FORTALEZA MATERIALES

Building **sustainable value**

Sustainability
Report
2024



FORTALEZA MATERIALES

SUSTAINABILITY
REPORT
2024

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2024 in numbers



+7.4%

in net sales, reaching $17,294 million.

+13%

in EBITDA, with a margin of 30% over net sales.

+17x

increase in consolidated net income, closing at $2,574 million.

-33%

in net debt, strengthening the company's financial health.

+33%

in equity capital, reflecting a solid structure.

+196,417

tons of alternative raw materials used. 40% fossil fuel substitution at Giant (U.S.).



-21%

in specific water consumption in cement plants (vs. 2022).

-3%

in net CO_2 emissions, standing at 609 kg per t of cement (vs. 2023).

+7,000 m^3

of recycled treated water.

2,500

accident-free days **in Costa Rica.**

+47,000

training hours.

+300

employees participated in the Sustainable Week.

Message from **our CEO**

GRI 2-22



Jaime Rocha Font
General Manager
Fortaleza Materiales

It is a pleasure to address you in this report, which reflects the progress, challenges, and achievements of Fortaleza Materiales during 2024, a year marked by profitable growth and constant evolution toward a more efficient, safe, and sustainable operation.

At Fortaleza Materiales, our environmental, social, and governance (ESG) approach is integrated into our daily operations, with a commitment to fully comply with increasingly stringent laws and regulations, as well as making decisions that consider our responsibility and continuous improvement in the positive impact we generate on society, the environment, and investors. All under a practical and concrete approach, where initiatives, projects, and efforts have a positive, clear, and measurable outcome.

In the global context, the construction industry has not shown consistent signs of recovery. The residential segment contracted in the United States, and in Latin America, growth was marginal. However, infrastructure development and private investment showed better performance compared to 2023, mainly driven by phenomena like nearshoring and inshoring.

From a financial perspective, we had a solid year. Net sales reached MXN 17,294 million, an increase of 7% compared to 2023. This growth was accompanied by an improvement in the gross margin from 28% to 30%, and a 13% increase in EBITDA, maintaining a 30% margin on net sales. Consolidated net income grew 17 times, while net debt decreased by 33%, and shareholders' equity was strengthened with a 33% increase. These results reflect a disciplined and profitable business model.

We continue to enter new markets and expand in those where we are already present. We aim for real growth, measured not only by volume but by impact, consistency, and value generated. This growth goes hand in hand with operating based on clear principles. At Fortaleza Materiales, we firmly believe that quality is not controlled, it is produced. That's why we are guided by the principle of "doing it right the first time," without compromising results or assuming unnecessary risks, because we work based on compliance.

Our long-term vision is also reflected in a firm commitment to sustainability. In 2024, Fortaleza Materiales achieved a 3% reduction in our net CO_2 emissions, reaching 609 kg per t of cement. We achieved this progress thanks to an increase in the use of alternative raw materials and the fossil fuel substitution rate, which, for example, reached 40% at Giant and 24% at Keyste. Additionally, we recycled more than 7,000m^3 of treated water and achieved a 21% reduction in specific water consumption in our cement plants between 2022 and 2024.

In safety, we reaffirmed that safety is NOT negotiable. We implemented a comprehensive model focused on eliminating critical risks, emphasizing visible leadership, exposure control, and legal compliance. Thanks to these efforts, Costa Rica reached 2,500 days without accidents, and throughout the region, prevention, auditing, and training systems were strengthened to protect all those involved in our operations.

We strengthened our organizational culture with concrete actions. In 2024, we provided over 47,000 hours of training, launching the Supervisor School for the first time, with 36 participants from various countries, and the Sales School in Central America. These initiatives complement our continuous learning platforms: Fortaleza University, Fortaleza Languages, and Building English. We also reinforced integral well-being with programs such as Fortalécete, parental leaves, and internal promotion schemes.

In 2024, our community impact actions remained strong. We donated more than 5,600 tons of cement for social infrastructure projects in Mexico and developed literacy programs, mobile libraries, and educational partnerships for adults. These actions reflect our belief that the company's progress must be accompanied by the development of the communities around us.

Our commitment also translates into concrete recognitions: at the four Fortaleza plants located in Mexico, we obtained the Clean Industry certification from the Federal Attorney for Environmental Protection (Profepa) and the ESR (Socially Responsible Company) Distinction from the Mexican Center for Philanthropy (Cemefi), while all our plants in the United States and Central America were certified as Great Place to Work.

We will continue building with vision, determination, and responsibility. Each result is the fruit of the teamwork of those of us at Fortaleza Materiales. I deeply appreciate the trust of our employees, customers, suppliers, and investors. On this journey, we not only move forward but create sustainable progress.



At Fortaleza Materiales, we don't make excuses, we deliver results.



01

Who **We Are**

Innovation and Leadership in the Cement Industry
Presence
Our brands and products

Innovation and Leadership **in the Cement Industry**

GRI 2-1, 2-6
SASB EM-CM-130 a.1
NIS A4

We are **Fortaleza Materiales**, a Mexican company with presence in Mexico, the United States, and Latin America, specialized in the production and commercialization of high-quality cement. Over the years, we have strengthened our position in the industry through organic growth —with our flagship brands Cementos Fortaleza® in Mexico and El Salvador, Cementos Fortaleza by Plycem®, and Concretos Fortaleza®— as well as through strategic acquisitions, including Giant®, Keystone®, and Dragon®.

We offer structural solutions for a wide range of construction projects, from residential works to commercial and industrial developments. Our approach is based on operational efficiency, the strength of our brands, and a distribution network that allows us to meet market needs with agility and proximity.



CEMENTOS FORTALEZA

CEMENTOS FORTALEZA® EL SALVADOR

CEMENTOS FORTALEZA by Plycem

CONCRETOS FORTALEZA

KEYSTONE CEMENT

DRAGON CEMENT

GIANT CEMENT

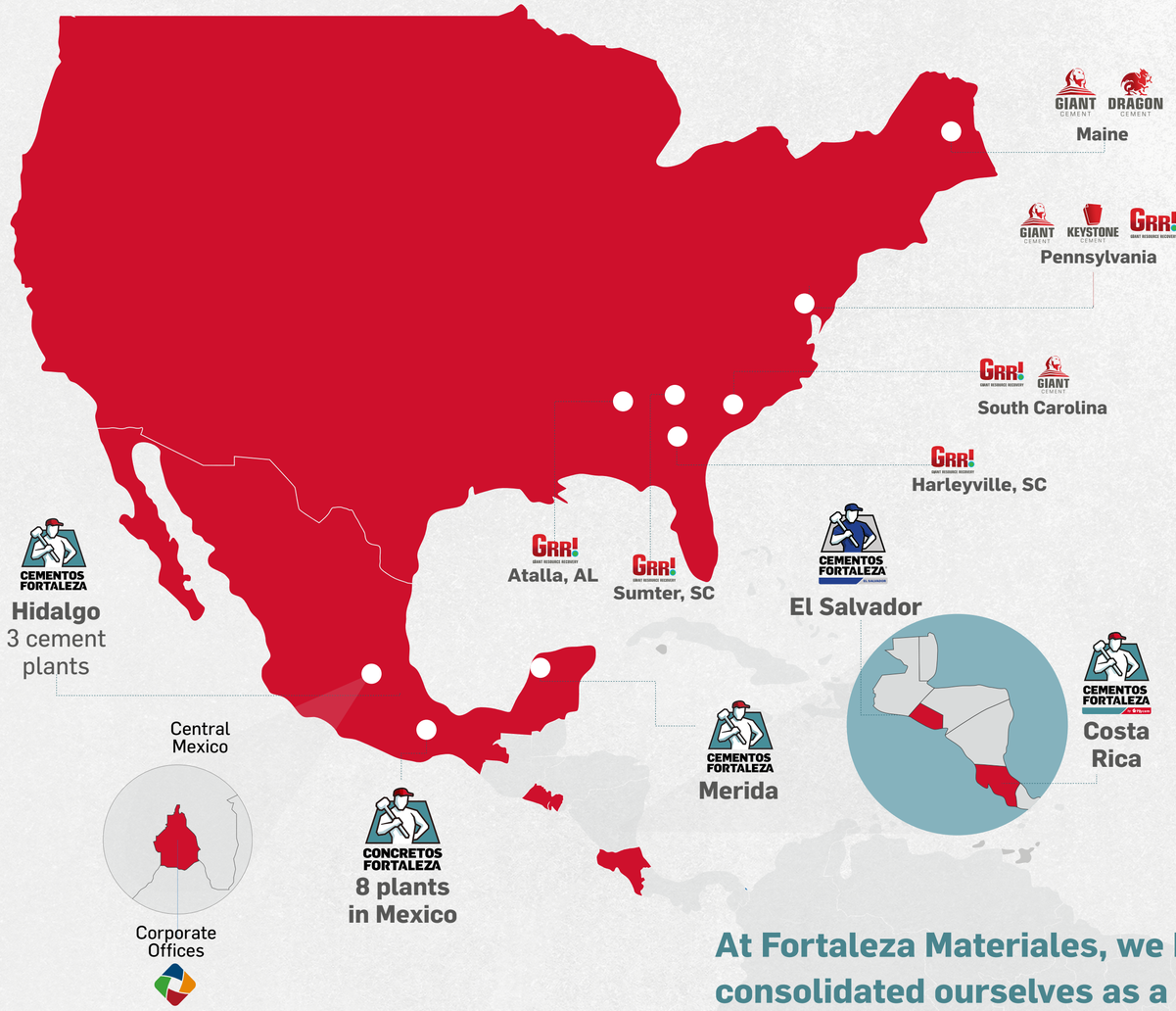
Presence

SASB EM-CM-410 a.1

NIS A4

Through our products, we generate sustainable value backed by a constant commitment to quality and customer satisfaction, elements that set us apart in each of the markets where we operate. To bring this value to more communities, we have developed a solid and strategic operational network, capable of efficiently responding to local needs. This geographical presence has not only reinforced our position as regional leaders but has been key in driving the sustainable development of the construction industry wherever we are present.

Our network of independent distributors allows us to provide agile and personalized service in each market. This distribution capability, along with our recognized brands and a wide product portfolio, opens up opportunities for us to continue innovating, adapting solutions to each context, and strengthening collaboration between our business units.



At Fortaleza Materiales, we have consolidated ourselves as a key player in the cement industry internationally, thanks to a strategic presence in several countries across Latin America and the United States.



Cementos Fortaleza Mexico

3 cement plants

- Tula Plant, Hidalgo
- El Palmar Plant, Hidalgo
- Vito Plant, Hidalgo

1 grinding plant

- Progreso, Yucatán

7 concrete plants

3.75 million tons of installed capacity

Cementos Fortaleza Costa Rica

1 grinding plant

- Esparza

250,000 tons of installed capacity

Cementos Fortaleza El Salvador

1 grinding plant

- Acajutla

250,000 tons of installed capacity



Giant Cement Holding Inc.

3 cement plants and 9 distribution terminals

- Giant, South Carolina
- Dragon, Maine
- Keystone, Pennsylvania

3 waste recovery plants

5 million tons of installed capacity

Over 7 million tons of installed cement capacity.





Our challenge is to maintain and, if possible, expand our market share and sales volume through products of optimal quality, a more attractive commercial model for key customers with leadership in their areas of influence, all of which is supported by competitive prices, better service quality, and supply security, giving us an advantage over the competition.

Enrique Alberto Acosta Mainieri,
Director of Cementos Costa Rica

Our **companies and products**

GRI 2-6
SASB EM-CM-410 a.1, EM-CM-410a.2
NIS A4, A12

Our brands are widely recognized by customers and distributors for their high performance, reliability, and service quality. With a strong track record in the sector, our products have become benchmarks in the construction industry, both in Latin America and the United States.

CEMENTOS FORTALEZA

Our flagship brand in Mexico has positioned itself as one of the most recognized in the country, despite being the most recently incorporated cement group. Since 2013, we have gained ground with high-performance products and a strong value proposition for our customers.

GIANT CEMENT

Our entry into the U.S. market was solidified in 2016 with the acquisition of Giant, which also allowed us to integrate the brands Keyste, Dragon, and GRR!. This expansion strengthened our international presence and diversified our portfolio.

CEMENTOS FORTALEZA by Plycem

Since 2018, we have operated in the Central American market with this brand manufactured in Costa Rica. Its offerings maintain the quality standards and competitive prices that characterize Cementos Fortaleza in Mexico.

KEYSTONE CEMENT

A pioneer in sustainability, this company was the first in its industry in the United States to implement an energy recovery program in 1976, setting precedents in environmental innovation.

CEMENTOS FORTALEZA EL SALVADOR

Since 2022, we started operations in El Salvador with our Portland cement line for general and industrial uses, responding to the specific needs of the Central American market.

DRAGON CEMENT

Located in New England, it is one of the leading suppliers of Portland cement and masonry solutions in the state of Maine, with a solid market presence since 1889.

GRR! GIANT RESOURCE RECOVERY

A leading company in the United States in the comprehensive management of hazardous and non-hazardous waste since 1883. Its model allows certain waste materials to be transformed into alternative fuels, providing an efficient and sustainable solution for the industry.



CEMENTOS FORTALEZA



White Cement



Gray Cement



Masonry Cement



Concrete



Patria Cement CPC 20

KEYSTONE CEMENT



Portland Air-Entraining Cement Type I-II



Sustainable Cement Type 1L



Light Masonry Cement Type N



Mortar Type S



Mortar Type M

GIANT CEMENT



Portland Cement Type I-II



Masonry Cement Type N



Masonry Cement Type S

DRAGON CEMENT



Light Masonry Cement



Masonry Cement Type S



Sustainable Cement Type II

CEMENTOS FORTALEZA by Plycem



MM/B Cement (P-C)



MC/A-AR Cement



MC/A-28 Cement (Plycem)

CEMENTOS FORTALEZA EL SALVADOR



General Use Portland Cement



Industrial Use Hydraulic Cement

GRR!
GIANT RESOURCE RECOVERY





02

Sustainability

Value creation model
Materiality and stakeholders

Sustainability

GRI 2-22, 3-1, 3-2, 3-3
EM-CM-110a.2, EM-CM-130a.1
NIS A1, A4, A7, A12, A16

Our Sustainability Framework is designed to create value for our stakeholders, promote community development, and encourage environmental protection.

