



“Year of recovery and consolidation of the Peruvian economy”

Madre de Dios, Biodiversity Capital of Peru

REPORT-ACTIVITY N° 017-2025 – MADERACRE SAC./LRMC

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I. DESCRIPTION:

With the objective of evaluating the impacts derived from the actions, activities and social development programs that are related to communities, population centers, rural settlements, social actors and/or interest groups identified in the area of influence of the Río Acre Timber Company SAC develops the present Social Monitoring for the year 2024, as it is formed annually by the preparation of this report. In addition, complementarily, this monitoring provides information regarding the reasons, details and the nature of the interaction articulated by the presence of the company Maderacre in its intervention areas. It should be noted that the success for the preparation of the 2024 Social Monitoring is achieved because it covers all areas included in the development of the company's operations, based on an approach that allows measuring the results that are presented with the purpose of controlling the efficiency and relevance of the



Maderacre's activities in the short, medium and long term around the company's area of influence.

The 2024 Social Monitoring evaluation is carried out taking into account the following objectives:

- Identify the dynamics of social indicators by evaluating their process between January and December 2024.
- Evaluate the positive and negative social impacts generated during 2024.

II. METHODOLOGY AND EQUIPMENT:

An analysis of the 29 indicators proposed for the current 2024 Social Monitoring Plan was conducted, both qualitative and quantitative, depending on the nature of the indicator. To this end, the company's work areas relevant to the requested information were notified to provide access to this information, thereby achieving coordination between the Social Responsibility area and the Human Resources Administration, Social Welfare, Forest Management, SSOMA, Accounting, and Logistics departments. By following the actions, activities, and programs with a social focus, we seek to strengthen or improve the strategies currently implemented, with the goal of minimizing negative impacts and strengthening actions that achieve positive impacts on the population.

III. RESULTS:

Below are the results of the 2024 social monitoring evaluation, as part of the company's commitment to its social environment.

3.1. Percentage of local collaborators with respect to foreign ones.

In order to strengthen internal policies related to the recruitment and/or incorporation of collaborators based on the criteria of hiring local labor, Maderacre is consolidating its efforts to provide opportunities to the population belonging to the Madre de Dios region; primarily to the inhabitants of the Tahuamanu province and its corresponding district of Iñapari. Therefore, these strategies for offering employability to the local population allow these actions to be considered in terms of strengthening family economies. To deliver employment calls to the local level, Maderacre considers the use of media.

advertising such as radio, websites, newspaper ads, recruitment campaigns, among others, making known a formal and secure job offer, and that at the same time generates well-being for the families of employees and their families. As a result of these strategies to attention to local employability, according to Graph No. 1, it reflects that between the months of January to December, continuous hiring of local workers has been maintained in the year 2024, obtaining the highest hiring of local personnel of 50% in January and February, being the lowest in the months of June to September with 42% and from October to December it rises to 43%, the same figure that represents between the aforementioned months. Obtaining a total average of 44% local collaborators with respect to the total of foreign collaborators of Maderacre in the year 2024.

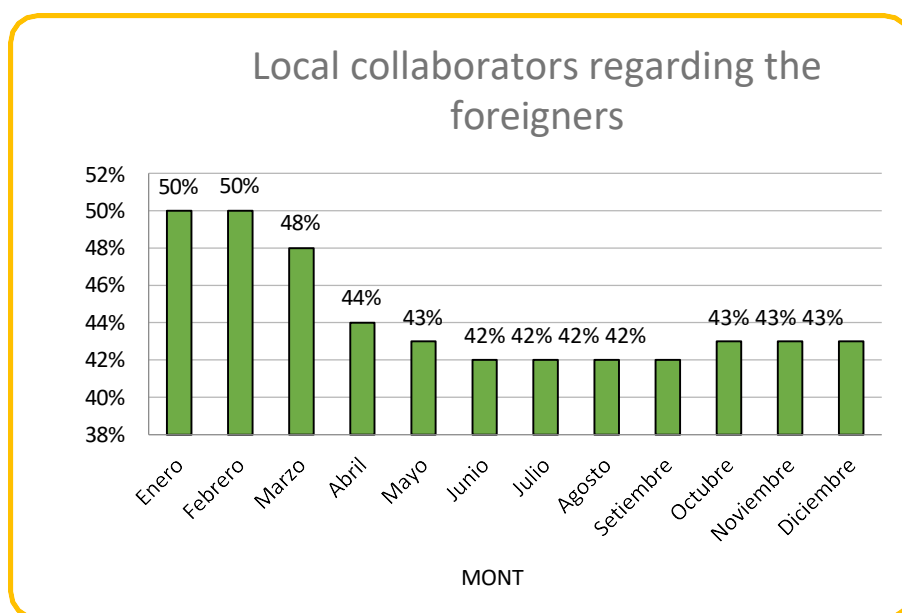


Chart No. 01. Percentage of local collaborators compared to foreign ones.

3.2. Percentage of local female collaborators with respect to the total number of local collaborators.

In accordance with internal policies related to the recruitment and/or incorporation of Maderacre collaborators, in addition to employability strategies regarding the hiring of local labor, attention is also given to job opportunities without distinction of sex, so that these opportunities are developed equally to the population, without bias or acts

that go against the morals and integrity of people. Along these lines, Maderacre articulates the Labor Equality and Anti-Discrimination Policy (PILA) as a mechanism to safeguard employment opportunities on an equal level, granting the same employment opportunities to candidates, regardless of their sex or gender orientation. This is in consideration of the fact that in many cases women represent the breadwinners of their families, and in other cases they are driven to achieve economic independence that enables them to emerge in society. At Maderacre, efforts continue to be made throughout the months from January to December for the continued labor inclusion of women, as evidenced by Chart No. 2. The highest number of female employees was found in January (13%) and the lowest in February and March (6%), the same figure represented by the aforementioned months. The increase in local female employees is expected to reach an annual average of 9% of the total number of local employees by 2024.

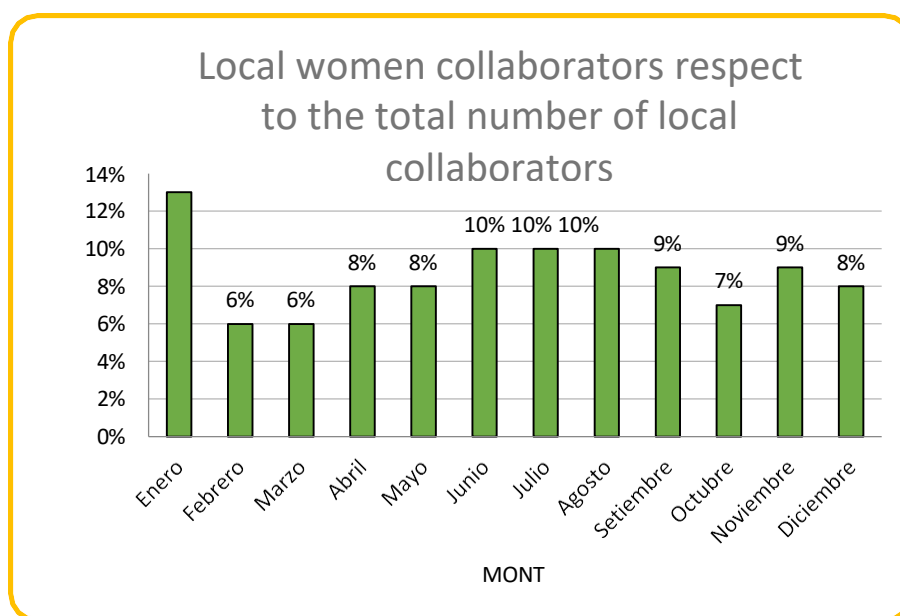


Chart No. 02. Percentage of local female collaborators with respect to the total number of local collaborators.

3.3. Percentage of elderly collaborators with respect to the total number of collaborators.

According to the Labor Equality and Anti-Discrimination Policy (PILA), Maderacre only offers employment opportunities to persons of legal age (18 years and older). Those classified as "senior citizens" (60 years and older) are not exempt from these processes. Thus, the job opportunities and/or calls offered at Maderacre are also aimed at senior citizens, since in many cases, older adults represent a supplementary income for families or directly support them, while in other cases, they foster financial independence for these individuals. Furthermore, this segment of the population stands out for its contribution to the workplace in terms of diversity and experience. At Maderacre, according to Chart No. 3, it is evident that this age group continues to maintain its participation; between January and December, on average, 7% of the company's total employees are senior citizens.

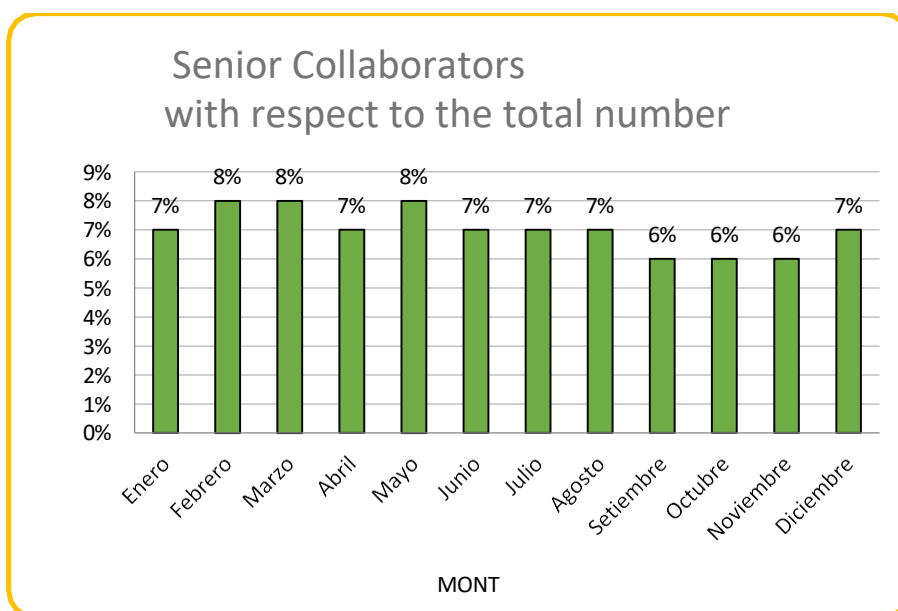


Chart No. 03. Percentage of elderly employees with respect to the total number of employees.

