retail Sustainability Manager is responsible for ensuring that this policy is communicated, complied with, and reflects the vision of Intercorp Retail.
- 4.2. Employees in the Commercial, Operations and Sustainability areas of the Business Units (BU) of Intercorp Retail and InRetail are responsible for complying with and enforcing compliance with this policy.

## 5. GUIDELINES

### General:

- 5.1. Establish and implement an evaluation and monitoring system to identify deforestation processes and/or associated risks in BU supply chains. This action is aimed at achieving the objective that, by 2026, 100% of the raw material used in the BU's own brands will have undergone an evaluation process to ensure that the source is deforestation-free.
- 5.2. Develop actions aimed at stopping and/or reducing all deforestation associated with the supply chain of the BU and the products they produce, market, and/or sell.

### Specific:

- 5.3. Promote that suppliers use commodities and inputs with certifications that guarantee sustainable and socially and environmentally responsible processes.
- 5.4. Identify and distinguish commercial suppliers that sell products with certified raw materials.
- 5.5. Ensure that suppliers implement the evaluation of the processes of extraction or procurement of raw materials to verify that they are free of deforestation to suppliers of own brands.
- 5.6. Identify whether there are commercial relationships with private label suppliers that engage in deforestation practices.
- 5.7. Promote and share tools that allow suppliers in the agricultural and livestock sectors to learn about reforestation practices and techniques to reduce deforestation in their operations.
- 5.8. Encourage contracting suppliers that develop practices that prevent deforestation.
- 5.9. Propose to the business units to implement and apply sanctions to own brand suppliers that repeatedly develop deforestation practices to obtain raw materials. In the same way, discontinue commercial relations with own brand suppliers that do not wish to align themselves with the no deforestation principle of this policy.
- 5.10. Ensure compliance with this commitment through a monitoring system supported by commercial and sustainability areas to manage and mitigate deforestation risks.
- 5.11. Disclose progress towards increasing the percentage (%) of raw materials that have a deforestation-free source to the main stakeholders of the BU.
- 5.12. Comply with forestry regulations and mandatory standards according to Peruvian regulations.

- 5.13. Develop and maintain alliances with public and/or private organizations that develop actions in favor of forest reforestation.
- 5.14. Actively communicate and raise awareness about the impact of deforestation practices among all BU employees, third party staff and suppliers to ensure compliance with this commitment.

**6. RELATED REGULATIONS/DOCUMENTS**

- Law No. 29763 - Forestry and Wildlife Law.
- Climate Change Policy

**7. APPENDIX**

Not applicable