Each year, we reinforce our commitment to sustainability, guided by the pillars that structure our strategy: governance, economy, social, and environmental. Under this approach, we channel our efforts into actions that contribute to the progress of both the organization and the communities where we operate, thus strengthening our positive impact on the environment.

To provide greater strength and global direction to this commitment, we align our actions with the Sustainable Development Goals (SDGs), an international agenda that sets the course towards a fairer, more inclusive, and planet-respecting development.

At Cementos Fortaleza, our value creation model is structured around four essential pillars: governance, economy, social, and environmental. Each of these pillars drives our actions and defines the type of value we aim to generate, as well as the stakeholder groups we impact and the SDGs that guide our strategy.



Value **creation model**

Commitment

From this pillar, we drive institutional strengthening and strategic management, ensuring our decisions are guided by principles of responsibility and accountability.

Stakeholders

- Shareholders & investors
- Authorities
- Employees

SDGs

16 17

Commitment

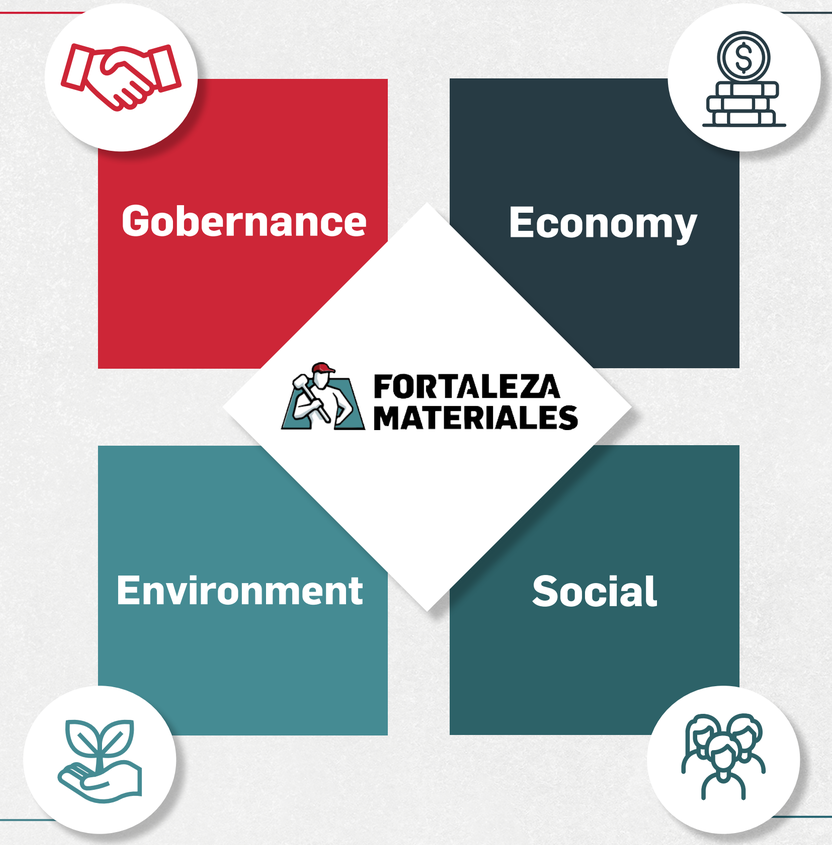
This pillar drives our responsible and sustained growth, focusing on achieving solid financial results while not losing sight of operational efficiency and innovation in the construction sector.

Stakeholders

- Shareholders & investors
- Authorities
- Employees
- Suppliers
- Clients & distributors

SDGs

9 11



Commitment

Our environmental commitment is reflected in the efficient management of resources and the reduction of the impact of our operations, through which we advocate for a cleaner and more conscious cement industry that actively contributes to climate change mitigation and the preservation of the natural environment.

Stakeholders

- Communities
- Authorities

SDGs

6 7 12

Commitment

The social dimension of our model places people at the center of the strategy, reflecting our commitment to the well-being, safety, and development of our employees, while fostering close and responsible relationships with suppliers, clients, and partners.

Stakeholders

- Employees
- Suppliers
- Industry associations & chambers
- Communities
- Clients & distributors

SDGs

5 8



Materiality and **Stakeholders**

2-29, 3-1, 3-2, 3-3
SASB EM-CM-110 a.2
NIS A1-4

Since 2021, **Fortaleza Materiales** has implemented a formal materiality analysis process to identify the most relevant topics for its operations and stakeholders. This exercise has served as the foundation for defining the sustainability strategy, aligning corporate actions with the economic, social, environmental, and governance areas, as well as with the expectations of its main stakeholders.

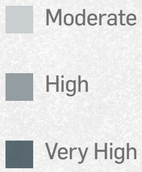
At **Fortaleza Materiales**, we maintain constant, transparent, and proactive dialogue with those directly involved in our operations. We have differentiated communication mechanisms depending on the type of relationship and level of interaction required, allowing us to understand their expectations, address their concerns, and strengthen mutual trust. See Annex 1.

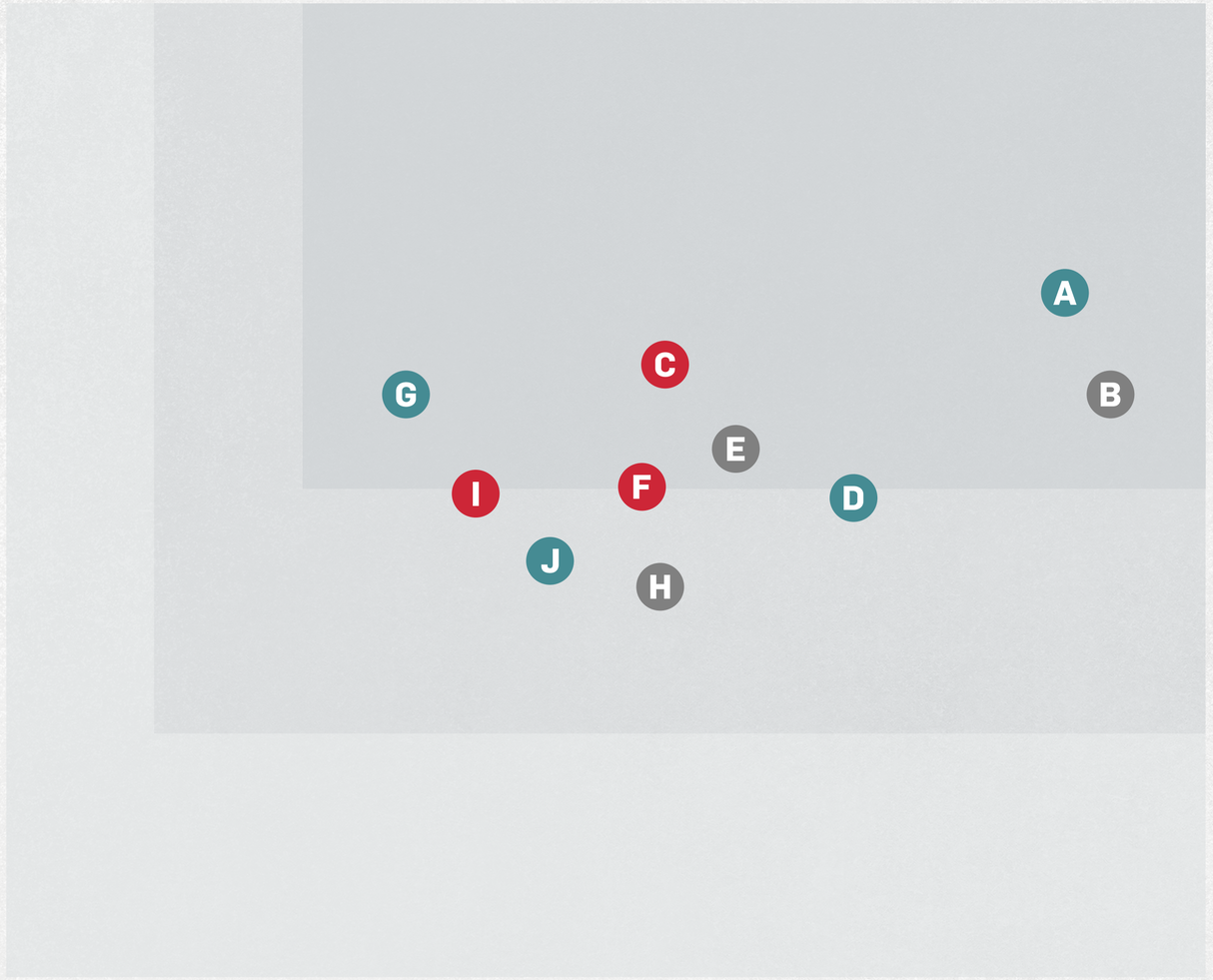
This bidirectional communication structure allows us to strengthen trust, anticipate risks and opportunities, and drive more informed and sustainable decisions at all levels of the organization.



Materiality **Matrix**

All the listed topics are reflected in our materiality matrix and guide our strategic decisions.





Among the key topics identified are:

- **A** Operational and energy efficiency
- **B** Occupational health and safety
- **C** Ethics, code of conduct, transparency, and compliance
- **D** Recycling of materials and circular economy
- **E** Efficiency and profitability
- **F** Attraction, management, and retention of talent
- **G** Water efficiency and management
- **H** Community engagement and development
- **I** Greenhouse gas (GHG) emissions and air quality management
- **J** Climate change strategy



03

Strategic **Relationships**

Value Creation Model
Suppliers
Certifications, Alliances and Recognitions

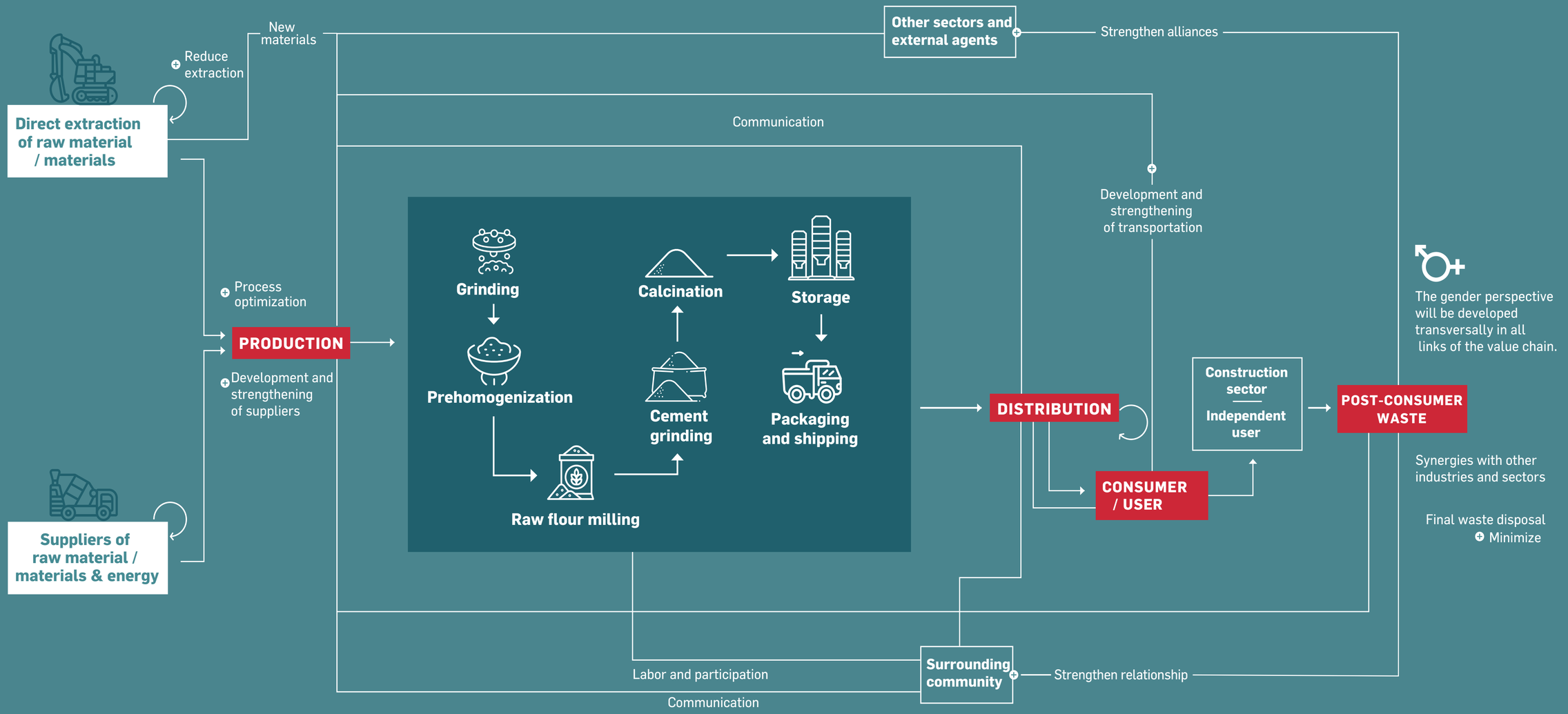
Value **creation model**

GRI-2-6, 2-28, 414-1
SASB EM-CM-150a.1
NIS A-16

At **Fortaleza Materiales**, we understand the value chain as an integrated system that spans from raw material extraction to the final disposal of post-consumption waste. This approach allows us to identify improvement opportunities at every stage, create synergies with other sectors, and strengthen our relationships with communities, suppliers, and customers.

From optimizing production processes, collaborating with responsible suppliers, to promoting efficient consumption and sustainable waste management, our value chain reflects a commitment to innovation, efficiency, and sustainability. Additionally, we incorporate gender perspective and territorial development as cross-cutting axes that enrich our operations and create shared value at each link.




Other sectors and external agents
Strengthen alliances
New materials
Reduce extraction
Direct extraction of raw material / materials
Communication
Development and strengthening of transportation
Process optimization
PRODUCTION
Development and strengthening of suppliers
Grinding
Prehomogenization
Raw flour milling
Calcination
Cement grinding
Storage
Packaging and shipping
DISTRIBUTION
CONSUMER / USER
Construction sector
Independent user
POST-CONSUMER WASTE
The gender perspective will be developed transversally in all links of the value chain.
Synergies with other industries and sectors
Final waste disposal
Minimize
Suppliers of raw material / materials & energy
Surrounding community
Strengthen relationship
Labor and participation
Communication



Suppliers

GRI-204-1

In 2024, we worked with 1,464 Mexican suppliers and 65 foreign suppliers.