3.4. Percentage of direct collaborators who have access to the ESSALUD system.

At Maderacre, it is company policy to comply with the payment of salaries and other social benefits for employees. These benefits include access to a healthcare system in accordance with Peruvian law:

ESSALUD; by virtue of access to medical care and health services that improve the well-being of employees and their families. This modality is agreed upon with employees through their contractual approval and consent to enroll in the aforementioned health insurance. According to Chart No. 4, it is known that, between January and December 2024, Maderacre maintains 100% of its employees insured in the ESSALUD system. In light of this, there is no decrease or variation in any of the months when addressing the enrollment of company employees in the aforementioned health insurance.

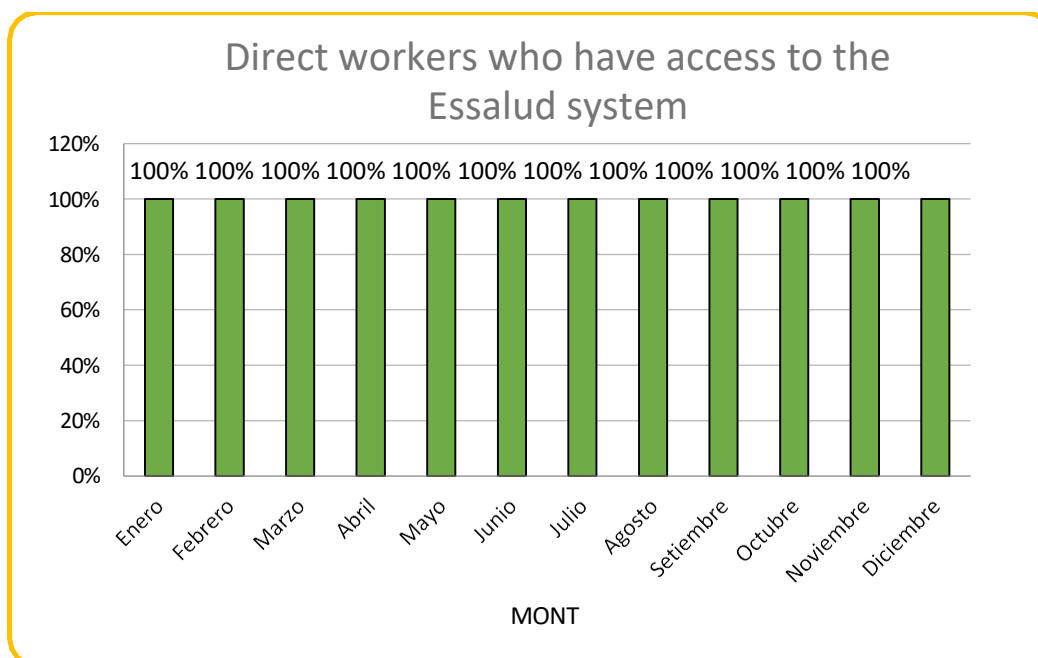


Chart No. 04. Percentage of direct collaborators who have access to the ESSALUD system.

3.5. Percentage of employees who have accessed health and safety training developed by the company.

Regarding Occupational Health and Safety (OHS) training, all Maderacre employees undergo induction and/or health and safety training processes developed by the company. These processes are structured in two stages: 1) the first day employees join the company and 2)

before employees perform any operational activities. Strengthening these capabilities among employees is implemented within the framework of the Annual Training Plan, which prioritizes employee health and safety. Therefore, in response to these actions, according to Chart No. 5, it is known that, between January and August, Maderacre has 100% of its employees trained in occupational health and safety.

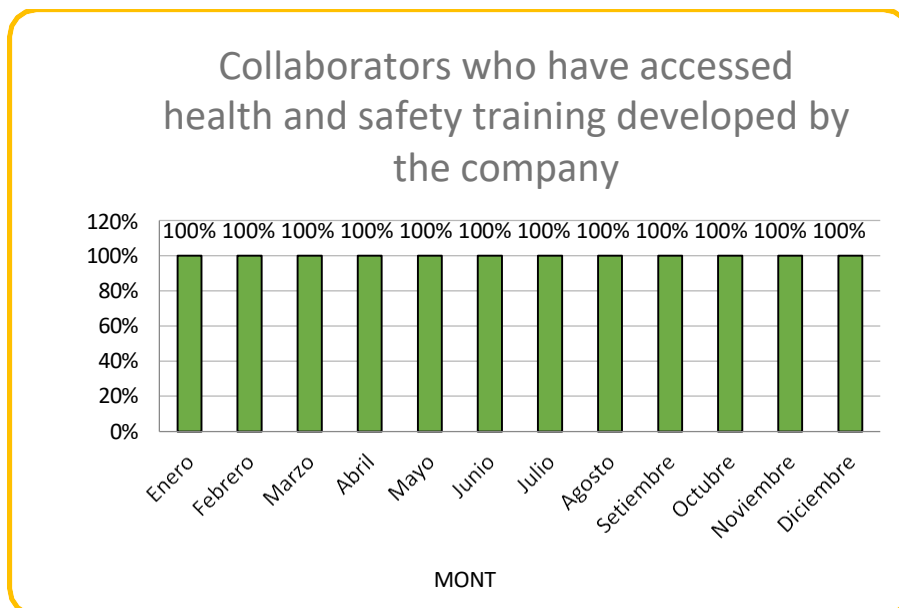


Chart No. 5. Percentage of employees who have accessed health and safety training developed by the company.

3.6. Number of training in forestry, good practices and technical training.

Regarding the sustainable forest management activities carried out by Maderacre, consideration is given to developing training in forestry and good forest harvesting practices; at the same time, technical and operational training is provided to the company's employees. These training sessions should be focused on the functions performed in the field of reduced-impact forest harvesting. The training efforts for Maderacre's employees allow for improved and

Preserve the quality of forestry operations, reducing the environmental impacts of forest harvesting activities, while generating awareness and learning among the company's employees.

As shown in Chart 6, a total of four training sessions were held between January and December of this year, with the following topics covered in the instructions given: i) Camp Construction, Clearance, and Closure; ii) Targeted Logging; iii) Reduced Impact Harvesting (RIH); and iv) Forest Management, Certification, and Chain of Custody. These training sessions were held in April and May, with April being the peak month.

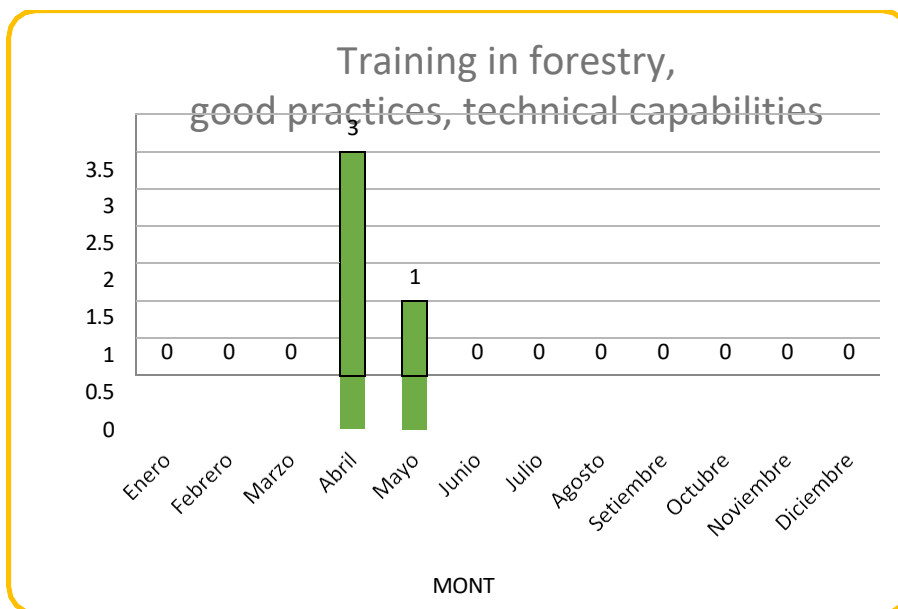


Chart No. 06. Number of training sessions on forestry, good practices, technical capabilities

3.7. Number of activities and/or training for the promotion of healthy living, labor rights, family and recreation with collaborators within the framework of social welfare.

To address the well-being of Maderacre employees, activities are being developed to promote healthy living, awareness of labor rights, organizational culture, recreational spaces, holiday celebrations, and financial lending activities, among others. According to Chart No. 7, between January and December, 45 activities were carried out to address the social well-being of Maderacre employees, confirming that these actions were not neglected during the aforementioned months.

