

Statement in response to the Comptroller's Office

RELEASE

In recent days, the Comptroller General of the Republic has disseminated information related to an alleged irregular granting of the authorization for change of use, in the process of regularization, by the GOREU for our company.

In this regard, we must clarify the following:

- 1. These types of statements and the actions on which they are based are arbitrary, biased and possibly biased by certain particular interests that call into question our well-earned reputation.
- 2. The OCHO SUR Group began its operations in 2016. Therefore, it is not responsible for situations or administrative acts, including any deforestation, that have occurred or been carried out before our legal creation and the date on which we acquired the aforementioned funds. We have no legal or shareholding relationship with the company that previously owned them, which we have demonstrated and will continue to do so reliably.
- 3. It is in this context that our business group, whose philosophy is scrupulous compliance with the country's legal framework and is committed to carrying out sustainable productive activity with high environmental standards, set itself the goal of formalizing all its operations in Ucayali.
- 4. Our industrial plant has just received ISO 14001-2015 and 45001-2018 for the care of the environment, as well as for the safety and health of its workers; and has an Environmental Impact Study (EIA) approved by the Ministry of Production. Likewise, we have been presenting the Environmental Adequacy Programs (PAMA) for our two farms Tibecocha and Zanja Seca; which are corrective environmental instruments that apply exclusively to agricultural operations that began in advance of the application of environmental regulations for the agricultural sector (November 2012).
- 5. Along the same lines, we receive authorizations for change of use in the process of regularization, under the provisions of the General Administrative Procedure Law (LPAG). For Zanja Seca in 2016 and for Tibecocha in 2019. It is worth mentioning that, as we have not carried out any deforestation, we do not have the obligation to manage them, but we did it to maximize our diligence in formalizing a pre-existing situation
- 6. The LPAG allows the granting of a change of use in the process of regularization. In the case of our farms, there are plots that were titled and have had agricultural activity since 1996 and, therefore, experienced deforestation over time by various previous owners.
- 7. In this sense, we consider that the erroneous interpretation of the regulatory framework by some officials causes serious harm to hundreds of thousands of small



farmers in the Peruvian jungle, condemning them to informality, since they carry out their agricultural activities in more than 2 million hectares that do not have a change of use and that, according to this interpretation, would operate outside the law permanently and the sale of Peruvian products would be forever excluded in markets such as the European Union, where formality will soon be a prerequisite for importation.

- 8. Our business group is at the forefront of the environmental formalization of the national agricultural sector. We are among the 0.05% of Agricultural Units in the entire country that have presented an environmental instrument and/or that have a formalized change of use. Likewise, we are permanently working on reforestation and conservation of areas within our properties and, now, on biological corridors, in addition to implementing organic agriculture.
- 9. We are respectful of the autonomies and powers that make up the country's institutions. Likewise, we are convinced that the country's Amazon needs more companies like us, committed to sustainable and low-emission development, as well as promoters of well-being and legality.
- 10. For this reason, we demand that those concerned refrain from using the terms: "Plantaciones de Pucallpa, now Ocho Sur P", and "Plantaciones de Ucayali, now Ocho Sur U", since these are factually false and defamatory statements that They cause harm to the company, its workers, its shareholders and more than 20,000 people in Ucayali who directly benefit from Ocho Sur's activities since its creation in 2016.

Pucallpa, January 29, 2023

Press Office

Ocho Sur