We strengthened our relationship with more than 500 suppliers across the four countries where we operate, promoting ethical, sustainable, and long-term practices. We implemented a new evaluation tool to monitor key aspects such as punctuality, quality, safety, and environmental performance, and reinforced the compliance of our Supplier Code of Ethics.

We also advanced in transport traceability using tracking systems and adopted the P2P model to streamline the purchasing process through the Supplier Portal. We consolidated the REPSPE team to verify legal and labor documentation, and worked on categorizing suppliers to raise quality and professionalization standards.

At Fortaleza Materiales, we recognize that the safety of our contractors and suppliers is key to achieving our goals and ensuring continuous operations. Therefore, in 2024, we reinforced our safety protocols, particularly in transportation, establishing mandatory measures from plant entry to on-route monitoring.

We implemented rigorous controls such as vehicle inspections, alcohol testing, valid insurance, and road safety training. Additionally, we focused on mitigating critical risks such as working at heights, machinery contact, internal traffic, and hot flour; actions that reaffirm our commitment to a safe, efficient environment aligned with the highest operational standards.

The main statements of our Supplier Code of Ethics are:

- No discrimination
- Health and safety at work
- No bribery and no corruption
- Fair working conditions
- No forced labor
- No child labor
- Right of association
- Environmental protection

In 2024, we consolidated these efforts through initiatives that strengthen our commercial presence and improve the customer experience at every stage of the process. We implemented digital tools that optimize order and delivery management, resulting in greater operational efficiency and faster response times.

Moreover, we expanded our logistical capabilities and reinforced the training of our commercial team, aligning them to a culture focused on active listening, effective problem-solving, and providing tailored solutions.

Key actions include:

- **Expansion in strategic areas with segment-adapted portfolios.**
- **Incorporation of new communication channels.**
- **Personalized attention from the commercial team.**
- **Tracking satisfaction and customer service indicators.**

This close and constant relationship with our customers has allowed us to maintain high levels of trust and loyalty while reinforcing our brand's market position.



Our Purpose: **happy customers**



Operational continuity of the value chain cannot be ensured if one of its links, in this case the suppliers, does not take sustainability actions into account".

José Alberto Novoa,
Corporate Supply Chain Director

Certifications **alliances and recognitions**

GRI-2-6, 2-28, 414-1
SASB EM-CM-150a.1
NIS A-16

At **Fortaleza Materiales**, we understand that certifications and recognitions reflect our commitment to excellence and sustainability.

Through partnerships with specialized organizations, we strengthen our capabilities, align our operations with international benchmarks, and access tools that allow us to continuously improve.



Some of the most prominent alliances and certifications include:

Mexico

Certification by ONNCCE for Cementos Fortaleza (Tula Plant), for the seventh consecutive year. This national certification validates the high quality of our cement products, reaffirming our competitiveness and commitment to excellence in construction standards.

Clean Industry Certification, awarded by the Federal Attorney for Environmental Protection (Profepa), which recognizes Tula Plant's environmental compliance at level 1 performance. This distinction reflects our continuous improvement in processes and responsible resource use.

Socially Responsible Company Distinction, awarded by the Mexican Center for Philanthropy (Cemefi) for the third consecutive year.

We maintain strategic alliances with organizations such as the Mexican Chamber of the Construction Industry (**CMIC**), the National Chamber of the Transformation Industry (**Canacintra**), the National Cement Chamber (**Canacem**), and the Mexican Business Council (**CMN**), strengthening our commitment to sustainability, ethics, and business development.



Costa Rica

Great Place to Work®: For the second consecutive year, we received this certification recognizing our commitment to a work culture based on trust, respect, and the well-being of our people.

In Costa Rica, we strengthen our business and environmental commitment through alliances with key organizations like the **Chamber of Construction, the Chamber of Industries, the Chamber of Commerce, and the Green Building Council**, promoting responsible practices and innovation in the sector.

El Salvador

For the second consecutive year, we were recognized as a **Great Place to Work®**, **ranking for the first time among the top 10 best companies to work for in El Salvador**; a reflection of the trust, pride, and camaraderie experienced daily at Fortaleza Materiales.

In El Salvador, we maintain strategic ties with the Chamber of Industrial Commerce, the American Chamber of Commerce, and the Salvadoran Chamber of Construction, which strengthens our presence in the country and allows us to actively collaborate in the development of the productive sector and the construction industry.

United States

Giant

Environmental Performance Recognition – Giant Cement and GRR! (United States): Awarded by the Portland Cement Association for their advances in energy efficiency and the use of waste as alternative fuels, contributing to reduced emissions and waste. This distinction was also obtained in 2022, reaffirming the consistency of their sustainable results.

We reinforced our sector participation through alliances with key institutions such as local emergency planning committees in Dorchester and Tri-County counties, the Tri-County Regional Chamber of Commerce, the South Carolina State Chamber of Commerce and its Environmental Affairs Committee. We also strengthen our ties with specialized organizations such as the Cement Kiln Recycling Coalition, the Portland Cement Association, and the Carolina Air Pollution Control Association. In the concrete sector, we are actively involved in associations like the American Concrete Institute, Southeast Concrete Masonry Association, Carolinas Concrete Pipe & Products Association, Carolinas AGC, Carolinas Ready Mixed Concrete Association, Georgia Ready Mixed Concrete Association, North Carolina Masonry Contractors Association, National Ready Mixed Concrete Association, Precast Concrete Association of Virginia, and Virginia Ready Mixed Concrete Association.

Keystone

We reinforced our sector participation through alliances with key institutions such as the Cement Kiln Recycling Coalition, Pennsylvania concrete and aggregate associations, the American Concrete Institute, and regulatory organizations like ASTM. These collaborations strengthen our technical, operational, and environmental compliance.

Dragon

In the Dragon operation, we strengthened our presence through key alliances in Maine, New Hampshire, and Massachusetts with organizations such as the Cement Kiln Recycling Coalition, the American Concrete Institute, general contractor associations, and entities specialized in transport and prefabrication.

*All Cementos USA plants were certified as Great Place to Work® (GPTW) for the second consecutive year.

Great Place To Work.

These achievements not only validate our performance but also support our responsible management approach aimed at the well-being of our stakeholders.





04

Our **corporate governance**

Board of Directors
Audit Committee
Executive Team
Ethics and transparency in every decision
Whistleblowing channel
Human Rights
Regulatory Compliance and Risk Management

Our **corporate governance**

GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15, 2-16, 2-18, 2-23, 2-24, 2-25, 2-26, 2-27
SASB EM-CM-520a.1
NIS G2, G3, G4, G6

At **Fortaleza Materiales**, we believe that a solid Corporate Governance structure is the foundation for building an ethical, transparent, and sustainable organization. That's why we establish clear structures and processes that guide us in making responsible decisions, strengthening the trust of our shareholders, partners, customers, and communities.

Our focus is on ensuring accountability, compliance, and equity in all our operations. These practices not only mitigate risks but also drive long-term sustainable growth and consolidate our business reputation.



Our governance model is supported by six fundamental practices that guide the way we operate:

Integrity as the guiding principle of all our decisions.

Commitment, reflected in our responsibility towards stakeholders.

Innovation, to keep us at the forefront of sustainable solutions.

Respect, which strengthens our internal and external relationships.

Results-driven philosophy, which drives our efficiency and performance.

Safety and teamwork, as essential pillars of our operational culture.

Board of **directors**

GRI 2-9, 2-10, 2-12
SASB EM-CM-520a.1
NIS G2

Our Board of Directors is the body responsible for outlining the strategic vision of Fortaleza Materiales. Their task is to oversee the performance of the management team and define the policies that allow us to objectively assess the direction we take as an organization.

It is composed of six principal board members, two of whom are independent. This team has the authority to establish our business strategies, internal policies, and key decisions, except for those that, by statute, are exclusive to the General Shareholders' Meeting.

The appointment of the Board members is made by majority vote in the General Shareholders' Assembly, ensuring that those who represent us have experience in economic, business, and environmental matters. This strengthens a sustainable and socially responsible business vision. See Annex 2.



Furthermore, to support ethical decision-making, board members disclose any potential conflicts of interest and refrain from participating in decisions where there is a risk of personal influence.



Audit **Committee**

GRI 2-12, 2-14
SASB EM-CM-520a.1
NIS G3

The Audit Committee works closely with the Board of Directors to oversee its functions. Its primary task is to evaluate the internal control and auditing systems, detecting opportunities for improvement and overseeing the implementation of corrective or preventive actions against financial, operational, legal, or technological non-compliance.

Additionally, the committee reviews the impact of accounting adjustments, follows up on stakeholder observations, addresses reports of potential irregularities, and ensures that the agreements established by the General Assemblies and the Board are met. See Annex 3.

Executive **Team**

GRI 2-9
SASB EM-CM-520a.1
NIS G2

Our executive team is composed of specialists with extensive experience in their respective fields, which is key to ensuring strong, efficient performance aligned with our financial and operational objectives. See Annex 4.

At **Fortaleza Materiales**, ethics and integrity are not only institutional values but pillars that guide every decision, relationship, and policy within our organization. Since our beginnings, we have worked to consolidate an organizational culture that is coherent, transparent, and aligned with our principles in all the regions where we operate.



Ethics and Transparency **in Every Decision**

GRI 2-23, 2-24, 205-1, 205-2, 205-3, 206-1
SASB EM-CM-520a.1
NIS G6

Our Code of Ethics and Integrity Policy form the foundation of this responsible management. These documents establish the guidelines for legal and ethical conduct and are mandatory for our collaborators, directors, suppliers, and customers. In 2024, we strengthened their content by incorporating key issues such as protection against retaliation, non-discrimination, respect for the environment, free competition, and political neutrality.

We ensure compliance through an integrated approach that combines constant training, effective communication, and follow-up mechanisms. We have a Compliance Committee that handles inquiries, investigates reports, and applies sanctions when necessary. Additionally, we have established safe and confidential reporting channels for employees and third parties, as well as a consequence policy that establishes penalties for those who breach internal regulations, ensuring the integrity and professionalism of our staff.

Moreover, our corporate policies—such as the Code of Ethics and Anti-corruption Policy—reflect our commitment to compliance, sustainability, and integrity, and are available on an accessible portal for all interested parties. This guarantees an ethical, sustainable operation aligned with the expectations of our stakeholders.



Whistleblowing **Channel**

GRI 2-26
SASB EM-CM-520a.1
NIS G6

At Fortaleza Materiales, we foster a culture based on trust and integrity. Therefore, we provide a confidential channel for anyone to report behaviors that violate our principles, current legislation, or our Code of Ethics.

This channel is connected with various key areas such as the Compliance Committee, Human Resources, Legal, Internal Audit, and Internal Control, ensuring timely and responsible attention.

Reports can be made anonymously or with identification via our website: Whistleblowing Channel or by emailing.

Website

E-mail

Regardless of the channel used, each report is directed to the Compliance Committee, which is responsible for reviewing, following up, and determining the necessary actions to resolve potential conflicts of interest.

Human **Rights**

GRI 2-23, 2-24, 408-1, 409-1
SASB EM-CM-520a.1
NIS S6

At **Fortaleza Materiales**, we reaffirm our commitment to human rights as the foundation of ethical and responsible management. In 2024, we strengthened the implementation of our policy in all key areas: we promoted decent and safe working conditions, inclusive spaces, respect for freedom of association, and responsible practices in our supply chain. Additionally, we fostered dialogue and collaboration with communities, prioritizing mutual respect and shared benefits.

We understand that protecting human rights also means protecting the environment, which is why we work on energy efficiency, responsible water use, and innovation to reduce our impact.

Every action reflects our conviction that building a fair and sustainable environment drives the well-being, dignity, and development of people.





At **Fortaleza Materiales**, we work every day to ensure the continuity of our operations and services. We have a management model that allows us to anticipate and act on any situation that could represent a risk. From the General Directorate, preventive and response actions are defined that help us stay on track, even in complex scenarios.

Regulatory Compliance **and Risk Management**

GRI 2-25
SASB EM-CM-520a.1
NIS G4

One of our key pillars is the **Contingency Action Plan**, designed to ensure that our operations, both at the headquarters and in our subsidiaries, can continue without interruptions. This plan includes a comprehensive approach, addressing both technical and human or natural events, and is executed through specialized committees: the Corporate Continuity Committee and the Local Continuity Committees in each unit.

For each potential situation, we assess risks with precision: we analyze critical processes, identify vulnerable points, and work alongside the responsible teams to estimate the level of impact and design appropriate measures. This analysis is documented in a risk and control matrix that we review periodically to ensure its effectiveness.

Furthermore, we understand that prevention goes beyond operational boundaries. Therefore, we collaborate with the communities near our plants to understand their concerns and build programs that promote harmony, sustainable development, and shared safety.



