

**CURRENT GOVERNMENT SEEKS TO BUILD FLEXIBLE AND ATTRACTIVE LEGISLATION
TO BENEFIT INVESTORS**

Peruvian Social Market Economy model is guaranteed by our Constitution and based on recognition by the state of the coexistence of a diverse variety of businesses.

This model is laid on a legal framework characterized by the promotion and protection of private property, business freedom, free competition, and private investment granting equal treatment to national and foreign investors in various productive sectors.

The current government is focused on improving legislation for these areas in order to modernize the state's bureaucracy and streamline operations in order to be more attractive to private investments. Also, in the previous year, we have seen the passing of progressive laws in order to prevent crimes of corruption and increase the transparency of state expenditures.

Peru has a protective legal framework for foreign investments, which discourages discrimination between foreign and domestic investments, allows unrestricted use of international currencies, and grants the ability to sign legal stability agreements with the state in order to guarantee the protection of their investments against regulatory changes that may be made in the future.

Peruvian Public Administration and administrative laws have been improved by implementing several rules that focus on easing and further streamlining administrative procedures. In that order, the government has been modified by Legislative Decree 1341, which changes the State Contracting Law and bans companies that have been involved in corruption or anti-bribery cases in other countries from contracting with the State.

Furthermore, the government, regarding the international business environment, has enacted laws to prevent crimes related to corruption and money laundering. According to Legislative Decree 1352, which is applicable to private law entities, legal persons are administratively responsible for various offences related to corruption and money laundering when they have been committed on their behalf or for their benefit, directly or indirectly by their managers, directors, representatives, or

employees. Companies could be responsible and sanctioned whenever natural persons have acted under their order or authorization. Sanctions range from fines to the dissolution of the company. In order to be exempt from liability for the commission of the crimes mentioned above, the companies must implement in their organizations, prior to the commission of the crimes, a “Prevention Model” which consists of measures of vigilance and control to prevent crimes or reduce the risk of them occurring. This prevention model must be adequate to what is established by law and will be subject to evaluation and control by the Superintendence of Security Markets.

In addition, the Law of Protection of Personal Data (Law 29733) was issued, which guarantees the right to the protection of personal data provided in the context of their commercial relationship. The data can be used for other purposes by the company or state entity, if they receive prior consent and use the data in an appropriate manner to the extent permitted by law.

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