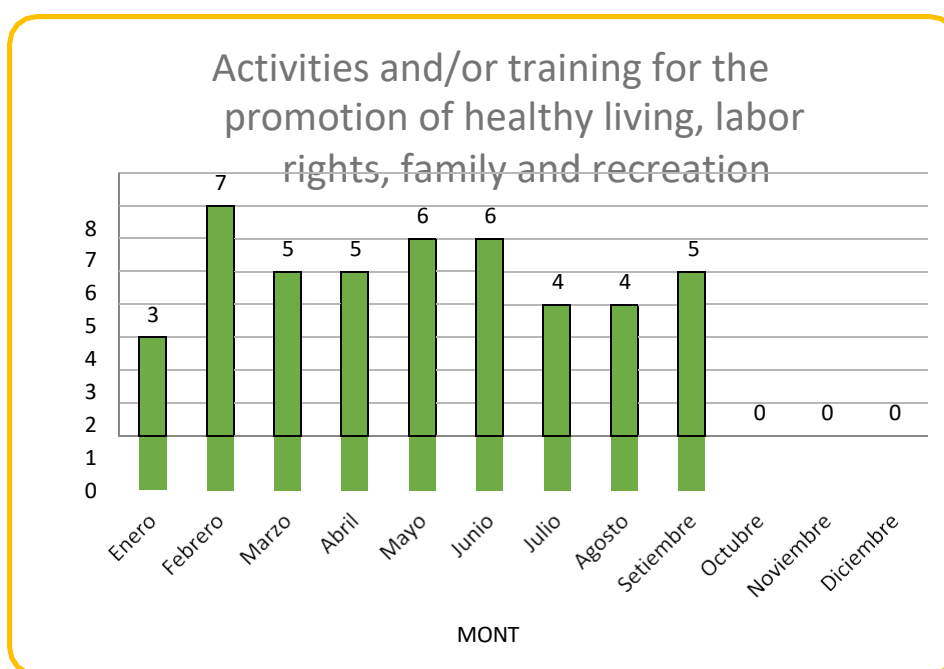


Chart No. 07. Number of activities and/or training for the promotion of healthy living, labor rights, family and recreation.

3.8. Number hours spent on staff training (average hours).

At Maderacre, the development of theoretical and practical knowledge towards collaborators is recognized in relation to the topics addressed for each of the productive and support systems that

The company has a strong commitment to training, so its commitment to developing training programs is a factor that consolidates Maderacre as a leading company in its processes. For this reason, it is important that training sessions be held at appropriate times, in order to provide feedback on the knowledge imparted during these activities. The duration of the training sessions is estimated to be approximately one hour: a space where the employee receives the shared knowledge and, at the same time, can be evaluated to measure their learning level in accordance with the information provided. Training sessions are held periodically, involving the areas of Occupational Health and Safety, Social Welfare, Social Responsibility, Forest Management, Evaluation and Monitoring, and Personnel Administration in accordance with the provisions of the Annual Training Plan. Therefore, to obtain the average training hours, the number of hours per training session was divided by the number of training sessions held per month; It turns out that, in accordance with Graph No. 08, between the months of January to December, towards the month of April a peak of 2.4 hours on average per training is observed, while in the month of February the data shows 0 hours because no training was carried out. In general, it is known that between the months analyzed the average number of hours of training for Maderacre staff is 1.0 hours.

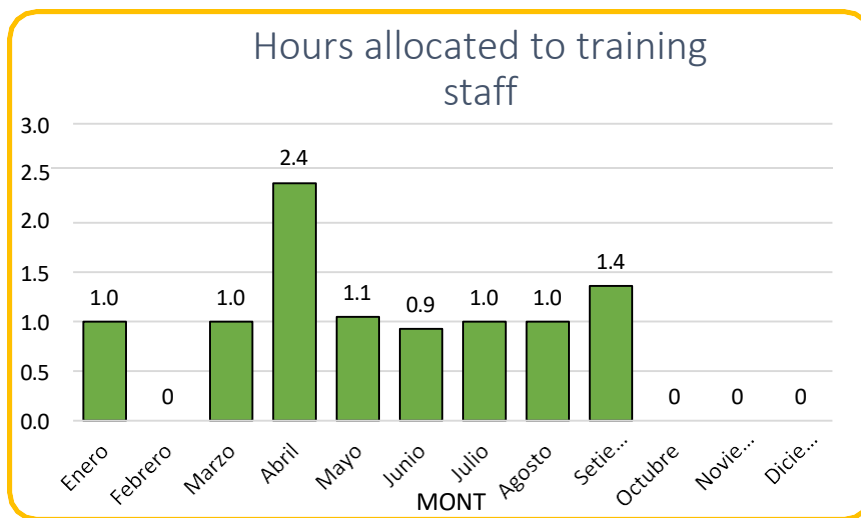


Chart No. 08. Number of hours allocated to staff training (average hours).

3.9. Collaborators who have equipment complete and appropriate personal protective equipment (PPE) for the development of their work activities.

At Maderacre, employee safety is a priority, as is compliance with the rules, regulations, and policies that safeguard both employees and the company's operations. Accordingly, employees are provided with personal protective equipment (PPE) based on their position or duties. This equipment is delivered at the time the contract is signed with the employee, complemented by monitoring the proper use and maintenance of the equipment provided. Procedures are in place for replacing or renewing PPE whenever it deteriorates or has reached the end of its useful life. According to Chart No. 9, at Maderacre, 100% of the company's employees have their respective personal protective equipment from January to December, with no decrease or variation in compliance with these procedures.

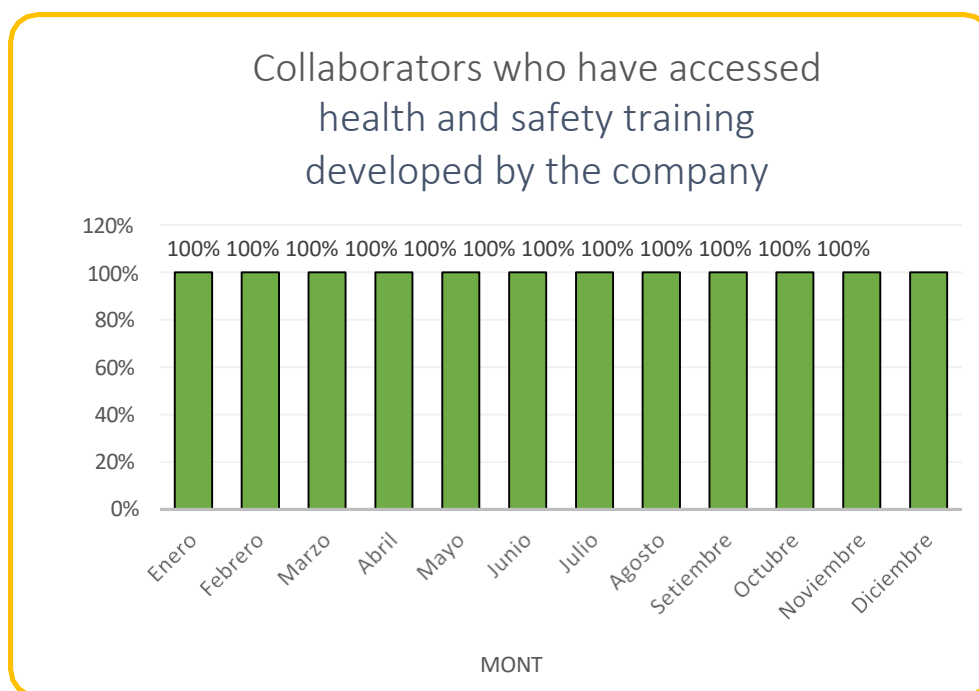


Chart No. 09. Percentage of employees who have complete and adequate PPE for the performance of their duties.

3.10. Number of activities to improve or monitor the working conditions and services of the collaborator.

As a measure to ensure the well-being of the company's employees, Maderacre carries out guided activities to evaluate, inspect, and implement improvements in working conditions and the services provided to employees. Some of these activities include tasks, inspections, fumigations, health campaigns, among others, which are implemented by the company's Social Welfare and OSH areas. These actions are carried out to monitor the working conditions of employees in relation to food, housing, and recreation, resulting in more accurate indicators to address the continuous improvement of the services provided by the company for the well-being of its employees. According to Chart 10, between January and December, 14 activities were carried out to improve and monitor working conditions and the services provided to the company's employees, with June accounting for the largest number of activities, with four.

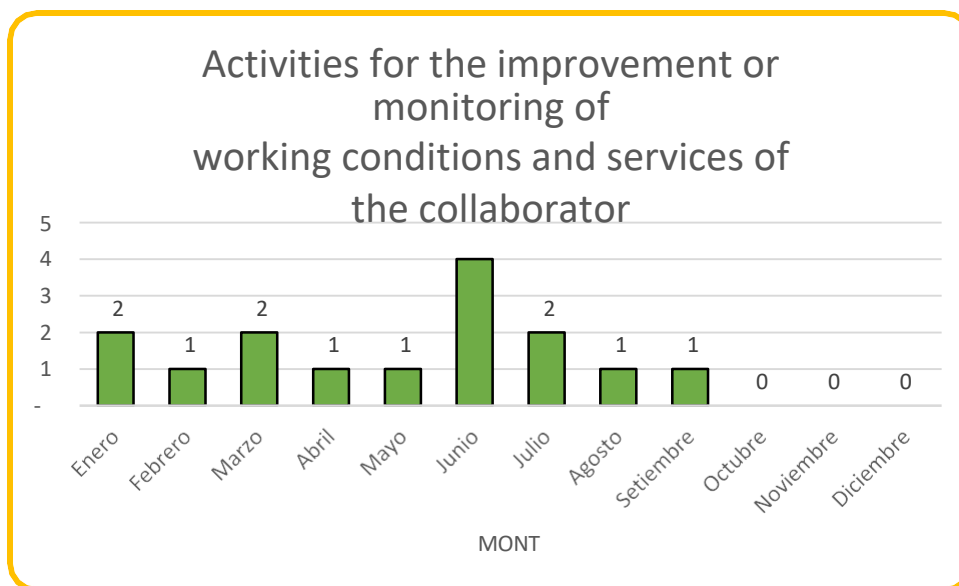


Chart No. 10. Number of activities to improve or monitor employee working conditions and services.