05

Environmental **performance**

Circular Economy
Key Practices in 2024
Water Strategy
Climate Change
Air Quality
Energy Management
Biodiversity Conservation
Sustainability Week 2024

Environmental **performance**

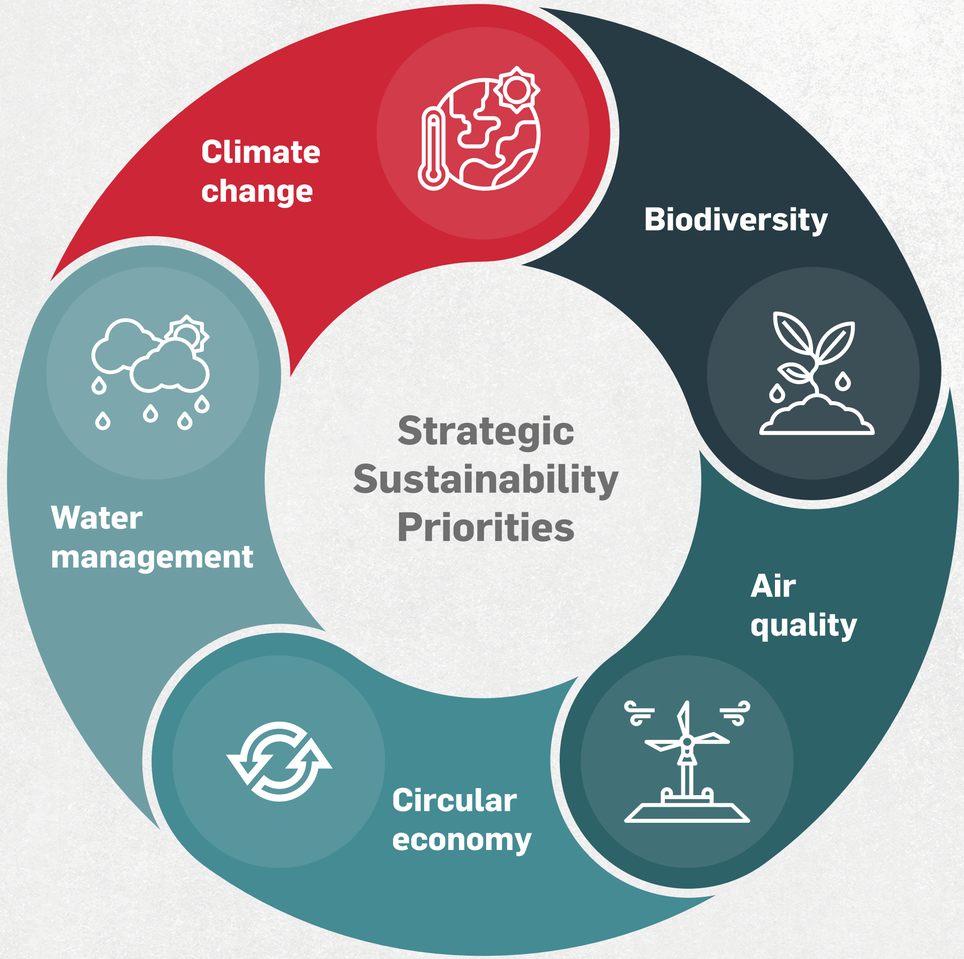
GRI 3-3
SASB EM-CM-110a.2
NIS A1, A4

At **Fortaleza Materiales,** we believe every decision matters when it comes to caring for the planet. That is why we take on our environmental responsibility through concrete actions and a clear vision: producing efficiently, always with respect for the environment.

Our environmental strategy focuses on five priorities that guide our direction: **circular economy, water management, air quality and climate change, as well as biodiversity conservation.**

We are committed to measuring and continuously improving key environmental performance indicators as part of a comprehensive strategy aimed at efficiently managing natural resources in cement production. We systematically monitor indicators related to water and energy consumption, emissions control, waste management, carbon footprint, and the use of alternative materials. These data allow us to quantify our environmental impact, identify improvement opportunities, and make informed decisions, contributing to more sustainable and responsible operations.

Aware of the impact of our operations, we align ourselves with global efforts to progress towards the Sustainable Development Goals (SDGs) set out in the 2030 Agenda by the United Nations. To this end, we have established a robust environmental management system that includes the constant monitoring and analysis of our environmental indicators. This continuous evaluation not only guarantees compliance with current regulations but also drives us to set new objectives, strengthen our performance, and develop strategic projects with clear goals aimed at sustained environmental improvement.



Circular **economy**

GRI 301-1, 301-2
SASB EM-CM-150a.2
NIS A16

At **Fortaleza Materiales**, circular economy is a key component of our sustainability management as it allows us to minimize environmental impact and optimize resource use. In the cement industry context, this is reflected in the incorporation of recycled materials in our production processes, continuous improvement in waste management for reuse or recycling, and the promotion of circular and collaborative models throughout our value chain. These actions not only reduce our environmental footprint but also drive innovation, operational efficiency, and sustainable development.

As part of this commitment, we have improved our operational and financial efficiency by adopting alternative materials, such as fly ash, foundry sand, and slag, in cement manufacturing. These materials allow us to develop high-quality products while significantly reducing the use of virgin raw materials and the associated emissions.

Through these initiatives, we are advancing toward a more resilient and responsible operation, in line with our vision of industrial leadership based on circular practices focused on the future.



Our vision is clear: we want every resource to last longer, every waste to have a new purpose, and every step we take to contribute to a more efficient system.

Incorporation of Recycled Materials into Cement Production in Our GCHI Plants (Alternative Raw Material Rate):

64.2%
at our Dragon plant

19%
at our Giant plant

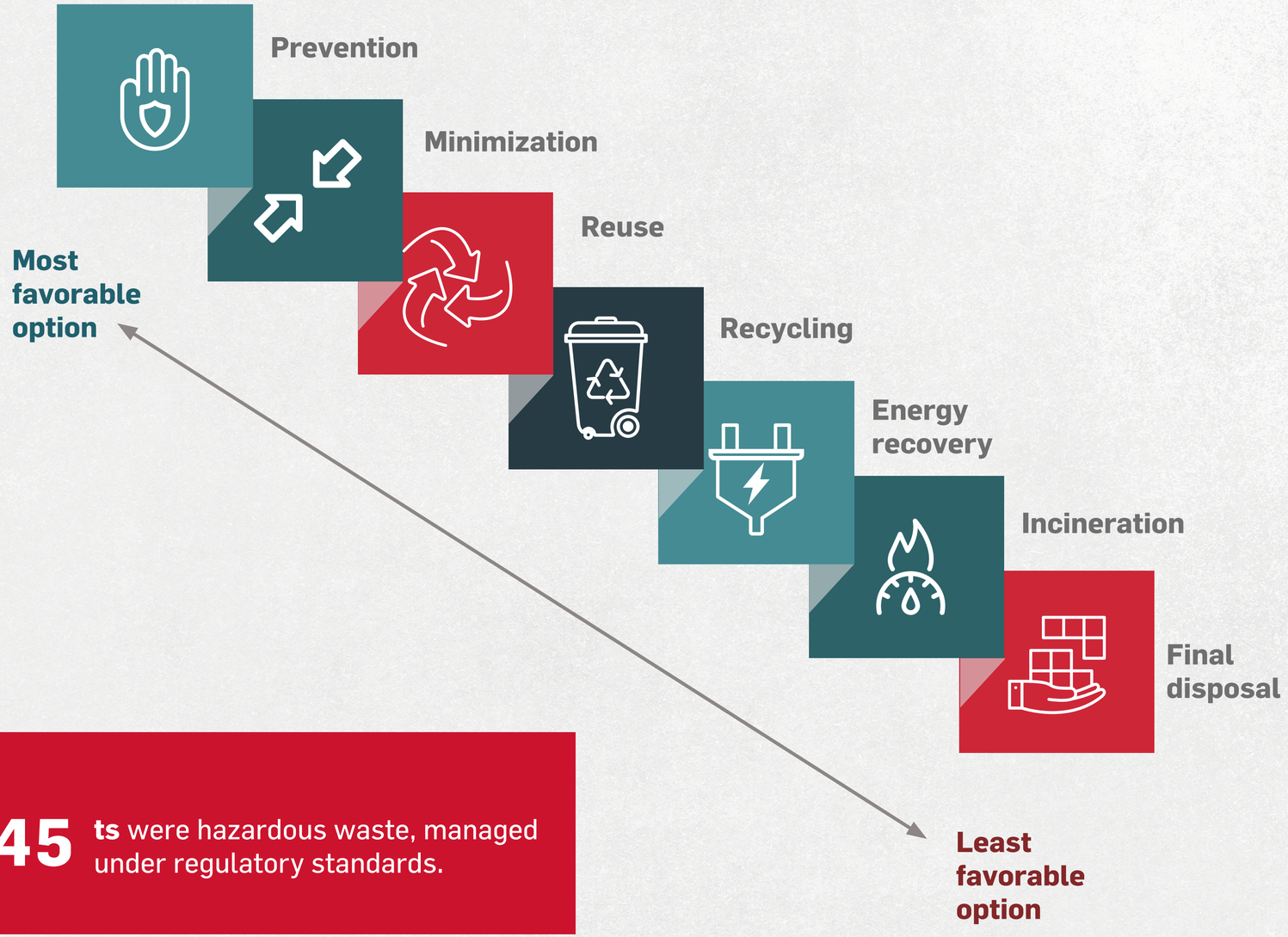
Waste **management**

GRI 306-1, 306-2, 306-3, 306-5
SASB EM-CM-150a.1
NIS A16

Proper waste management is a key component of our environmental strategy. At **Fortaleza Materiales**, we recognize that **reducing waste involves making more conscious decisions at each stage of the operational process**, from sourcing inputs to the closure of the production cycle.

In the past year, we made significant progress by reducing total waste generation to 1.27 kg/t of cement, compared to 1.32 kg/t of cement in 2023. This 4% improvement is the result of more organized operations, greater control over input usage, and a continuous focus on operational improvement.

In line with our commitment to reducing the environmental impact of our operations, we have implemented integrated waste management strategies, prioritizing its recovery through valorization processes. This practice allows us to transform waste into useful inputs, such as energy or recyclable materials, avoiding its final disposal and complying with the waste management hierarchy set by environmental regulations.



Waste Classification:

6,639 **tons** were non-hazardous waste.

445 **ts** were hazardous waste, managed under regulatory standards.

Key Practices **in 2024**

Throughout the year, various facilities implemented concrete actions to minimize waste disposal:

GCHI plants have a Waste Minimization Plan whose main objective is to reduce waste generation at its source. This plan is reviewed, updated, and certified annually.



DRAGON CEMENT

Implemented a specific plan for the management of aerosol cans, ensuring their collection and disposal according to applicable regulations. Additionally, it prioritized the separation of materials such as cardboard, paper, bottles, returnable cans, and steel, favoring more efficient handling. Construction and demolition (C&D) waste, as well as municipal waste, were also managed according to their type and volume, meeting the environmental requirements set.

GIANT CEMENT

Carried out actions focused on material recovery and the energy valorization of waste. It recycled steel and universal waste, and partially replaced fossil fuels by using alternative fuels in its cement kiln, contributing to emissions reduction and a decrease in the volume of waste sent for final disposal.

KEYSTONE CEMENT

Implemented responsible management and resource optimization strategies, highlighting the recycling of bricks, electronic waste, mixed metals, and universal waste. These actions significantly reduced the amount of waste requiring final disposal.

GRR! GIANT RESOURCE RECOVERY

We valorized over **900 ts of hazardous and non-hazardous waste**, achieving rates above **70% in all plants**. Of this volume, around **5% was directed to co-processing** within the facilities, promoting more efficient and sustainable handling.

Water **strategy**

GRI 303-1, 303-2, 303-3, 303-5
SASB EM-CM-140a.1
NIS A7, A11

At **Fortaleza Materiales**, we recognize the value of water as an essential resource and maintain a strong commitment to its responsible use. While our operations are not considered highly water-intensive compared to other industries, we continuously implement measures to optimize its use and promote water reuse in our processes.

The water consumed in our operations primarily comes from underground sources and is mainly used for cooling processes in closed-loop systems, as well as general services such as cafeterias and toilets.

Our plants have their own wastewater treatment infrastructure, allowing the reuse of treated water in both production processes and for the irrigation of roads and green areas, thus promoting more efficient and responsible water use.

At Cementos Fortaleza Mexico, more than 7,000m³ of treated water were recycled in 2024, reflecting our commitment to optimizing consumption and reducing the extraction of natural sources.



At Fortaleza Materiales, we work to make more efficient use of water in our operations.

Between 2022 and 2024, we achieved a **21% reduction in our specific water consumption**, reaching an indicator of **237 liters per t of cement produced.**

In the concrete division, the specific consumption was 286 liters of water/m3 of concrete.

This result is the outcome of careful management, the use of recirculation technologies, and continuous monitoring of processes that use water. We know that this resource is essential for our operations and the communities where we are present, which is why its care is part of our daily responsibility.

At the Costa Rica Grinding Plant, a rainwater collection system was implemented for irrigation, allowing the recovery of 429 m^3 in 2024.



Concrete Benefits:

- **Greater water efficiency,** by reducing the volume of water required per unit produced.
- **Less pressure on local sources,** contributing to the sustainability of the ecosystems surrounding us.
- **Conservation of natural resources,** especially important in regions with limited availability.
- **Continuous operational improvement,** by identifying opportunities for optimization in resource usage.
- **Strengthened community relations,** by demonstrating through actions our commitment to the environment.

Climate **change**

GRI 305-1, 305-2, 305-3, 305-4, 305-5, 305-6
SASB EM-CM-110a.1, EM-CM-110a.2
NIS A1

At Fortaleza Materiales, we recognize that climate change represents one of the greatest environmental and social challenges of our time. That's why addressing it is a fundamental part of our environmental management. We responsibly take on our role in reducing greenhouse gas (GHG) emissions, and we continuously work to improve our processes and reduce our impact.

In 2024, we strengthened our actions around fugitive emissions control and efficiency in material handling, operating under an integrated system that allows us to identify, monitor, report, and verify our emission sources in compliance with the **National Emissions Registry** (RENE), a regulatory instrument established by **Mexican climate regulations**.

Our approach also prepares us for the adoption of the **Emissions Trading System in Mexico**, whose implementation will contribute to the fulfillment of the country's climate commitments for 2030 under the Paris Agreement. We view this system as an opportunity to reduce emissions in a cost-effective manner while fostering technological innovation and the competitiveness of the industrial sector.

Additionally, we actively participate in sectorial initiatives such as the **Roadmap for the Decarbonization of the Cement Industry in Mexico**, led by the **National Cement Chamber** (Canacem), which sets a shared vision and goals for the gradual reduction of emissions until 2050. This collaborative work between industry, government, and civil society is key to accelerating the transition to a low-carbon economy.

In 2024, we reduced our net emissions **to 609 kg of CO_2 per t of cement product, which represents a 3% improvement compared to the previous year**. This result was calculated according to the sustainability guidelines of GCCA for monitoring and reporting CO_2 emissions in cement manufacturing. This reduction is part of a continuous effort that has allowed us to decrease our net emissions by **7% since 2021**, resulting from a structured management approach focused on three key areas:





1 Clinker Factor Reduction

We reduced the clinker content per t of cement produced by using alternative raw materials such as slag, ash, and pozzolans without compromising product quality. We also incorporated additives during the grinding stage of cement production that further reduce the clinker factor, directly contributing to the reduction of our carbon footprint.

2 Energy Efficiency Improvements

We optimized both thermal and electrical energy consumption, thus reducing energy intensity per unit produced.

