



GUIDE FOR PRESENTING NON-FINANCIAL REPORTING

PROYTEC GROUP

Avenida. Samuel Lewis y Calle 55 Este, PH Plaza Obarrio, Piso 1 Oficina 105, Panamá
Avenida Santa Anita, 361, Ciudad de Lima, Distrito de Chorrillos, Perú
Avenida Universidad, Edificio Centro Parque Carabobo, Torre A, Piso 3, Caracas, Venezuela
30 N Gould St Ste R, Sheridan, WY 82801 US
1900 North Bayshore Drive Suite 1° Miami - Florida 33132 US

GUIDE FOR PRESENTING NON-FINANCIAL REPORTING

Non-financial reporting (NFR) refers to the formal disclosure of an Organization social, environmental, and human rights information.

The importance of ESG metrics in analyzing an Organization, its activity and its projects is now a reality, it is growing and will continue to grow in the future.

The Community in which the Organization is based, any investors/lenders and the Governments attach ever greater importance to the environmental, social and community impact of each activity.

Understanding and adopting a management system based on these principles can bring enormous benefits to Organizations, helping to improve their performance and at the same time increasing their return on investment in the long term.

We therefore deem it necessary to provide some suggestions for the preparation of the Non-Financial Report of the Organizations, also known as the Sustainability Report for the transparency of their environmental, social and governance (ESG) issues.

In recent years, Non-Financial Report has assumed a fundamental importance for interest groups of all types of Organizations.

Non-Financial Report includes all social, environmental and governance issues that are relevant to the business of each Organization.

Non-Financial Report is not directly related to the Organization's financial performance.

There are three MAIN OBJECTIVES of the Non-Financial Report that Organizations must make public:

1. Create a set of standards that, over time, equate sustainability reporting with financial reporting.
2. Ensure that Organizations report tangible, reliable and comparable information on the sustainability needed by investors / lenders, all stakeholders, and Governments in the Organization's activities.
3. Simplify the Non-Financial Report required by investors/lenders, other interest groups and Governments.

PROYTEC GROUP

Avenida. Samuel Lewis y Calle 55 Este, PH Plaza Obarrio, Piso 1 Oficina 105, Panamá
Avenida Santa Anita, 361, Ciudad de Lima, Distrito de Chorrillos, Perú
Avenida Universidad, Edificio Centro Parque Carabobo, Torre A, Piso 3, Caracas, Venezuela
30 N Gould St Ste R, Sheridan, WY 82801 US
1900 North Bayshore Drive Suite 1° Miami - Florida 33132 US

The benefits that an Organization that draws up its own non-financial declaration can have are:

1. Corporate reputation:
positive impact on the Organization's image, as it is directly associated with transparency towards all stakeholders.
2. New business opportunities:
in addition to generating greater trust in the Organization's interest groups, it can also attract investors / lenders, it can qualify as a supplier of large multinationals, and it can access public tenders with more chances.
3. Risk identification:
ESG in the value chain and in the territory of the communities in which the company operates.

It is advisable to enter the Non-Financial Report directly in the Management Report, in the Annual Accounts Report and on the Organization's website.

The information must be accurate, comparable, and verifiable and must include:

1. Respect for the environment,
2. Commitment to sustainable development,
3. Social commitment,
4. Treatment of personnel,
5. Respect for human rights,
6. Commitment to Anti-Corruption and Bribery,
7. Compliance with all Laws.

The sections that the report must include are:

1. Brief description:
 - 1.1. of the business model,
 - 1.2. of the business context,
 - 1.3. of the organization and structure,
 - 1.4. of the markets in which it operates,
 - 1.5. of goals,
 - 1.6. medium and long-term strategies,
 - 1.7. of the main factors that can influence future evolution.
2. Explanation of the Organization's policy:
 - 2.1. supervision, verification, and control of activities,
 - 2.2. the due diligence procedures applied for risk identification, assessment, and prevention,
 - 2.3. interventions for the mitigation of risks, significant impacts, and any injuries.

PROYTEC GROUP

Avenida. Samuel Lewis y Calle 55 Este, PH Plaza Obarrio, Piso 1 Oficina 105, Panamá
Avenida Santa Anita, 361, Ciudad de Lima, Distrito de Chorrillos, Perú
Avenida Universidad, Edificio Centro Parque Carabobo, Torre A, Piso 3, Caracas, Venezuela
30 N Gould St Ste R, Sheridan, WY 82801 US
1900 North Bayshore Drive Suite 1° Miami - Florida 33132 US

3. Results of the adopted policy
 - 3.1. non-financial key performance indicators that allow monitoring, analysis, and evaluation of progress, which facilitate comparability between different sectors, between different departments and between different activities, in accordance with the reference frameworks used.
 - 3.2. main risks with reference to commercial relationships, products or services that may have negative effects on the Organization, illustrating the procedures used to detect, understand, and evaluate them accordingly.
 - 3.3. information on the impacts detected, offering a description, in particular on the main achievements in the short, medium and large term.

This information must be useful, considering the specific circumstances in line with the parameters used in the internal risk analysis, assessment and management procedures.

Seven Key Tips for Processing Non-Financial Information.

1. Record all evidence.
File all documents used to report Non-Financial Information, including any calculations made, problems encountered, and errors made in the process.
2. Manage time well.
Proper management of report processing times will allow you to always keep in evidence every aspect of the various activities.
3. Train employees in non-financial reporting.
Whether or not they are directly involved, it is important that employees are aware of the need, utility, and implications of reporting.
4. Data comparability.
Make sure that the information shared is comparable with that of other Organizations.
5. Make the scope of information clear.
For comparability, it is important to include notes, descriptions and indications on the information included, on any data that has not been taken into account and on the reference to previous information that has already been edited.
6. Clear structure of the report.
Organize the report so that the information presented is easily understood by the reader.
7. Includes strengths and weaknesses on sustainability.
Also highlight the risks in terms of sustainability to which the Organization may be exposed.

PROYTEC GROUP

Avenida. Samuel Lewis y Calle 55 Este, PH Plaza Obarrio, Piso 1 Oficina 105, Panamá
Avenida Santa Anita, 361, Ciudad de Lima, Distrito de Chorrillos, Perú
Avenida Universidad, Edificio Centro Parque Carabobo, Torre A, Piso 3, Caracas, Venezuela
30 N Gould St Ste R, Sheridan, WY 82801 US
1900 North Bayshore Drive Suite 1° Miami - Florida 33132 US