3.11. Level of overall satisfaction of the year with the services provided to the collaborator.

Through employee surveys, Maderacre conducts evaluations to gain insight into employee perceptions of the company's employee well-being services. These results contribute to developing action mechanisms to address identified weaknesses and continue the positive actions being implemented. The surveys conducted by the Social Welfare Department regarding perceptions of the cafeteria and housing services provided are conducted according to three evaluation criteria: Good, Fair, and Poor.

According to Table 1, the level of employee satisfaction in the Annual Cafeteria Satisfaction Survey (No. 1) achieved an average rating of "Fair." In turn, according to the Annual Housing Satisfaction Survey (No. 2), an average rating of "Good" was achieved. In both surveys, it should be added that, in order to undertake continuous improvements to achieve new and better standards for food supply, a change in the cafeteria supplier was made. In addition, actions are being established to preserve the care of rest and/or recreation areas as complementary services for the well-being of the company's employees.

No.	Overall satisfaction level of the year with the services provided to the collaborator	
	Surveys	Average rating
01	Dining Room Satisfaction Survey	"REGULAR"
02	Housing Satisfaction Survey	"GOOD"

Table No. 01. General satisfaction level of the year with the services provided to the collaborator.

3.12. Collaborators (with one year or more old) who improved their quality of life and family life in the last year.

Between 2024 and 2024, it is evident how MADERACRE has directly contributed to the development of improvements in the economic and social conditions of its employees, impacting their own well-being and that of their families. To evaluate this indicator, a survey was administered using a random sampling system to employees with one year or more of seniority at the company, focusing primarily on local employees, who already have job and family stability in the town of Iñapari. Chart 11 shows that, in 2024, 93% of employees have reported improvements in their quality of life. This demonstrates how the implementation of company policies and actions for employee well-being has directly influenced the satisfaction of having a formal and stable job, allowing them to improve their economic stability and, in this way, sustain and meet the basic needs of them and their families. It is important to mention that for the year 2024, the personal and emotional satisfaction of employees in their work environment at Maderacre was evaluated. These factors directly influence adequate job performance and, therefore, the ability to apply for job promotions and salary increases. In addition, Maderacre also has educational programs, such as the Alternative Basic Education Center (CEBA), an agreement with the Iberian Higher Technological Institute, and job training, with employees being direct beneficiaries of these benefits. These indicators have influenced employee satisfaction with continuing to work at Maderacre.

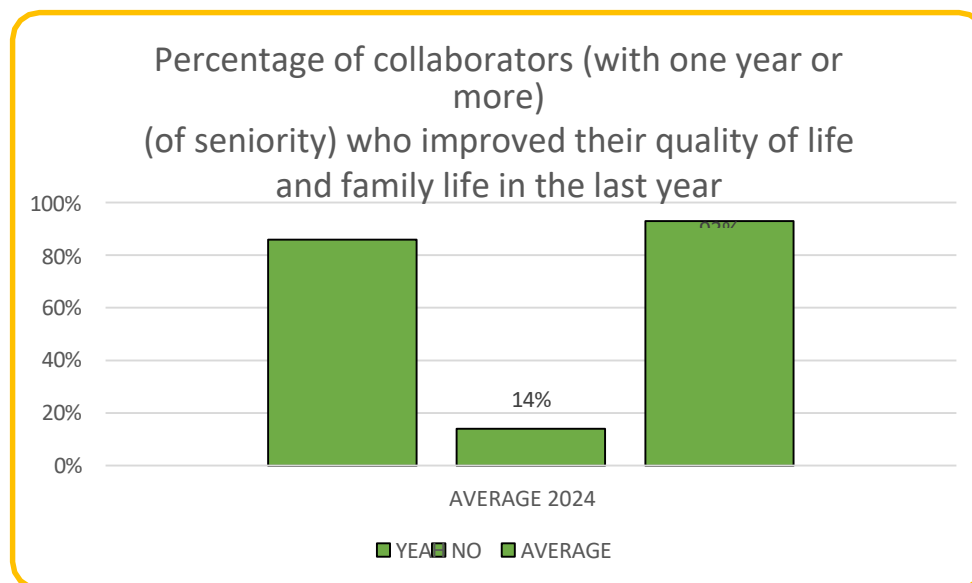


Chart No. 11. Percentage of employees (with one year or more seniority) who improved their quality of life in the last year.

3.13. Number of activities that promote respect and recognition of local culture and neighboring communities among employees.

As part of its social policy and commitment, Maderacre develops activities that seek to promote good conduct among its employees in the communities within the company's area of influence, based on respect for these populations from an intercultural perspective. In recent years, this indicator has shown a growing record in terms of the number of training sessions conducted, considering the application of two regulations: the Code of Conduct and the PIACI Protocol. Both are established within the framework of the Annual Training Plan. These training sessions are conducted annually for staff in each area of the company; however, as an induction for employees prior to performing their job duties, training is considered in the aforementioned topics in a summarized manner. While training sessions are scheduled based on the company's areas, they are also developed for specific groups due to the nature of the functions performed by some employees. Along these lines, at Maderacre, to prevail as a company recognized for its respect for the value of local populations and neighboring communities, it is known that, according to

Chart 12 shows that 99 training sessions were held between January and December, with July and August seeing a significant peak of 35 and 26 sessions, respectively.

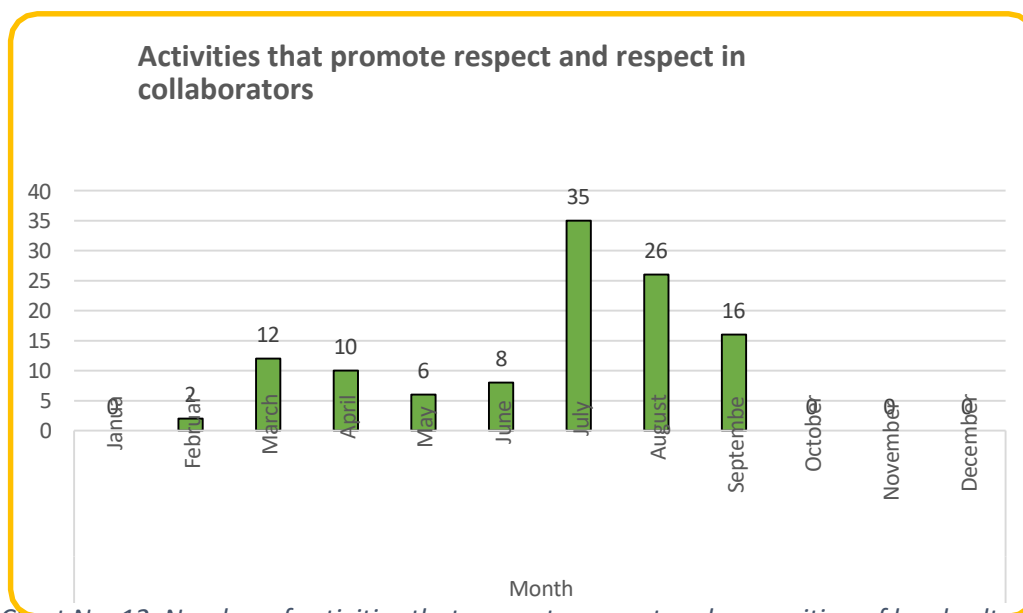
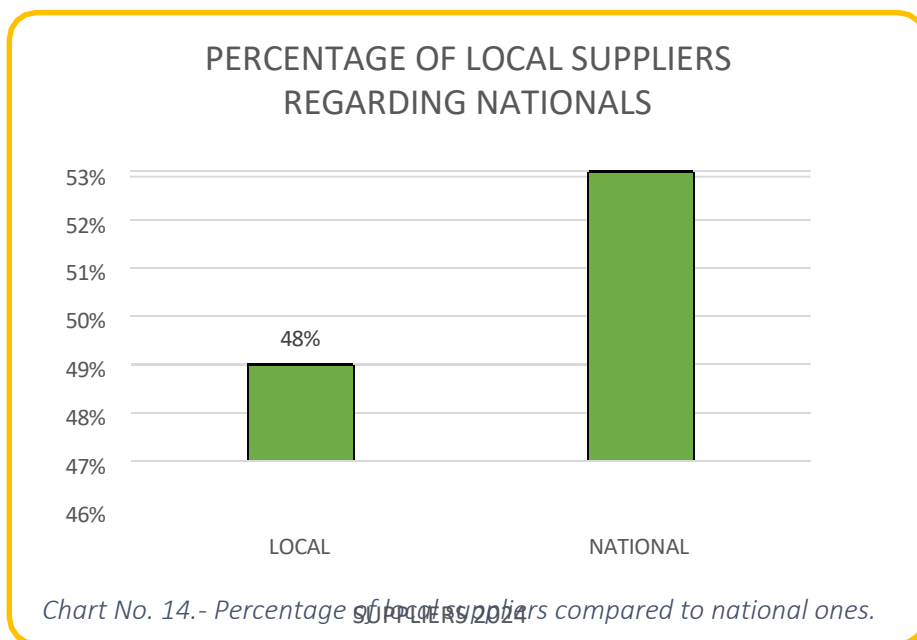


Chart No. 12: Number of activities that promote respect and recognition of local culture and neighboring communities among employees.

3.14. Percentage of local suppliers compared to national ones.

MADERACRE has a close economic relationship with its diverse group of suppliers, driving local economic development for emerging or growing businesses, as well as local economic dynamics. Consumption of different types of supplies for different products and supplies, however, in 2020 there was a reduction in this, due to the paralysis of many economic activities in the face of the Covid pandemic, for 2022 a considerable increase is expected, which is due to the continued reactivation of productive activities that have required greater supply and the emergence of new local initiatives promoted by the economic difficulties caused by the pandemic and that have led the population to start businesses in different areas to face this situation;

We also believe that the company's promotion of tax formalization for local businesses, which has allowed them to become suppliers to companies like ours, has contributed to this.