3 Use of Alternative Fuels

We promoted the use of alternative fuels with a lower carbon footprint, such as used tires (Tula Plant), shredded textiles (Dragon Plant), and other recyclable fuels in Giant and Keystone.

In 2024, we used 196,417 tons of alternative raw materials, reflecting our commitment to more sustainable production.



Air **quality**

Complementary to our climate mitigation actions, we continuously monitor the atmospheric emissions generated by our operations, particularly from the kilns and grinding and crushing equipment at our plants. This monitoring, in line with current regulations, allows us to maintain control over key compounds such as particulate matter (PM), sulfur oxides (SOx), nitrogen oxides (NOx), and mercury (Hg).

In 2024, the specific emissions results per t of clinker were:

27g
of PM /t of clinker

611g
of SOx /t of clinker

1,377g
of NOx /t of clinker

20mg
of Hg/t of clinker

These indicators reflect the effectiveness of our emissions control systems and our ongoing commitment to a cleaner and safer operation for the environment.

The path towards a cleaner industry is not linear, but every ton avoided, every process improvement, and every more conscious decision brings us closer to the goal. We continue to advance with determination, integrating sustainability at the heart of our operation.





Energy **management**

GRI 302-1, 302-4
SASB EM-CM-130a.1
NIS A4

At **Fortaleza Materiales**, we believe that responsible energy management is key to moving towards a more efficient and low-carbon industry. In 2024, we reinforced our efforts to optimize the use of thermal and electrical energy in our production processes, while expanding the use of alternative energy sources with a lower environmental footprint.

Thanks to more efficient operations, we reduced thermal consumption in the kilns to **3,929 MJ per t of clinker, compared to 3,979 MJ/t recorded in 2023**. We also decreased the specific electrical consumption per t of cement, from **110 kWh/t** in 2023 to **105 kWh/t** in 2024. These advancements reflect not only a better use of resources but also a lower impact per unit produced.

At the same time, we continue to strengthen the use of alternative fuels as a decarbonization and circular economy strategy. We partially replaced the use of fossil fuels with recyclable materials such as tires, shredded textiles, and other waste, achieving a **substitution rate of 18.1%.**



In 2024, the rate of fossil fuel substitution with alternative fuels reached 40% at Giant and 24% at Keystone, reinforcing our commitment to decarbonization through the use of more sustainable energy sources.

These results reaffirm our conviction: operating efficiently is a way to care for the planet, strengthen the business, and build a more sustainable future for all.





"Our company will continue working to achieve sustainable and efficient growth, with a strong commitment to sustainability as an essential part of our operations and our vision of building a better country and a better future for our planet".

Germán Castillo,
Director of Cementos Fortaleza by Plycem.



Biodiversity **conservation**

GRI 304-2
SASB EM-CM-160a.1
NIS A12

At **Fortaleza Materiales**, we recognize that ecosystem balance is essential for the well-being of the planet and the communities where we operate. That is why biodiversity is a priority focus within our environmental management. We are committed to the preservation and restoration of natural habitats, as well as the protection of endemic and endangered species.

We know that raw material extraction for cement production, primarily through quarries, can have significant impacts on the environment. For this reason, we have implemented concrete measures aimed at mitigating these effects and conserving the ecological integrity of the areas we intervene.

In this regard, at our Dragon plant, we maintain active collaboration with the Maine Department of Inland Fisheries and Wildlife (MDIFW) to monitor a pair of peregrine falcons that have nested at the facility since 2019. In each of the five years observed, the pair produced four viable chicks, achieving one of the highest reproductive success rates recorded in the state of Maine.

On the other hand, the Giant plant is located adjacent to the Four Hole Swamp wetland, which flows into the Beidler Forest Audubon Center & Sanctuary. Giant is a sponsor and active partner of the center, participating in bird monitoring activities such as the Christmas Bird Count, consolidating its commitment to protecting key ecosystems in its area of influence.

These actions reinforce our commitment to sustainable development, ensuring that our operations coexist harmoniously with the natural environment and contribute to biodiversity conservation.

Among the main actions we developed are:

- Operating nurseries to propagate plant species rescued from deforested areas, which are then relocated as part of our ecological restoration programs.
- Actively collaborating with environmental civil society organizations to carry out conservation and biodiversity strengthening initiatives.
- Coordinating with government authorities to identify and restore priority areas through reforestation programs on third-party land.
- Conducting prior environmental assessments in our areas of influence to identify species that are endangered or ecologically relevant, in order to implement appropriate protection measures.
- Monitoring and collaborating with experts to protect species inhabiting our facilities and their immediate surroundings.



Sustainable week **2024**

In 2024, **Cementos Fortaleza Mexico** carried out various actions to strengthen the environmental culture. On the occasion of World Environment Day, with the theme “Our Lands, Our Future. We are the #GenerationRestoration,” we held the Sustainable Week—celebrated in June at the Vito, Tula, Progreso, and El Palmar plants—focused on preserving local flora and fauna. We implemented concrete initiatives such as reforestation, plant propagation, workshops on building hotels for pollinators, and creating vegetable gardens. These activities were accompanied by environmental education sessions for employees and contractors, strengthening a culture of respect for the environment.

Every tree planted, every rehabilitated natural space, and every conversation about biodiversity we foster represents a seed towards a more balanced future. We remain committed to protecting the life that inhabits and surrounds our operations, understanding that conserving today is the foundation for building tomorrow.

Juntos con FORTALEZA



06

Financial **performance**

Economic and financial results

Financial **performance**

GRI 201-1, 203-2, 204-1
NIS A1

At **Fortaleza Materiales**, solid and strategic financial management is key to driving our growth, responding agilely to industry challenges, and ensuring responsible operations at every stage. Thanks to this stability, we can invest in new technologies, strengthen our operational network, and advance our sustainability commitments.

In 2024, we maintained our focus on operational efficiency, optimizing resources, and making informed decisions that contribute to business profitability, without losing sight of our social and environmental impact.

Compared to the previous year, we increased our net sales by 7% and improved our gross margin from 28% to 30%. This improvement was also reflected in EBITDA, which increased by 13%, maintaining 30% of net sales.

Additionally, we recorded a net consolidated profit growth of 17 times compared to the previous year, and the equity capital strengthened with a 33% increase, reinforcing our financial position. At the same time, we continued to improve our financial health, reducing net debt by 33% compared to the previous year's close.



Our financial stability drives us to build a stronger, more responsible, and more sustainable future.



"Now more than ever, sustainability and profitability must go hand in hand. For us, integrating ESG criteria into financial decisions is no longer optional, it is strategic: it allows us to anticipate regulatory risks, optimize operational and financial costs, and generate long-term sustainable value."

María de Lourdes Barajas Flores,
Corporate Director of Administration and Finance.

Economic **and financial results**

Income statement

Indicators	2021	2022	2023	2024
Net sales	12,770	14,349	16,097	17,294
Cost of sales	9,100	11,170	11,618	12,055
Gross profit	3,670	3,179	4,479	5,239
Percentage of net sales	29%	22%	28%	30%
General expenses	1,124	1,182	1,234	1,439
Operating income (loss)	2,546	1,997	3,245	3,800
Percentage of net sales	20%	24%	20%	22%
EBITDA	3,572	3,467	4,661	5,259
Percentage of net sales	28%	24%	29%	30%
Net financing result	455	1,255	2,445	142
Income (loss) before taxes	2,091	772	800	3,658
Income tax	511	451	656	1,084
Net consolidated income (loss)	2,219	321	144	2,574

Indicators	2021	2022	2023	2024
Cash and cash equivalents	1,936	1,980	2,115	1,353
Net accounts receivable	1,060	1,141	1,184	727
Net inventories	1,647	1,955	2,122	1,748
Accounts payable	1,764	2,015	1,984	1,480
Total debt	9,676	10,815	7,599	5,037
Net debt	7,740	8,835	5,484	3,684
Equity	11,999	10,372	12,049	16,034
Equity of non-controlling interest capital	1,390	1,107	2,403	2,997

Note: Figures in millions of pesos.



07

Social **performance**

Our People
Attracting and Developing Talent
Performance Evaluation
Strengthening Well-Being
Occupational Health and Safety
Community Engagement
Volunteering

Social **performance**

GRI 3-3
SASB EM-CM-320a.1
NIS S4

In 2024, we faced a challenging environment, which led us to make more strategic decisions and take even greater care of our teams. Thanks to collective commitment and a solid organizational culture, we strengthened safety, training, inclusion, and our relationship with the communities.



At Fortaleza Materiales, we believe that well-being starts with people.





Our **people**

GRI 2-7, GRI 401, 405-1

At **Fortaleza Materiales**, our people are the driving force behind the achievement of our strategic goals. Their commitment, technical knowledge, and customer orientation are key to maintaining our position as one of the leading companies in the sector.

We foster a healthy, inclusive workplace free from discrimination based on sexual orientation, gender, race, nationality, age, religion, disability, marital status, or family origin. We are convinced that the well-being of our employees is directly reflected in the quality of their work and in customer satisfaction.

We have talent attraction and selection processes guided by our Personnel Recruitment Policy, which ensures the inclusion of suitable individuals in an impartial manner, in accordance with current regulations. We prioritize internal recruitment to foster the professional development of those who are already part of the organization.

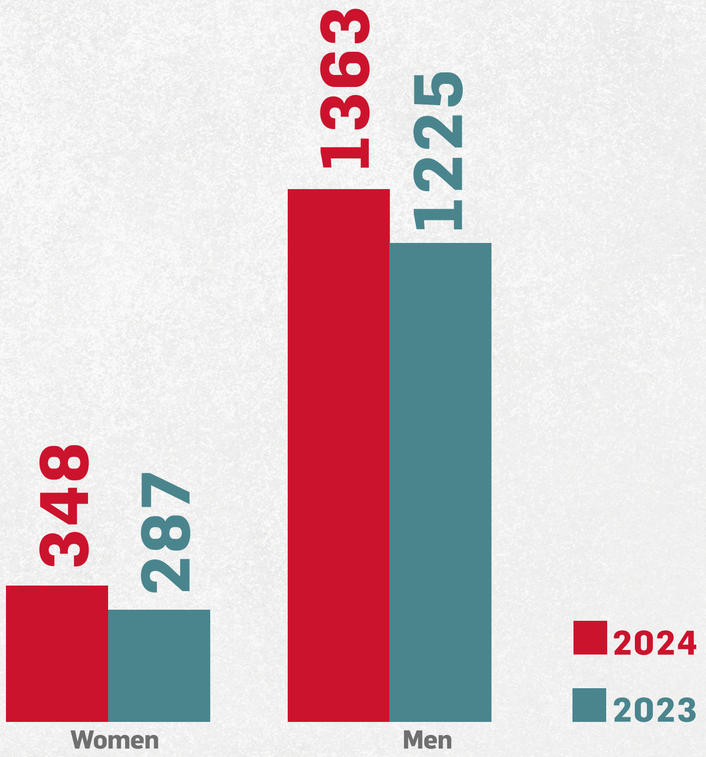
We recognize that the value we generate as a company begins with our employees. Therefore, we will continue strengthening the conditions for their growth, well-being, and active participation in the transformation of our industry.

Furthermore, we promote fair labor relations through:

- Fair recruitment processes and labor conditions.
- Competitive compensation and benefits schemes in each region.
- Safe and inclusive work environments that promote the development of each person.
- Ongoing training and development programs to meet future challenges.

Workforce Evolution:

In 2024, the male workforce at Fortaleza Materiales grew by **11%** compared to the previous year, while the female workforce increased by **21%**, reflecting significant expansion in both labor categories.







We are committed to the development of our people, ensuring that talent stays with us and continues to grow. In terms of attracting external talent, we run employer branding campaigns and constantly promote our organizational culture."

Paulina Hernández,
Corporate Director of Human Resources and Sustainable Management.





Workforce by Labor Category and Gender:

In 2024, we significantly strengthened the presence of women in key positions within our organizational structure. This year's data includes the corporate team for the first time, providing a more comprehensive view of our progress in gender equity.

Gender	<30 years	31-50 years	>50 years
Men	257	813	293
Women	91	190	67

In 2024, we achieved a 21% increase in female participation in our workforce compared to the previous year, reaching 20% women within our total workforce. This progress reflects our efforts to build a more diverse, equitable, and inclusive environment at all levels of the organization.

Gender and Generation Diversity:

At **Fortaleza Materiales**, we deeply value generational diversity as a key element in strengthening our organizational culture. In 2024, 21% of our workforce was composed of people over 50 years old, reflecting the active integration of knowledge, experience, and long-term vision these profiles bring. This generational balance fosters intergenerational collaboration environments where experience is shared with newer generations, promoting continuous learning, innovation, and more holistic decision-making.

Position / Job Category	Men	Women
Directors	19	3
Managers	78	29
Middle management	256	83
Administrative staff	329	177
Unionized staff	681	56



Freedom of Association:

We fully respect fundamental labor rights, including freedom of association and collective bargaining. We recognize the right of our employees to join or not join unions, ensuring that this decision does not result in discrimination or affect their professional development within the organization.

We align with the labor laws in each of the countries where we operate, promoting labor relations based on respect, transparency, and dialogue. We believe that maintaining open communication with our teams and the organizations that represent them is essential to strengthening the work environment and the sustainability of our operations.

Currently, 43% of employees are unionized.



Talent Attraction **and Development**

GRI 3-3, 401-1, 401-2, GRI
NIS S3, NIS S2
SASB EM-CM-320a.1

At **Fortaleza Materiales**, we recognize that the technical knowledge of our employees is an essential factor in the cement industry. Therefore, we seek to incorporate profiles with extensive experience in the sector, solid knowledge in key indicators, and high technical capacity, complementing these qualities with continuous training programs.

We prioritize selecting individuals who are both professional and personal role models, promoting an organizational culture where values are lived both inside and outside the workplace. We are proud to have passionate collaborators who are committed to their responsibilities and motivated by the challenges they face.

We foster a diverse, inclusive, and participatory environment where every person feels valued, heard, and recognized. This approach is supported by our Code of Ethics and our Talent Attraction Policy, which guide our recruitment practices.



In 2024, we made 329 new hires, 19% of whom were women, representing a 9% increase compared to 2023.

In total, in 2024, we provided 46,659 hours of training, averaging 27.3 hours per employee, consolidating a culture of leadership based on operational excellence, empathy, and teamwork.



During the same year, in our Concretos and Cementos Fortaleza operations in Mexico, Costa Rica, El Salvador, and the United States, multiple initiatives focused on the following areas were carried out:





Training:

- Execution of annual technical training programs and Universidad Fortaleza, primarily for operational and unionized personnel, focusing on safety and productivity (Mexico).
- Access to global training platforms such as ODILO, Capacítate CARSO, and GoFluent (LatAm).

Benefits:

- English classes for operational-administrative personnel.
- Company transportation to facilitate access to work centers (LatAm).
- Seniority bonuses and quinquennial bonuses (Costa Rica and El Salvador), food subsidies, and life insurance policies (LatAm).

Technical Training and Leadership:

- Launch of the first generation of the Supervisor School, with 36 participants from different countries who completed modules in leadership, industrial safety, and applied technical knowledge.
- Certification of the Purchasing team in Mexico through the APROCAL program.
- Execution of the first edition of the Sales School in Central America.
- Building English – Open Class event in partnership with Hábilee to strengthen linguistic skills in a practical and collaborative environment.
- Consolidation of Universidad Fortaleza and Idiomas Fortaleza as key platforms for professional development in Mexico.







Career Plan:

- Internal promotion as the preferred route to fill key vacancies, strengthening the sense of belonging and professional development within the organization.

Organizational Climate:

- In 2024, we applied, for the second consecutive year, the **Labor Climate Survey** in all our locations to listen to our teams and define action plans aimed at continuous improvement.

Work-Life Balance:

- Activities such as Health Week, internal sports tournaments, celebrations, and family gatherings.
- Parental leave: 25 men and 16 women were granted leave, with a return-to-work rate of 96% and 94%, respectively.

Gender Equity:

- Salaries are defined based on the **HAY** methodology, applying standardized scales by country.
- Our vacancy policy requires at least one woman to be considered among the candidates presented, prioritizing experience and technical capabilities.

Occupational Health and Well-Being:

- Execution of the Fortalécete program, focusing on physical, emotional, and mental well-being.
- Periodic medical check-ups and free psychological support for employees and their families in LatAm.

Community Relations:

- Support for basic and complementary education for adults, facilitating the completion of primary, secondary, and preparatory studies, impacting employability.
- Implementation of Mobile Libraries in communities near our operations (Mexico).



IMAGE TAKEN WITH THE EQUIPMENT LOCKED OUT AND THE AREA OUT OF OPERATION.

At **Fortaleza Materiales**, we believe that investing in our people is planting the future of the organization. Every effort to attract, train, and care for the talent that drives our processes reflects our conviction that true growth happens when people flourish. We will continue building an environment where knowledge is shared, diversity is valued, and each employee has the opportunity to transform their potential into impact, leaving a mark on their surroundings and on the industry. This not only allows us to reduce accidents, improve the work environment, and increase productivity, but also consolidates a deep sense of belonging, commitment, and pride among our teams.

Performance **evaluation**

GRI 404-3
NIS S6

At **Fortaleza Materiales**, we promote a high-performance culture based on clear objectives, accountability, and continuous development. At the beginning of each year, each employee agrees with their superior on a series of objectives using the SMART approach: Specific, Measurable, Achievable, Realistic, and Time-bound.

Once the year concludes, a systematized evaluation process is carried out through the Success Factors platform. The evaluation process includes the following phases:

1 **Self-assessment**

2 **Direct supervisor evaluation**

3 **Feedback session**

4 **Signing of the result on the platform.**

During the self-assessment, each employee reviews their objective fulfillment, documents their progress, and gathers evidence to support it. This information is presented to the direct supervisor, who formally evaluates the performance of each objective and provides clear, constructive feedback, both verbally and within the platform.

Subsequently, the employee reviews and signs the final result as acknowledgment. This process aims to strengthen a results-oriented approach, promote open and transparent dialogue, and consolidate a culture of continuous improvement.





Well-being **strengthening**

GRI 403-6
NIS S6

At **Fortaleza Materiales**, we know that the well-being of our employees is essential to building a strong, resilient, and people-centered organizational culture. We believe that sustainable development is not only about financial performance or operational efficiency but is based on the ability to care for those who make our achievements possible. Therefore, in 2024, we reinforced our well-being vision through the Fortalécete program, a comprehensive strategy focused on promoting the physical, mental, and emotional health of our teams and their families.

This approach stems from the conviction that a healthy work environment enhances performance, productivity, motivation, and the sense of belonging. Moreover, personal well-being directly influences the prevention of workplace risks, talent retention, and the consolidation of a corporate culture grounded in empathy, respect, and collaboration. In this regard, **Fortalécete has become a key tool to promote human development both inside and outside the workplace.**

As a central part of the program, this year we celebrated the completion of five new generations of the **Fortalécete Challenge**, an initiative that combines nutritional counseling with physical activity routines to promote healthy living habits. In this edition, **256 employees participated, achieving a collective reduction of 284 kg in weight and 512.5 cm in waist size.**

These results not only strengthen the physical health of the participants but also the sense of community, motivation, and personal discipline. Throughout the year, Fortalécete became a true pillar of our corporate culture. Its impact goes beyond individual achievements: it reinforces our collective commitment to healthier, more sustainable, and human work environments.

Aware of the importance of mental health, in Latin America, we offered our employees and their families free psychological support lines, available 24/7, providing professional therapeutic support with no limits. This initiative aims to provide timely emotional support, facilitate active listening spaces, and strengthen emotional well-being as part of a more balanced work life.

Listening to our people, understanding their experiences, and responding with concrete actions have allowed us to build a strong culture, with high levels of pride and belonging.





Investing in the well-being of our people is not an extra, it is part of the way we do business. We listen, accompany, and build environments where people want to stay and grow".

Paulina Hernández,
Corporate Director of Human Resources and Sustainable Management.

Occupational health **and safety**

GRI 403-1, 403-5, 403-7, 403-9
SASB EM-CM-320a.1
NIS S6

At Fortaleza Materiales, safety is a core value.

In 2024, we reaffirmed it through our strategy, focused on visible leadership, operational discipline, and a prevention culture aimed at eliminating critical risks and caring for the health of all those involved in our operations.

In our management, **regulatory compliance** has been the fundamental pillar and an essential right to operate. We have also prioritized **the control of critical exposures and the continuous improvement of our systems**. A key aspect has been reinforcing skills, with a particular focus on new employees, contractors, and those in vulnerable conditions.

This year, we implemented a comprehensive program focused on preventing accidents and occupational diseases, as well as promoting the physical and mental well-being of everyone in our organization: employees, contractors, subcontractors, and visitors. Thanks to incorporating tools such as the **consequence balance, specific guidelines for contractors, and internal and external audits, we significantly reduced the frequency and severity of incidents**. Our risk prevention strategies and training were key to this success.



H&S strategy

In 2024, we continued strengthening our strategy with the **#Temperance** axis, an evolution of the 2023 strategy **#OneDayAtATime**. This axis focuses on sobriety, consistency, and making fair decisions that prioritize people's well-being and meeting the highest health and safety standards.



2023-2025	2025-2027	2028-2030
First stage	Second stage	Third stage
Temperance	Passion for details	Safety as a value

At this moment, we are in the first stage, which is guided by five pillars:

- Legal compliance
- Preventing serious or fatal accidents (critical exposures)
- Organizational climate and culture
- Leadership
- Occupational health and hygiene





Our goal is clear: prevent critical accidents and fatalities, avoid the repetition of events, and ensure a healthy and safe work environment for all people, both employees and contractors.

Our efforts are structured around five action axes:

Legal Compliance

- Legal compliance equal to or greater than 90%.
- Updated legal requirements matrix.
- Attention to government inspections: zero fines.

Prevent Severe or Fatal Accidents

- Zero fatal accidents, amputations, or critical accidents.
- 50% reduction in workplace injuries (LTI, MWD, MI, FAI) compared to 2023.
- Zero repeated events (2022 and 2023).
- 100% closure of action plans derived from LTI at each site in 2023. Reduction of H&S indicators (own personnel):
  - LTIFR: 20% decrease or maintain <0.3.
  - TIFR: 30% decrease or maintain <0.5.
  - SR: maintain <10.



Organizational Climate & Culture

- Increase positive safety perception by 10% according to the climate survey.
- Hold at least 12 local H&S committee meetings with traceability of actions.
- Execute Annual Health and Safety Week and campaigns according to health trends.
- 100% of operational and supervisory staff trained in the “Toma 2” process.
- Soft skills training for supervisors based on the Safety Test diagnosis.
- Update training matrix based on exposure to risk.
- Implement the Change Management Process and Contractors Directive.
- Regularize the use of manual tools with safety area validation.



Safety Results for 2024:

Lost time injury frequency rate: **2.36**

Lost time rate: **2.12**

Severity rate: **72.42**

Personnel affected by disabling injuries: **27 disabling injuries and 3 recordable accidents throughout the year.**

Leadership

- Ensure at least four field interactions per month by each intermediate manager.
- Promote line staff responsibility in preventing severe accidents:
  - Clarification of roles.
  - Mapping of basic controls per area.
  - Gap analysis and action plans.
  - Semi-annual verification of implemented controls.

Occupational Health & Hygiene

- Zero permanent total or partial disabilities resulting from occupational diseases.
- Updated emergency plans for severe accidents.
- Establish internal controls for handling minor accidents.
- 100% of hygiene studies and medical exams conducted for occupationally exposed personnel.

Key actions:

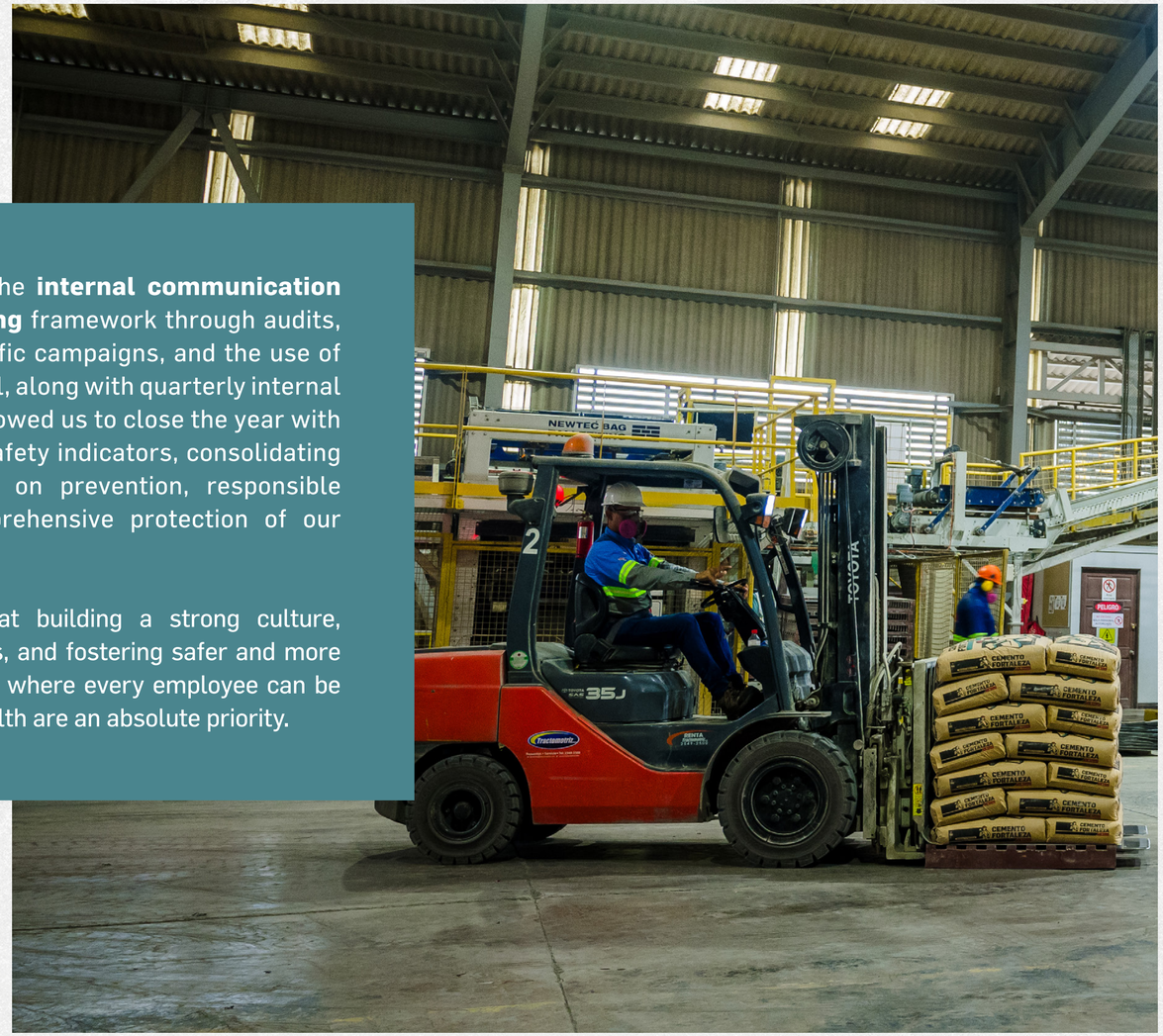
One of the most prominent actions was the vaccination campaign as part of the **Fortalécete** program, implemented at our six plants in Mexico, where 429 doses were administered in coordination with the Mexican Institute of Social Security (IMSS), including flu, COVID-19, hepatitis, and tetanus vaccines. Additionally, we strengthened the **prevention of occupational diseases** through industrial hygiene monitoring, medical evaluations for the early detection of chronic diseases, nutritional counseling, and exposure studies, prioritizing occupationally exposed groups.

In the **critical risk control** area, we strengthened preventive measures in tasks involving working at height, moving machinery operation, contact with hot flour, and vehicular safety. A key development was the implementation of the **Elementary Controls** program, designed to mitigate significant risks and establish clear corrective actions. These actions align with our goal of **zero fatal accidents, amputations, and critical accidents, as well as the 50% reduction in injuries compared to 2023.**

From a systemic perspective, we made progress in the continuous improvement of our Occupational Health and **Safety Management System** (**SGSST**). We introduced a new **consequence balance** process, which defines progressive sanctions for non-compliance that may jeopardize safety and operational continuity. We also issued a new directive for contractors, establishing preventive standards at all our facilities.

In Costa Rica, we achieved 2,500 days without accidents, reflecting our sustained commitment to prevention and safety culture.