3.15. Percentage of expenses in local suppliers on total expenses.

MADERACRE maintains a close economic relationship with its diverse group of suppliers, promoting the local economic development of growing businesses and the emergence of new ventures. In this regard, and despite the fact that Iñapari is a small district in terms of population, the evaluation shows that MADERACRE has been allocating 28% of its expenditures to local suppliers, which is extremely important for the sustainable development of the district and the rural areas that directly benefit from the company's activities and the sustainable management of the forests it administers. Significantly, part of these expenditures include payments to companies that not only provide goods but also specialized services, which increases the number of local jobs beyond those directly generated by the company.

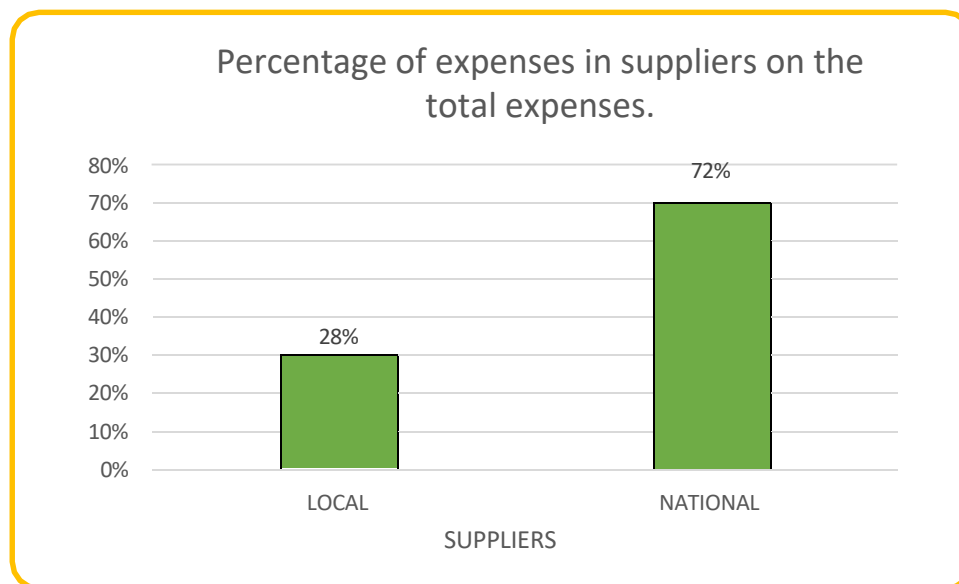


Chart No. 14.- Percentage of expenses in suppliers on total expenses.

3.16. Number of activities promoting good practices, respect for local culture and other institutional values with suppliers.

For MADERACRE, it is important that companies that outsource activities share their policy and commitment to the local population. Therefore, it socializes its good practices, being included in the talks and training sessions that Maderacre conducts, promoting the appropriate conduct and behavior they should have with the local population, being participants in all these processes. In this way, it promotes good conduct, the code of conduct, among others that reinforce a comprehensive policy of respect for the social environment. Thus, in 2024, two specific topics were developed: the business code of conduct and the anthropological contingency plan to address risk situations in the event of evidence or encounters with indigenous populations in isolation or initial contact (PIACI). Obtaining a total of 23

training sessions, it is worth mentioning that both topics are covered within these training sessions, with July being the month where the largest number of training sessions were given.

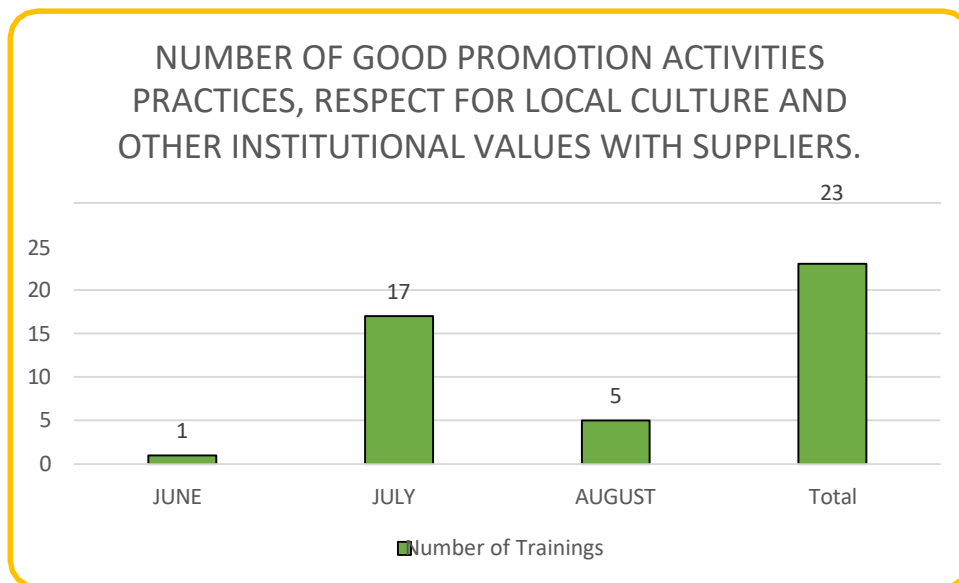


Chart No. 15.- Number of activities promoting good practices, respect for local culture and other institutional values with suppliers.

3.17. Number of actions and/or activities for the contribution and promotion of social development within the framework of the Community Development program.

At Maderacre, the development of programs and projects that contribute to the social and sustainable development of the communities and populations within the company's area of influence is considered important. These actions have a substantial impact on local development, focusing their activities on complementing the services provided by the state. To this end, within the framework of the Local Development Advisory Committee, dialogue is considered a mechanism for participation and engagement with the communities.

In recent years, Maderacre has been promoting programs and activities aimed at contributing to local development such as the CEBA programs, agreements with the IESTP, agreements with organizations, communities and educational institutions, agreements on community education, an agreement with the Iñapari health center, as well as agreements for the

conservation and restoration of degraded areas, among other programs aimed at strengthening the capacities and well-being of populations.

In accordance with Graph No. 16, it is evident that between the months of January and December, a total of 88 actions and/or activities were carried out to contribute to and promote social development in the area of influence in which Maderacre operates, with the month of August having a peak of 15 activities, this being the highest.

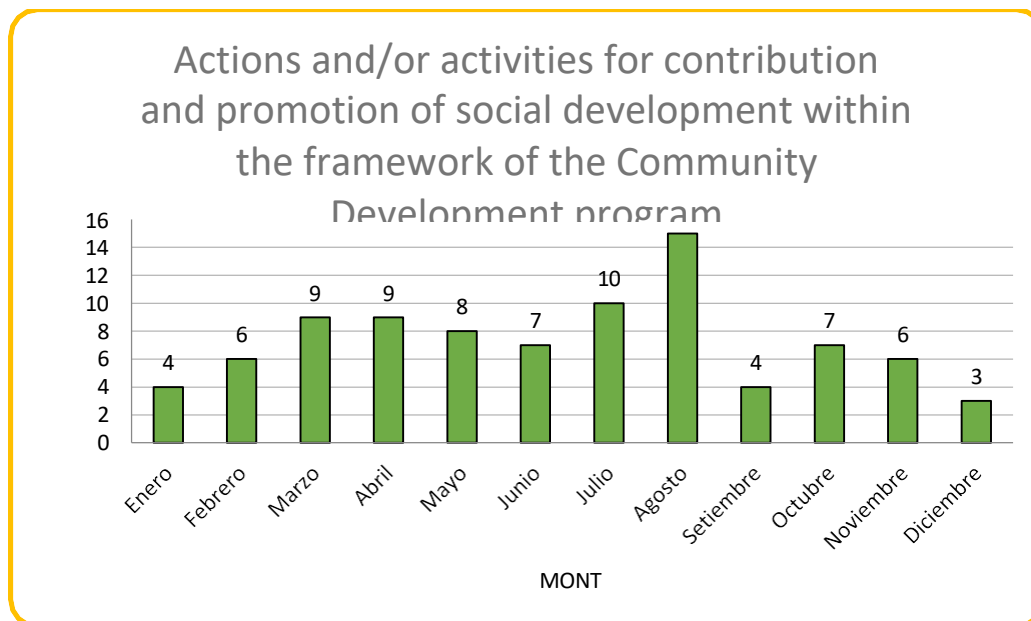


Chart No. 16. Number of actions and/or activities for the contribution and promotion of social development within the framework of the Community Development program

3.18. Number of agreements signed and in force with social institutions or organizations for education, environment and social development.

The establishment of agreements and arrangements between Maderacre and various social, educational, and environmental institutions contributes to strengthening the quality of life in the social environment in which the company operates. These partnerships are updated year after year, and often lead to the creation of new ones with local stakeholders who have the capacity to contribute to strengthening local development. Within this framework, 15 agreements and 5 arrangements have been signed this year, resulting in a total of 20 programs signed with institutions, organizations, and social stakeholders.