Finally, we strengthened the **internal communication and continuous monitoring** framework through audits, monthly committees, specific campaigns, and the use of the Health and Safety portal, along with quarterly internal bulletins. These actions allowed us to close the year with a significant reduction in safety indicators, consolidating a strong culture focused on prevention, responsible leadership, and the comprehensive protection of our people.

These actions are aimed at building a strong culture, preventing critical exposures, and fostering safer and more humane work environments, where every employee can be certain that their life and health are an absolute priority.



"Upon joining GCHI, we completely redesigned our health and safety strategy, shifting from a compliance-based approach to one focused on strengthening the safety culture. We implemented an Occupational Health and Safety Management System (SGSST) that allowed us to identify risks, measure our performance, and drive continuous improvements at all levels.

Thanks to this structured approach, we improved our processes, encouraged employee participation, and achieved concrete results: we reduced the Lost Time Injury Frequency Rate (LTIFR) by 74% and the Total Incident Frequency Rate (TIFR) by 61% between 2023 and 2024. Additionally, we managed to decrease incident severity-related costs by 62%. These advancements reflect GCHI's commitment to a safer, more responsible, and sustainable operation."

Jason Fugate,
Director of Safety at GCHI

Community **engagement**

GRI 203-1, 203-2, 413-1
SASB EM-CM-320a.1
NIS S6

At **Fortaleza Materiales**, community development is an essential part of our sustainability strategy. Our vision focuses on building strong, respectful, and lasting relationships with the communities surrounding our operations, promoting social well-being, open dialogue, and shared responsibility in creating shared value.

We took responsibility for generating positive impacts through health, education, employment, and strengthening social fabric programs, while minimizing the potential negative effects of our operations.

Throughout 2024, we strengthened our actions with a comprehensive approach that drives equity, inclusion, and social development.



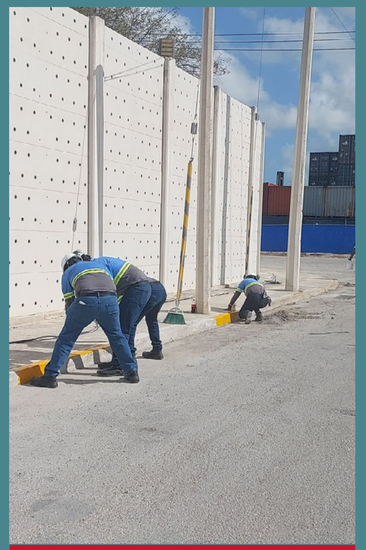
Our Community Strategy

Our social management is based on four pillars that promote shared responsibility in social investment:

Pillars of the Community Engagement Strategy:



Promoting culture, sports, and health



Strengthening local economic development



Care and preservation of the environment



Building infrastructure

Through territorial diagnoses carried out at each of our plants, we define participatory management methodologies and linkage mechanisms between the company, authorities, and the community, consolidating clear, direct, and constructive communication channels.

The benefits of this engagement are reflected in higher levels of trust, empowerment of vulnerable groups, access to labor and educational opportunities, and greater community participation in projects that transform their surroundings. These actions trigger collaborative networks that pave the way for new social and business initiatives.

In addition, we contribute to local economic development by generating decent employment, hiring regional suppliers, and promoting productive projects that encourage self-sufficiency. We recognize that our communities are not only our surroundings but also our allies, and for this reason, we foster relationships based on transparency, mutual respect, and active listening.

We are convinced that a strong community reflects a committed company. That's why we continue to promote sustainable development from a local perspective, reaffirming that only through cooperation and shared responsibility can we build a better future.

Notable Initiatives by Country

Mexico

At **Cementos Fortaleza** México, we strengthened our relationship with neighboring communities through actions focused on social well-being and local development. At our plants in Tula, Progreso, Vito, and El Palmar, we implemented a basic and complementary education program for adults, aimed at supporting our employees and community members in completing their primary, secondary, and preparatory studies. This initiative has facilitated access to new job and educational opportunities, reaffirming our commitment to social mobility.

Additionally, at the Tula plant, we executed a community infrastructure improvement project in the Texas community of Atotilco. From October 17 to 20, we rehabilitated the dirt road leading to the local cemetery by leveling the ground and placing gravel. This intervention significantly improved the mobility and safety of the families visiting the site, especially on significant dates like Día de Muertos.

Furthermore, in Huixquilucan, State of Mexico, we relaunched the Mobile Classrooms program in collaboration with the local DIF and the Fundación Construyendo y Creciendo. This mobile educational space continues to provide training opportunities for vulnerable communities, benefiting more than 1,600 people since its inception.





"In the social sphere, in line with our infrastructure improvement focus, we support the communities surrounding our plants through municipal authorities. At the same time, we work on volunteer programs with these communities to enhance their infrastructure."

Eduardo Hideki Kawamura Romero,
Director of the Cement and Concrete Division Mexico



Costa Rica

At **Cementos Fortaleza Costa Rica**, we promoted corporate volunteering activities that strengthened our connection with the social environment. During the year, we carried out support campaigns for schools and priority areas, where employees actively participated in delivering school supplies, commemorative candies, and restoration and painting work on educational facilities.

These initiatives not only contributed to improving material conditions but also reinforced the culture of empathy and collaboration between the company and the communities, consolidating a relationship model based on respect, solidarity, and shared development.

United States

The plants comprising Giant Cement Holding Inc. (GCHI) carried out a series of community actions in 2024 that reflect their commitment to the local social fabric, tailored to the specificities of each region:

Giant Cement – Harleyville, Carolina del Sur: Contributions were made to the SC Audubon Society, including the annual bird count at the plant site, coat donation campaigns for those affected by natural disasters, and continuous support for the Burned Kids Camp, Fire Awareness Day, and university scholarships for employees' children. Support was also provided to schools, sports clubs, and civil associations. The plant maintains active representation in over a dozen industrial, environmental, and concrete sector chambers and associations.

Keystone Cement-Bath, Pensilvania: Periodic meetings of the Community Advisory Panel (CAP) with community representatives were organized, guided tours of the plant and quarry were offered to groups such as retirees and emergency services, and financial contributions were made to local organizations such as Bath Lions Club and The American Legion.

Dragon Products-Thomaston, Maine: In light of the operational shutdown process that began in December 2023, the welfare of employees was prioritized by organizing job fairs, providing individual assistance on health insurance matters, helping with unemployment procedures, and issuing recommendation letters, ensuring a responsible workforce transition.



Volunteering

GRI 413-1
SASB EM-CM-160a.1

At **Fortaleza Materiales**, we see volunteering as a strategic tool to strengthen internal cohesion, foster ties with our communities, and actively contribute to sustainable development in the territories where we operate. Throughout 2024, we promoted various environmental, social, and community volunteering days, with high participation from our teams and local partners.

In **Cementos Fortaleza Mexico**, we organized a volunteering day in the Texas community, Hidalgo, in which employees, their families, and local residents participated. The work focused on rehabilitating public spaces, strengthening the social fabric, and promoting more dignified and functional environments for the community.

Juntos con FORTALEZA



More than 300 employees actively joined the initiatives carried out during the 2024 Sustainability Week, held at our plants in Tula, Vito, El Palmar, and Progreso.

As part of the activities commemorating World Environment Day, we celebrated **Sustainable Week 2024** at the Vito, Tula, Progreso, and El Palmar plants. This event included activities such as:



Reforestation Campaign:
An area in front of the electrical substation was forested with the participation of 73 people, including plant staff and contractors.

Cleaning Campaign:
A priority area identified by Profepa was cleaned, with the participation of 15 people from different areas and contractor companies.

Electronic Waste Collection Campaign:
Electronic waste generated both at the plant and in employees' homes was collected.

Pollinator Workshop:
"Insect hotels" were made with recycled materials, and informative materials about their ecological importance were distributed.

Cactus Propagation Workshop:
Cement pots were made, plant propagation techniques were shared, and seeds of native species such as huisache and mesquite were distributed.

Germination Workshop:
At the plant nursery, employees created their own vegetable gardens using pots made from pallet waste.

Local Species Forestation:
42 specimens of native flora were planted in a green area of the fuel oil area, with 55 people participating.

These actions reflect our commitment to building a supportive organizational culture, environmentally responsible practices, and a deep connection with the communities we serve.



08

GRR! Capsule

GRR! Waste

GRR! **Capsule**

Giant Resource Recovery (GRR!), our division specialized in energy recovery and recycling, not only manages hazardous and non-hazardous waste but also ensures its utilization through processes with minimal environmental impact.

Its operational model is based on the principles of the circular economy, focusing on the recycling of liquid, solid, and aerosol waste to avoid landfill disposal and replace the use of fossil fuels through energy recovery processes.

With operations in South Carolina, Pennsylvania, and Alabama, GRR! has the capacity to process over 165 million pounds of waste annually, preventing the use of approximately 52,000 ts of coal as fuel and eliminating the equivalent of 2,100 trucks per plant, which also significantly reduces transportation emissions.



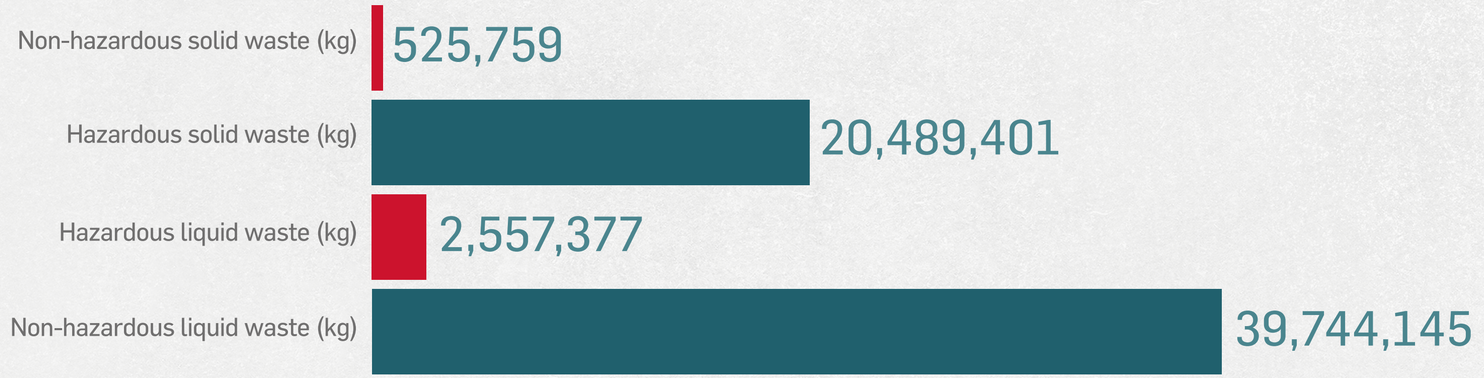
GRR! Waste

In 2024, the plant in Attalla, Alabama, doubled its aerosol recycling capacity by investing $2.6 million in two new state-of-the-art recycling units. These units allow for 100% aerosol can recycling, recovering steel and plastic, and transforming propellants and liquids into alternative fuels that are directly used in the plant, replacing natural gas.

Currently, GRR! is the largest aerosol processor in the U.S., operating with a comprehensive recycling system with no final disposal. It is expanding to meet the growing demand for sustainable solutions in this type of waste, consolidating its leadership as a key player in the transition to a more circular economy.

Additionally, GRR! has initiated pilot testing for recycling plastic cans and hand sanitizers, reaffirming its commitment to innovation and the development of circular solutions for industrial waste management. In this context, the partnership with the Sumter Chamber of Commerce strengthens its local presence and facilitates collaboration with key business environment stakeholders, driving joint solutions that strengthen the circular economy.

In 2024, Giant Resource Recovery (GRR!) recycled approximately **6,214t of steel**, cardboard, pallets, plastic containers, and electronic waste through processes focused on material recovery and reduction of recyclable waste.



> Cement kilns play a crucial role in the sustainable management of hazardous and non-hazardous waste. Partnering with Giant allows us to offer our clients more options to achieve their sustainability goals."
>
> **Gary Higginbotham**,
> Chief Commercial Officer, South Region,
> Refinery Services Group, Reworld.

These types of advancements represent the practical application of our circular strategy: using what we already have better and moving toward more regenerative production. This reduction not only optimizes resource use but also represents an important step toward production with lower environmental impact and greater alignment with the decarbonization goals of the construction sector.



Closing the loop means ensuring that what was once waste is now transformed into energy, input, or environmental benefit. With GRR!, this commitment becomes a reality.

On the other hand, in GRR!, energy management is a key component of its operational model. During 2024, the plant sustained its operations through a diverse energy matrix:

127,287 m^3	34,258 L	26,112 kg	2,469,992 KWh
Natural Gas	Diesel	Propane	Electricity

This was complemented by energy recovery through its waste-to-energy system, which harnesses the calorific power of hazardous waste such as liquids and propellants to generate energy within the site itself. This integrated approach reduces dependence on conventional fossil fuel sources, optimizes resource use, and consolidates an industrial operation based on energy efficiency and circular economy principles. Actions that allow us to not only reduce our carbon footprint but also move toward a more resilient, competitive, and globally aligned energy model with climate goals.

In relation to community work, at **GRR! Sumter, South Carolina**, financial contributions were made to institutions such as Lemira Elementary School, the eSTEAM program, and the Chamber of Commerce. Internal collections were organized to support the Prisma Toumey Breast Cancer Center, and the company actively participated in school events such as festivals and educational fairs. Meanwhile, at **GRR! Atalla, Alabama**, the plant maintained its participation in the Adopt-a-Mile program for road maintenance, supported the Etowah County Special Olympics by donating water, made financial contributions to schools and social assistance centers, and participated in educational events like Mock It Till You Rock It, where mock interviews were provided to high school students.



Giant Resource Recovery (GRR!) has been a key ally in the economic and social development of South Carolina, particularly through its collaboration with the Tri-County Regional Chamber of Commerce. Since the Chamber's creation in 1989, GRR has demonstrated a sustained commitment to strengthening the community and promoting local initiatives.

For over three decades, Grr! has actively supported educational programs, scholarships, and leadership training. Its involvement in higher education initiatives has allowed numerous students in the region to access financial resources to continue their studies, contributing to the development of a stronger and more prepared workforce. Furthermore, its collaboration with the Tri-County Leadership Course has been essential in training new leaders with a regional focus.

Grr! has also played an active role in advocating for the interests of small and medium-sized businesses at the state and local levels, promoting public policies that favor economic development and business sustainability in rural areas.
For its outstanding work, Grr! was recognized as Company of the Year by the Regional Chamber, reflecting its positive impact on the economy and well-being of the community".

Sandy Price
Tri-County Regional Chamber of Commerce



09

About this **report**

About **this report**

GRI 2-2, 2-3, 2-4, 2-5

For the fourth consecutive year, we present our Fortaleza Materiales Sustainability Report.

In this document, we present our financial, social, environmental, and governance performance for the period from January 1st to December 31st, 2024. This report is prepared annually by the Environmental Coordination, using information from the areas responsible for managing the material aspects, and is validated by the Corporate Human Resources and Sustainable Management Department and the General Management.

We are aligned with the Global Reporting Initiative (GRI) standards and incorporate the recommendations of the Sustainability Accounting Standards Board (SASB) for the construction materials sector. Additionally, we align our actions with the Sustainable Development Goals (SDGs) of the 2030 Agenda established by the United Nations (UN).

During the reported period, no significant organizational changes were made that would modify the scope of the information.

For more information about this report, please write to: **mjcansecoj@elementia.com**





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Annexes and **Technical Details**

Annex 1. Communication with our stakeholders

Annex 2. Composition of the Board of Directors

Annex 3. Composition of the Audit Committee

Annex 4. Composition of the Executive Team

Annex 1.

Communication with our stakeholders.

Stakeholder	Objective of the relationship	Main channels	Frequency
Employees	Well-being, development, and work environment	·Complaints and suggestions box ·Whistleblowing channel ·Performance evaluation system ·Sustainability report ·Workplace climate survey ·Announcements ·Information capsules ·Town hall ·Virtual events ·Email ·Screens ·Banners ·WhatsApp ·Broadcast lists	●
Comunities	Social engagement and support for local causes	·Phone calls ·Emails with the Sustainability department ·Contact with local Human Resources ·Forums ·Community events	▲ ▦ 31
Suppliers	Ethical relationships and long-term collaboration	·Emails ·Calls with the Procurement department ·Whistleblowing channel for breaches of the Code of Ethics ·Sustainability report	▲ ■

Simbology:

- ● Daily
- ■ Weekly
- ▲ Monthly
- ▦ Quarterly
- 31 Annual

Annex 1.

Communication with our stakeholders.

Stakeholder,	Objective of the relationship	Main channels,	Frequency
Customers / Distributors	Product quality, service, and competitiveness	·Email ·Calls with the Commercial team ·Website ·Social media ·Whistleblowing channel ·Customer service hotline ·Satisfaction survey ·Sustainability report	▲
Shareholders / Investors	Timely and transparent information	·Email, calls, and meetings with the Investor Relations department ·Sustainability report ·Whistleblowing channel	▲ ▦ 31
Authorities	Regulatory and legal compliance	·Reports ·Whistleblowing channel ·Sustainability report	▲ ▦ 31

Simbology:

- ● Daily
- ■ Weekly
- ▲ Monthly
- ▦ Quarterly
- 31 Annual

Annex 2.

Composition of the Board of Directors

Name	Position
Carlos Slim Helú	Chairman and Director
Luis Fernando Meillón del Pando	Secretary (non-member)
Gerardo Kuri Kaufmann	Counselor
Antonio del Valle Ruiz	Counselor
Juan Pablo del Valle Perochena	Counselor
Juan Rodríguez Torres	Independent Director
Ernesto Moya Pedrola	Independent Director

Annex 3.

Composition of the Audit Committee

Name	Position
Juan Rodríguez Torres	Chairman
Ernesto Moya Pedrola	Member
Luis Fernando Meillón del Pando	Secretary (non-member)

Annex 4.

Composition of the Executive Team

Name	Position
Jaime Rocha Font	Chief Executive Officer
María de Lourdes Barajas	Chief Administration and Finance Officer
Paulina Hernández López	Chief Human Resources and Sustainability Officer
Hideki Kawamura	Director of Cement Mexico
Tim Kuebler	Director of Cement USA
Enrique Acosta	Director of Cement Costa Rica
Germán Castillo	Director of Cement El Salvador





11

Content Index: **GRI, SASB, NIS**

GRI Index
SABS Content Index
NIS Content Index

GRI Index

Standard	Content	Response	Relation to Material Topic	Relation to SDGs
2: General Disclosures				
The organization and its reporting practices				
2-1	Organization details	Who we are	Governance, corporate structure	8
2-2	Entities included in the financial statements	About this report	Information transparency	NA
2-3	Reporting period, frequency, and contact point	About this report	Reporting best practices	NA
2-4	Restatement of information	About this report	Governance and report transparency	NA
2-5	External assurance practices	About this report	Trust and accountability	NA
Activities				
2-6	Activities, value chain, and other relationships	Presence, our companies our products	Supply chain and responsible operations	12
2-7	Employees	Talent attraction and development	Talent attraction and retention	8
2-9	Governance structure	Our Corporate Governance, Board of Directors	Corporate Governance	NA
2-10	Appointment and selection of the highest governance body	Our Corporate Governance	Ethics, governance, and accountability	NA
2-11	Chair of the highest governance body	Our Corporate Governance	Ethics, governance, and accountability	NA
2-12	Role of the highest governance body in overseeing impact management	Our Corporate Governance	Ethics, governance, and accountability	NA
2-13	Delegation of responsibility for impact management	Our Corporate Governance	Governance Ethics, governance, and accountability	NA
2-14	Role of the highest governance body in sustainability reporting	Our Corporate Governance	Ethics, governance, and accountability	NA

Indicadores: **GRI**

Standard	Content	Response	Relation to Material Topic	Relation to SDGs
Strategy, Policies and Practices				
2-15	Conflicts of interest	Our Corporate Governance	Ethics, governance and accountability	NA
2-16	Communication of critical concerns	Our Corporate Governance	Business ethics	NA
2-18	Evaluation of the highest governance body's performance	Our Corporate Governance	Performance and accountability	NA
2-22	Statement on the sustainable development strategy	Message from the CEO of Sustainability	Commitment to sustainability	NA
2-23	Policy commitments	Our Corporate Governance	Business conduct and regulatory compliance	NA
2-24	Embedding policy commitments	Our Corporate Governance	Ethical conduct and organizational culture	NA
2-25	Processes to remediate negative impacts	Our Corporate Governance	Governance, code of conduct	NA
2-26	Mechanisms for seeking advice and raising concerns	Our Corporate Governance	Ethics and whistleblowing channel	NA
2-27	Compliance with laws and regulations	Our Corporate Governance	Legal compliance	NA
2-28	Memberships in associations	Strategic relationships	Relationship with associations / sectoral governance	17
Participation of interest groups				
2-29	Approach to stakeholder engagement	Materiality and stakeholders	Stakeholder engagement / Dialogue and relationship	17
2-30	Collective bargaining agreements	Stakeholder engagement	Labor relations and working conditions / labor rights	8
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3-1	Process to determine material topics	Sustainability	Health and safety, circular economy, climate action, human rights, community development, talent, ethics	8, 17
3-2	Identified material topics	Sustainability		8, 17
3-3	Management of material topics	Sustainability		8, 17

Indicadores: **GRI**

Standard	Content	Response	Relation to Material Topic	Relation to SDGs
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203-2	Significant indirect economic impacts	Financial performance	Business strategy and profitability	8
204-1	Proportion of spending on local suppliers	Financial performance	Business strategy and profitability	8
Anti-corruption and competition				
205-1	Operations assessed for corruption-related risks	Our Corporate Governance	Business ethics and anti-corruption	16
205-2	Communication and training on anti-corruption policies	Our Corporate Governance	Business ethics and anti-corruption	16
205-3	Confirmed incidents of corruption	Our Corporate Governance	Business ethics and anti-corruption	NA
206-1	Legal actions for anti-competitive behavior	Our Corporate Governance	Fair competition and regulatory compliance	NA
300: Environmental Performance				
Materials & Energy				
301-1	Materials used by weight or volume	Environmental performance	Circular economy	12
301-2	Recycled input materials used	Environmental performance	Circular economy	12
302-1	Energy consumption within the organization	Environmental performance	Operational and energy eco-efficiency	7, 13
302-3	Energy consumption within the organization	Environmental performance	Operational and energy eco-efficiency	7, 13
302-4	Reduction of energy consumption	Environmental performance	Operational and energy eco-efficiency	7, 13
Water and effluents				
303-1	Water as a shared resource	Environmental performance	Water management and resource efficiency	6
303-2	Management of water-related impacts	Environmental performance	Water management and resource efficiency	6
303-3	Water recycled and reused	Environmental performance	Water management and resource efficiency	6
303-5	Water consumption	Environmental performance	Water management and resource efficiency	6

Indicadores: **GRI**

Standard	Content	Response	Relation to Material Topic	Relation to SDGs
Biodiversity				
304-2	Biodiversity	Biodiversity conservation	Biodiversity impacts	
Emissions				
305-1	Indirect GHG emissions (Scope 2)	Climate change and emissions	Emissions to the atmosphere	13
305-2	Indirect GHG emissions (Scope 3)	Climate change and emissions	Emissions to the atmosphere	13
305-3	GHG emissions intensity	Climate change and emissions	Emissions to the atmosphere	13
305-4	Reduction of GHG emissions	Climate change and emissions	Emissions to the atmosphere	13
305-5	Biodiversity	Biodiversity conservation	Biodiversity impacts	13
Waste				
306-1	Waste generation and significant impacts	Waste management	Waste and circularity	12
306-2	Management of significant waste-related impacts	Waste management	Waste and circularity	12
306-3	Generated waste	Waste management	Waste and circularity	12
306-4	Waste diverted from disposal	Waste management	Waste and circularity	12
306-5	Waste directed to disposal	Waste management	Waste and circularity	12
400: Social				
Labor Practices				
401-1	New employee hires and turnover	Talent attraction and development	Talent attraction, management and retention	
401-2	Benefits provided to employees	Talent attraction and development	Labor welfare / compensation and benefits	4, 5, 8, 10

Indicadores: GRI

Standard	Content	Response	Relation to Material Topic	Relation to SDGs
Occupational Health & Safety				
403-1	Occupational health and safety management system	Occupational health and safety	Occupational health and safety	3
403-2	Hazard identification, risk assessment, incident investigation	Social performance	Occupational health and safety	3
403-3	Occupational health services	Social performance	Occupational health and safety	3
403-4	Worker participation and communication on health & safety	Social performance	Occupational health and safety	3
403-5	Worker training on health and safety	Occupational health and safety	Occupational health and safety	3
403-6	Promotion of worker health	Social performance	Physical and mental well-being	3
403-7	Prevention and mitigation of OHS impacts directly linked by business relationships	Social performance	Occupational health and safety	3
403-8	Workers covered by an OHS management system	Occupational health and safety	Occupational health and safety	3
403-9	Work-related injuries	Occupational health and safety	Occupational health and safety	3
Training				
404-1	Average training hours per employee per year	Technical and leadership training programs	Talent evaluation and development	4, 5, 8, 10
404-2	Programs for upgrading employee skills	Technical and leadership training programs	Talent development	4, 5, 8, 10
404-3	Percentage of employees receiving performance and career development reviews	Performance evaluation	Talent evaluation and development	4, 5, 8, 10

Indicadores: **GRI**

Standard	Content	Response	Relation to Material Topic	Relation to SDGs
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405-1	Diversity in governance bodies and employees	Social performance	Human rights and diversity	5, 8, 10
405-2	Ratio of basic salary and remuneration of women to men	Financial performance	Human rights and diversity	5, 8, 10
Freedom of association				
407-1	Freedom of association and collective bargaining	Social performance	Freedom of association and collective bargaining	8
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408-1	Child labor	Strategic relationships	Human rights	8
Forced labor				
409-1	Forced or compulsory labor	Our Corporate Governance	Forced or compulsory labor	8
Forced labor				
413-1	Operations with local community engagement	Volunteering	Operations with local community engagement	1, 3, 8, 10, 11, 13, 17
Supply Chain				
414-1	Supplier social assessment	Strategic relationships	Responsible supply chain	12
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416-1	Customer health and safety assessment	Strategic relationships	Product and sustainability management	3, 10

SASB Content Index

Sector: Extractive and Treatment of Minerals: Construction Materials

SASB Indicator		Content	Section, response, or reason for omission
Greenhouse gas emissions	EM-CM-110a.1	Scope 1 GHG emissions	Climate change and emissions
	EM-CM-110a.2	Particulate matter	Climate change and emissions
Air quality	EM-CM-120a.1	Energy consumption	Energy management
Energy management	EM-CM-130a.1	Water consumption	Water responsibility
Water management	EM-CM-140a.1	Waste generation	Waste management
Waste management	EM-CM-150a.1	Biodiversity impact	Biodiversity conservation
Impacts on biodiversity	EM-CM-160a.1	Accident rate	Occupational health and safety
	EM-CM-160a.2	Sustainable products	Our products
Employee health and safety	EM-CM-320a.1	Price transparency	Ethics and transparency
	EM-CM-320a.2	Scope 1 GHG emissions	Climate change and emissions
Product innovation	EM-CM-410a.1	Particulate matter	Climate change and emissions
	EM-CM-410a.2	Energy consumption	Energy management
Price integrity and transparency	EM-CM-520a.1	Water consumption	Water responsibility

NIS Content Index

NIS	Content	Section
A1	Scope 1 GHG emissions	Environmental Performance - 6.4 Climate Change
A4	Energy consumption	Environmental Performance - 6.3 Energy Efficiency
A7	Water input	Environmental Performance - 6.2 Water Management
A11	Water input from water-stressed areas	Environmental Performance - 6.2 Water Management
A12	Land use in or near biodiversity risk zones	Environmental Performance - 6.1 Circular Economy Approach
A16	Hazardous waste	Environmental Performance - 6.1 Circular Economy Approach
S2	Training hours	Technical training
S3	Performance evaluations	Performance evaluation
S4	Accident rate	Occupational health and safety
S6	Occupational health system	Occupational health and safety
G2	Board of Directors	Corporate Governance
G3	Roles and responsibilities	Corporate Governance
G4	Control mechanisms	Corporate Governance
G6	Ethical conduct	Ethics and transparency



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