Regarding the agreements signed by Maderacre, according to Table No. 2, in March a Specific Training Agreement was signed with the IESTP Iberia Tahuamanu (No. 14), which covers the remaining months of this year, with a completion date of December 2027. Furthermore, in April a Cooperation Agreement was signed with the UGEL Iberia Campus and the IE 53004 Miguel Grau (No. 13), covering the end of the same year. In turn, in May two Community Education Agreements were signed, on the one hand, with the CEBA Dos de Mayo Iberia and the CN Belgium and, on the other hand, between the CEBA Dos de Mayo and Maderacre (No. 11 and No. 12, respectively). In the same month, three agreements were made with the UGEL Iberia Headquarters and the following educational institutions: IEBR Iñapari Secondary School (No. 7); IEI No. 298 Ángeles de la Frontera (No. 8) and; IEBR No. 52144 Villa Primavera (No. 10). Towards the month of June, Environmental Education Agreements were signed with educational institutions in the districts of Iñapari and Iberia, covering these agreements until June 2025, being the following educational institutions: IEBR Iñapari Secondary School (No. 1); IEBR No. 52135 San Isidro (No. 2); IEBR No. 52056 Noaya (No. 3); IEBR No. 52144 Villa Primavera (No. 4); IEBR No. 52085 Túpac Amaru II (No. 5) and; the IEBR No. 52086 Niña María (No. 6). In September, an agreement was consolidated with the UGEL Tahuamanu Headquarters and the IE.I. No. 298 Ángeles de la Frontera (No. 9), with an expiration date in September 2026. Finally, regarding current agreements, an agreement with the NGO Amazon Shelter for Animal and Environmental Protection (No. 15) is in force from October 2023 throughout this year until October 2025. Regarding the agreements, these are related to Forest Conservation and Recovery of Degraded Areas with social actors in the Iñapari district: in February, two agreements were signed (No. 16 and No. 17) covering until February 2026; while in March, 1 agreement (No. 18) with a duration until March 2026, and; in July, 2 agreements (No. 19 and No. 20), the same ones that are included until July 2026.

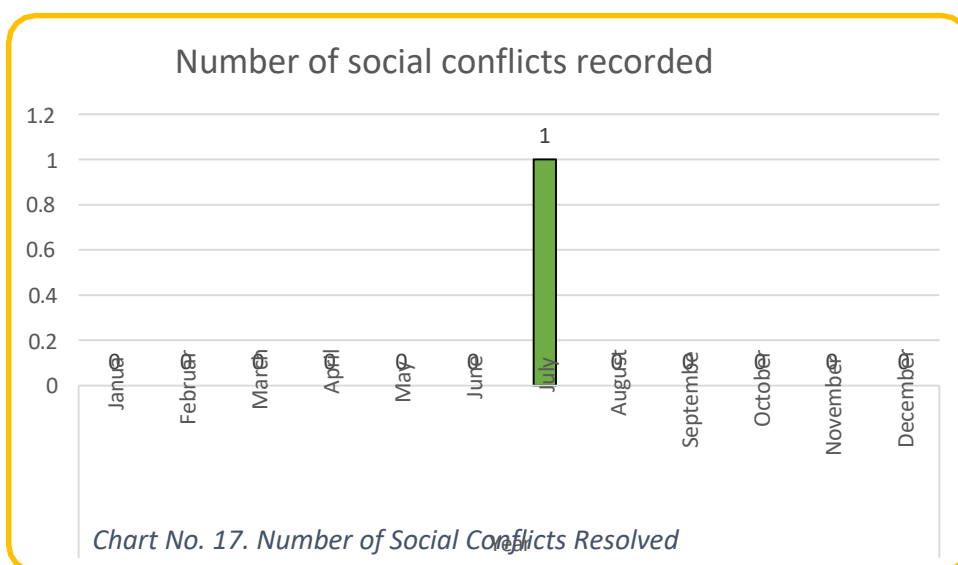
Convenios suscritos y vigentes con instituciones u organizaciones sociales para la educación, medio ambiente y desarrollo social																							
Programas	N°	2023	2024												2025			2026				2027	
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Table No. 02. Number of agreements signed and in force with social institutions or organizations for education, environment and social development.

3.19. Number of registered social conflicts.

Social conflicts are unplanned events that arise from the execution of operations or from interactions with communities in the company's area of social influence. In other words, social conflicts are any type of encounter between opposing forces, whether marked by violence or not. Likewise, these events, when represented as a way of relating, allow us to view them not only as problems, but also as an opportunity for change in the peaceful resolution of disputes. According to Table No. 03. Between the months of January and December, only the case of the complaint from the Nuevo Iñapari Human Settlement has been registered, during the period of wood transportation carried out as part of its Maderacre forestry exploitation activities, due to the raising of dust caused by the passage of heavy transport units on the Santa Martha highway, a case that has been repeated every year since 2016, where from then on actions were established as part of social responsibility, in such a way that every year the section affected by the raising of dust caused by the company's units would be irrigated.

Social controversies are unplanned events that may arise from the execution of operations or interactions with the communities surrounding MADERACRE. The company has been working to maintain optimal relations with local populations and to constantly prevent potential conflicts. Thus, the complaints raised by the Nuevo Iñapari Human Settlement were addressed and managed in a timely and satisfactory manner. These complaints are currently being processed, and no new ones have been filed. This demonstrates Maderacre's efforts based on the implementation of its policies and the good relations it maintains with its stakeholders.

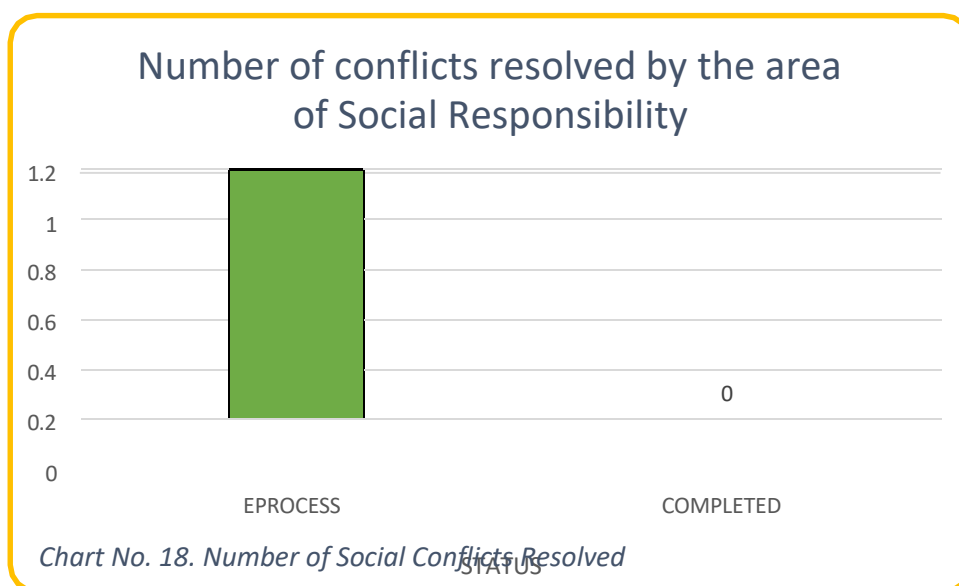


3.20. Number of conflicts resolved by the Social Responsibility area

In reference to the previous indicator, the record of the status of the complaint, claim and/or conflicts of the current year remains at one (01) controversy process status and zero (0) controversies registered as concluded.

The controversy registered as status in process, corresponds only to the case of the Nuevo Iñapari Human Settlement, with whom coordinated actions are maintained.

mitigation measures scheduled annually as part of its Social Responsibility actions and in coordination with the forestry operations carried out by MADERACRE, in relation to the complaint filed in 2016. In the case of Nuevo Iñapari, a commitment to continue watering the road to minimize the impact of dust generated by vehicle traffic on the section of the road that corresponds to the settlement. Maderacre, in communication with the population and in spaces such as citizen participation workshops, makes known its procedures for filing complaints and expresses its commitment to resolving any controversy that may arise from the execution of its activities in the best possible way. Likewise, it shares the communication channels that we have implemented to be able to promptly assist the population.



3.21. Number of informative and/or participatory activities such as meetings, workshops, socializations or other with interest groups of the population.

Regarding the various strategies for disseminating and informing the public about Zafra's activities, the scope of its activities, and the processes and policies it incorporates, Maderacre considers it important to socialize the company's established processes. There are ongoing activities, such as the Citizen Participation Workshop, held twice.



annually, as well as the Community Relations Advisory Committee Meeting. In addition to these efforts, Maderacre seeks to establish spaces to communicate with the public about the REDD+ projects the company is implementing, providing timely communication regarding the objectives, goals, impacts, main risks, and execution of these projects' activities. Audit processes for FSC, VCS, and CCB certification or accreditation are also considered. The most effective channels for disseminating these activities are used to reach the public and raise awareness of the importance of the event and the resulting relevance of public participation; therefore, emails and promotional letters are used, among others.

According to Chart 19, in 2024, three informational activities were held around March: a Citizen Participation Start-Up Workshop; a Community Relations Advisory Committee Meeting; and a REDD+ project awareness event at the Bélgica National Forest. In July, two activities were held: REDD+ project awareness events; first in the Villa Primavera population center and second in the San Francisco de Asís sector. In August, REDD+ projects were awareness events with the leadership of the Nueva Esperanza community. In September, REDD+ projects were awareness events with residents of the Arca Pacahuara community and the Flor de Tahuarí Association, and in October, two activities were held. The first was a participatory workshop to identify forest management risks with authorities and residents of the Bélgica native community; and the second was a participatory workshop to identify forest management risks in Iñapari. Between January and December, nine informational and/or participatory activities were carried out with the population.

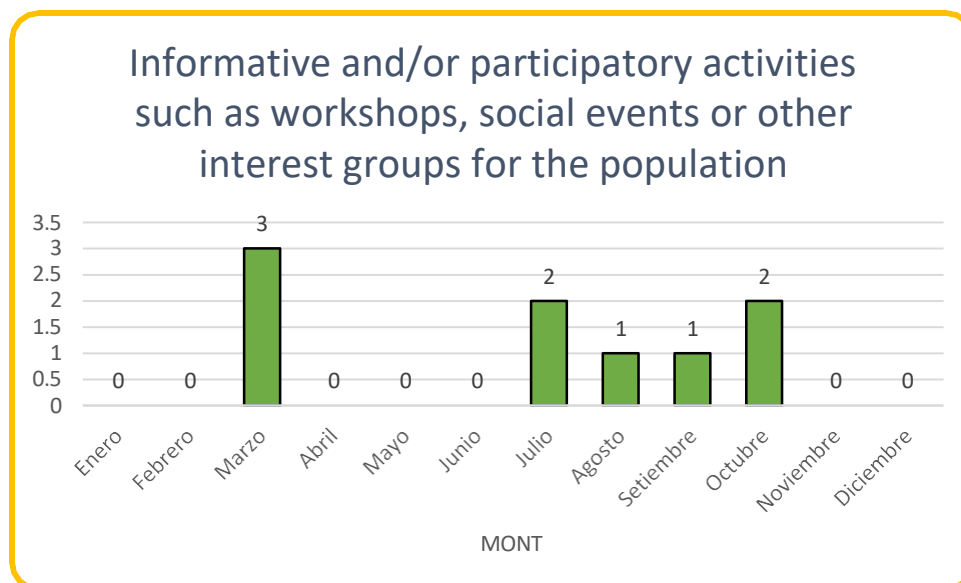


Chart No. 19. Number of informative and/or participatory activities such as workshops, socializations or other interest groups of the population.

3.22. Number of beneficiaries of the area of social influence for Maderacre's Social Responsibility programs and activities.

Considering the area of social influence in which Maderacre operates, various actions, activities, or programs are distinguished that generate an impact on the beneficiaries it seeks to support. In this regard, the Social Responsibility area works within the framework of mechanisms that generate benefits for the population living or working in Maderacre's area of influence. Beneficiaries include company employees, as well as the population of communities, population centers, rural settlements, among others, where the company maintains its commitment to support. According to Chart 20, it is known that between January and December, the month of August records a greater number of beneficiaries due to the increase in activities and talks on "Sustainable Forest Management and Biodiversity" in primary and secondary schools in the districts of Iñapari and Iberia. These institutions were worked with within the framework of the Environmental Education Agreements signed between the company and the educational institution. Educational guided study tours were also conducted for students at the National Amazonian University of Madre de Dios.

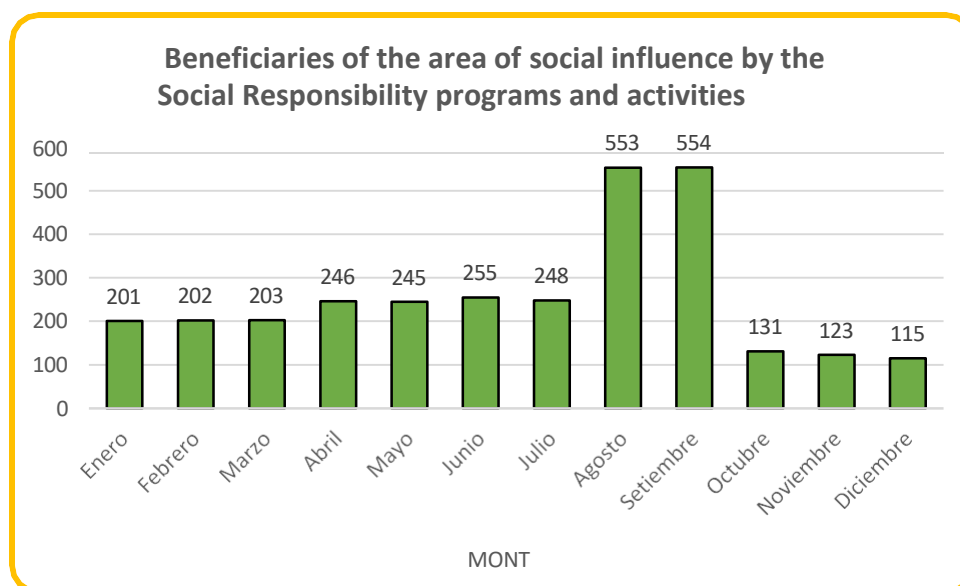


Chart No. 20. Number of beneficiaries of the area of social influence by Social Responsibility programs and activities.

3.23. Number of beneficiaries of the Belgica Native Community for Maderacre's Social Responsibility programs and activities.

In accordance with the Social Development Plan and the corresponding Social Welfare activities, following the line of valuing and respecting local populations, for Maderacre, the Belgica Native Community represents an important stakeholder group for the company, due to its historical, social, cultural, and environmental legacy as an indigenous population. Since this community is located within the company's area of influence, actions are being promoted to support and contribute with actions focused on the educational and health development of the population of the Belgica Native Community. Based on the agreements signed between the company and the aforementioned community, programs have been developed to promote the well-being of the population, as well as REDD+ project initiatives known as "Indigenous Crafts" as an alternative to improve the quality of life of the Belgica community members. For this reason, it is considered that between January and August, all residents of the Belgica Native Community are beneficiaries of the activities or programs implemented by the company's Social Responsibility area.

Therefore, according to Table No. 3, there are 140 beneficiaries receiving monthly support; this figure extends to all months throughout the year. Of this total, the number of men and women is 68 and 72, respectively.

Beneficiaries of CN Belgium for Social Responsibility programs and activities			
Age group	Men	Women	Total
Children from 0 to 6 years old	14	15	29
From 7 - 13 years old	12	10	22
Young people aged 14-28	14	19	33
Adults 29 - 59 years old	24	17	41
More than 60 years	4	1	5
TOTAL	68	72	140

Source: Life Plan for Communal Governance – Belgium Native Community 2023-2025.

Table No. 03: Number of beneficiaries of the Belgian Native Community through Social Responsibility programs and activities.

3.24. Number of women beneficiaries from various communities through Maderacre's Social Responsibility programs and activities.

At Maderacre, the role women play as key agents of social development with a sustainable and egalitarian approach is recognized. For this to be possible, women's involvement at both the social and economic levels is essential. Thus, based on the recognition of women as pillars for establishing more just and stable societies, Maderacre allocates various actions within the Community Development Plan to address projects that involve women as beneficiaries; women who are part of the company's social sphere of influence. For this purpose, women working at the company, as well as female students who received educational talks and/or workshops, and female artisans who benefit from environmentally friendly productive projects, among others, have been considered.

According to Chart No. 21, between the months of January and August, the total number of women beneficiaries of Maderacre's actions and/or activities amounts to a total of 707 beneficiaries, with an increase in beneficiaries in the months of June, July and August due to the holding of environmental education talks in educational institutions at the primary and secondary levels in the districts of Iñapari and Iberia.

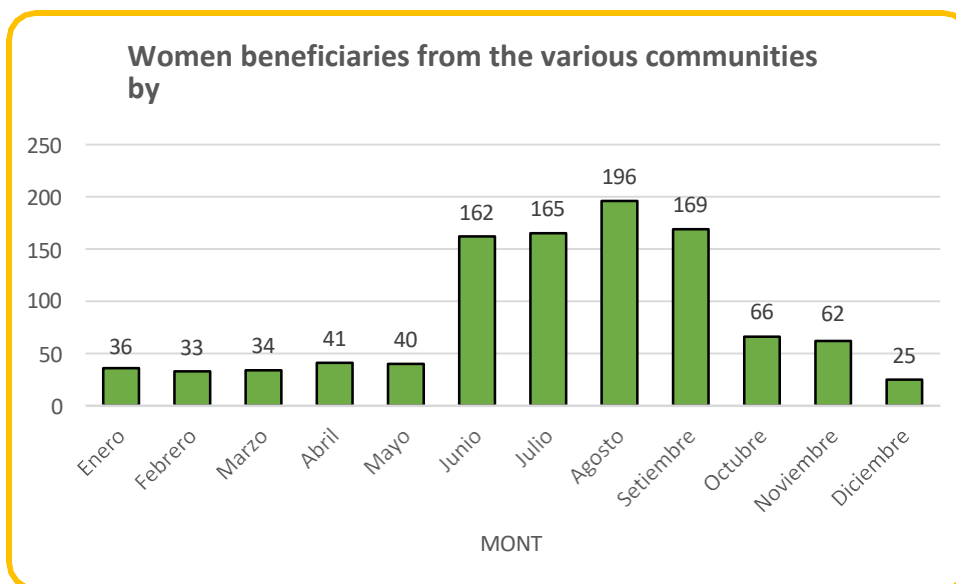


Chart No. 21. Number of women beneficiaries from the various communities through Social Responsibility programs and activities.

3.25. Number of organizations, families or communities with sustainable projects that receive technical or financial support from the company.

Within the framework of the REDD+ projects supported by Maderacre, programs such as the Environmentally Friendly Productive Projects (PPAMA) are derived, which seek to provide technical and financial support to proposals that generate social, economic and environmental impacts; these seek to improve the quality of life of families, communities or productive organizations, strengthen productive initiatives that generate profitability and, at the same time, have the capacity to conserve the environment, reducing the rates of deforestation and forest burning. By extension, the PPAMAs sustain a commitment to conserve the



forests and the restoration of degraded areas for the benefit of the environment and the population. According to Figure 22, a total of 12 organizations, families, or communities in Maderacre have benefited from the PPAMA program. Four beneficiary groups from the Madre de Dios Amazon REDD Project, while seven from the Tahuamanu Amazon REDD Project.

In 2024, Maderacre continued its activities, making significant progress in its ongoing initiatives, including the following: Learning about and conserving biodiversity in Villa Primavera, Indigenous crafts as an alternative to improve the quality of life of the community members of Bélgica, Reforestation of shihuahuaco and cocoa plantations at the Tres Niñas de Iñapari estate, Rural and agroforestry tourism at the Colibrí ranch, Conserving the environment with agroforestry crops, and a Children's Forest for environmental education and developing forest appreciation in Noaya.



Chart No. 22. Number of organizations, families or communities with sustainable projects that receive technical or financial support from the company

3.26. Number of events or organizations in which Maderacre participates to promote the academic, socio-environmental and/or institutional development of the forestry sector.

Maderacre seeks to open spaces for the exchange of experiences that allow for the dissemination of the value of sustainable forest management as a mechanism for responsible and effective forest conservation, with a view to mitigating climate change. In this regard, in line with good practices for sustainable forest management, the events or organizations in which Maderacre participates are monitored, with the participation of different interest groups, both from the local population and from state and non-governmental institutions or organizations at the local and global levels. According to Chart 23, a total of 11 events were held in 2024. Five of these were REDD talks, where the REDD project was shared with talks on mechanisms to reduce greenhouse gas (GHG) emissions produced by deforestation and forest degradation, seeking to conserve and increase carbon reserves. Two were Forest Management Identification Workshops, with the objective of sharing a summary of forest management activities, identifying environmental, social, and economic risks, and developing mechanisms to avoid and mitigate risks. Three Citizen Participation Workshops were held to share the results of the 2024 social monitoring program, the results of the 2024 environmental monitoring program, and the scope of our Iñapari Amazon REDD+ Project. Two meetings of the Community Relations Advisory Committee were held, and it should be noted that the latter took place at the beginning and end of the year. The purpose of the workshop was to establish a space for dialogue between Maderacre and the community, in order to institutionalize the company's support for community development in areas of sustainability, including health, education, the environment, local employment, and recognition of local culture.

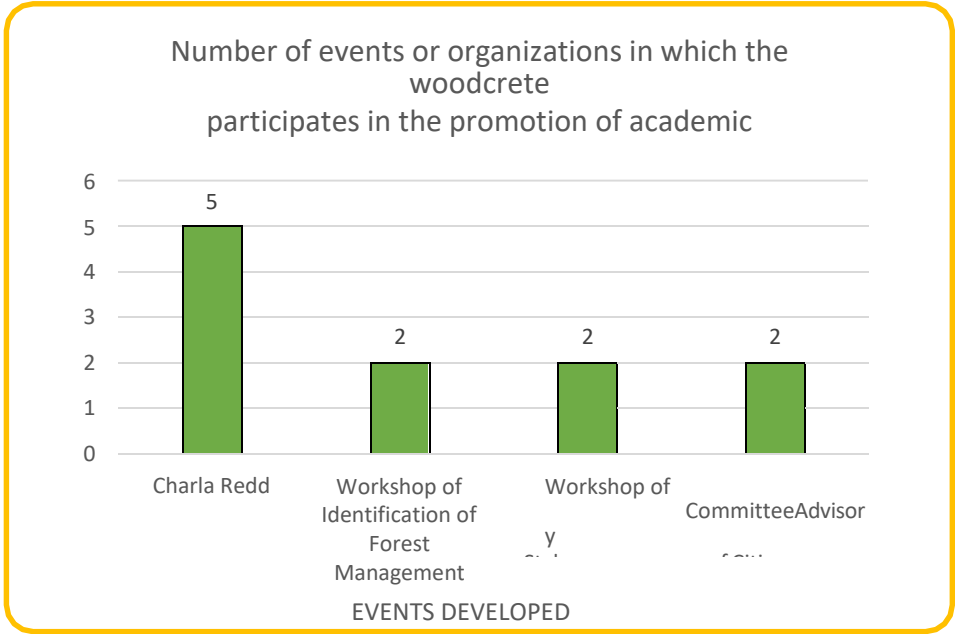


Chart No. 23. Number of events or organizations in which Maderacre participates to promote the economic, socio-environmental and/or institutional development of the forestry sector.

3.27. Number of research and/or publications carried out within the framework of inter-institutional agreements or others.

With a full commitment to increasing knowledge about forests, Maderacre promotes scientific and technical studies and research with various international, national, and local institutions. Thus, the company's activities seek to encourage research in the forestry sector to contribute to the improvement of natural resource management; supporting development and education through the generation of new scientific and technical knowledge, to enhance the company's ongoing search through innovative processes in the forestry sector. In this regard, Table 4 shows that, between January and August, two research projects were published within the framework of the inter-institutional agreements held by Maderacre, on the one hand, with the organizations Nodo Conservation and WWF, and, on the other hand, with the San Diego Zoo. For the first agreement mentioned, research was conducted on the importance of artificial canopy bridges as structures that allow reconnection of arboreal fauna due to the need for these animals to cross from side to side in forested areas (No. 1); while for the

Second agreement, a study was carried out to evaluate the effectiveness of forest concessions for jaguar conservation, taking the Maderacre concession (No. 02) as the study site.

Research and/or publications carried out within the framework of inter-institutional agreements or others		
No.	Interinstitutional agreements	Published research
01	Conservation Node / WWF	"Connecting the Amazon Canopy: Monitoring Artificial Canopy Bridges in Southwest Peru"
02	San Diego Zoo	"Evaluate the value of forest concessions in Madre de Dios for the conservation of the jaguar and other large and medium-sized mammals."

Table No. 04. Number of research projects and/or publications carried out within the framework of inter-institutional agreements or others.

3.28. Number dissemination of materials prepared to provide information on activities, procedures and other relationships to CSR.

As part of its Social Responsibility Plan, Maderacre has a Communications Plan aimed at keeping authorities, neighbors, concession owners, suppliers, and the general public informed of project activities at the beginning, during, and end of each operating year. Therefore, Maderacre seeks appropriate channels to reach the population and inform them about its activities, seeking systems that reach a wider population, such as radio, websites, social media, brochures, among others. In 2024, channels such as local radio advertising, citizen participation invitation letters, REDD+ socialization invitation letters, a Suggestion Box, and Facebook posts were implemented, allowing for more continuous dissemination of SR activities to the population. These channels continue to be important communication channels for reaching the local population.

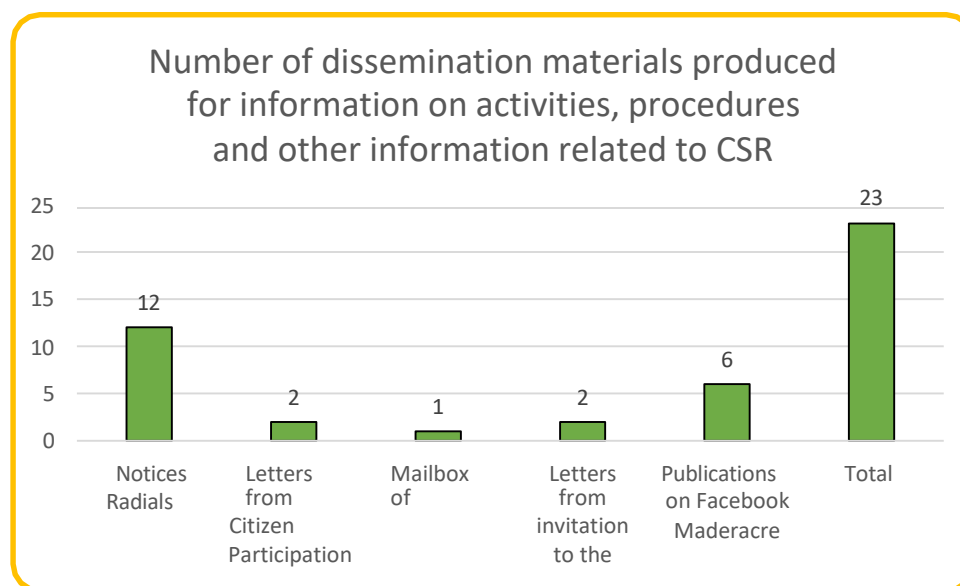


Chart No. 23. Number of organizations, families or communities with sustainable projects that receive technical or financial support from the company

3.29. Amount from Maderacre's social investment.

As a measure that generates social profitability with economic, educational, and environmental impacts for civil society, and various organizations and/or institutions in the public and private sectors, Maderacre allocates financial resources as part of a social investment policy that is exercised responsibly, based on a horizontal dialogue with stakeholders in the company's area of social influence. It should be added that the social investment budget may fluctuate monthly based on the needs and requirements of the population. These actions are guided by various agreements regarding the strengthening of local education, family economies, environmental care, promotion of sustainable development, and the promotion of productive initiatives among the population that promote more environmentally friendly land use, among others. In this regard, in accordance with Table No. 5, the expenses for the months of January to December 2024 can be seen, with Maderacre's social investment amounting to S/. 530,416.83 soles (Five hundred thirty thousand four hundred sixteen with 83/100 soles), reaching a peak between the months of March and April due to support in educational infrastructure as a preventive measure against floods in the district of Iñapari.

Amount of social investment by Maderacre		
No.	Months	Investment Amount
1	January	32,091.88
2	February	31,897.28
3	March	109,337.71
4	April	129,727.46
5	May	41,857.74
6	June	13,614.7
7	July	20,719.39
8	August	43,237.66
9	September	10,256.54
10	October	44,185.58
11	November	16,404.41
12	December	37,087.09
13	TOTAL	530,416.83

Table No. 05. Amount of social investment of Maderacre.

IV. CONCLUSIONS:

There are 29 indicators evaluated as part of social monitoring, which have contributed to improving, correcting, and/or updating MADERACRE's policies and procedures, as well as the activities it implements within that framework and as part of the company's intrinsic continuous improvement process. The analysis shows how improvements have been made to our processes in recent years and how weaknesses have allowed us to improve or strengthen the company's management. By 2024, activities were increasing, demonstrating that MADERACRE has made significant progress in improving its actions, assuming its commitment to forest conservation and the sustainable development of its employees and the local population in general.



V. RECOMMENDATIONS:

- Maintain constant data collection to support the monitoring system in the coming years.
- Propose improvement strategies based on the results of the analysis of the indicators.

That's all I have to inform you about. For whatever purposes are convenient.

Nelson Nieto Cierro Social
Responsibility Assistant
MADERACRE SAC