

APPENDIX 2: MAIN SDG INDICATORS

2.1 Social dimension

Labor demographics

(GRI 2-7, 2-30, 401-1, 405-1; SASB CG-MR-310a.2, CG-MR-330a.1)

2022 BREAKDOWN OF EMPLOYEES ACCORDING TO TYPE OF CONTRACT AND SEX

| | 2022 | |
|-------------------------------------|-------|-------|
| | Women | Men |
| Corporate | 34 | 114 |
| Indefinite contract | 34 | 114 |
| Temporary contract | - | - |
| Tiles | 1,373 | 7,025 |
| Indefinite contract | 1,293 | 6,732 |
| Temporary contract | 80 | 293 |
| Adhesives | 187 | 1,147 |
| Indefinite contract | 186 | 1,111 |
| Temporary contract | 1 | 36 |
| Insulators and Lighteners | 377 | 1,042 |
| Indefinite contract | 377 | 1,042 |
| Temporary contract | - | - |
| % personnel unionized (2022) | 55 | |

Note: Due to the incorporation of new businesses, Grupo Lamosa is still in the process of standardizing the information related to the number of employees by type of contract; therefore, presented figures are estimated.

DEMOGRAPHICS: SEX, AGE AND WORK CENTER 2022

| | <30 years | | 30-50 years | | >50 years | |
|----------------------------------|---------------|--------------|--------------|--------------|------------|--------------|
| | Women | Men | Women | Men | Women | Men |
| Corporate | 3 | 18 | 28 | 71 | 3 | 25 |
| Executives | | 1 | 1 | 12 | 0 | 11 |
| Employees | 3 | 17 | 27 | 59 | 3 | 14 |
| Operators | | | | | | |
| Tiles | 348 | 1,790 | 893 | 4,255 | 132 | 980 |
| Executives | 1 | | 19 | 64 | 6 | 46 |
| Employees | 175 | 541 | 518 | 1,638 | 76 | 397 |
| Operators | 172 | 1,249 | 356 | 2,553 | 50 | 537 |
| Adhesives | 43 | 339 | 126 | 702 | 18 | 106 |
| Executives | | | | 8 | 1 | 17 |
| Employees | 35 | 109 | 122 | 391 | 12 | 58 |
| Operators | 8 | 230 | 4 | 303 | 5 | 31 |
| Insulators and Lighteners | 114 | 340 | 229 | 561 | 34 | 141 |
| Executives | | | | 7 | 1 | 5 |
| Employees | 80 | 108 | 172 | 243 | 22 | 42 |
| Operators | 34 | 232 | 57 | 311 | 11 | 94 |
| TOTAL | 508 | 2,487 | 1,276 | 5,589 | 187 | 1,252 |
| Total personnel 2022: | 11,299 | | | | | |

DEMOGRAPHICS: INTERANNUAL COMPARISON - SEX AND WORK CENTER

| | 2021 | 2022 | Δ'22-'21 |
|----------------------------------|--------------|---------------|------------|
| Corporate | 135 | 148 | 9.6% |
| Women | 26 | 34 | 30.7% |
| Men | 109 | 114 | 4.6% |
| % Women | 24% | 23% | |
| Tiles | 8,326 | 8,398 | 0.86% |
| Women | 1,352 | 1,373 | 1.5% |
| Men | 6,974 | 7,025 | 0.73% |
| % Women | 19% | 16% | |
| Adhesives | 1,276 | 1,334 | 4.5% |
| Women | 179 | 187 | 4.5% |
| Men | 1,097 | 1,147 | 4.5% |
| % Women | 16% | 14% | |
| Insulators and Lighteners | - | 1,419 | - |
| Women | - | 377 | - |
| Men | - | 1,042 | - |
| % Women | - | 27% | - |
| TOTAL | 9,737 | 11,299 | 16% |
| % Women | 16% | 17% | |

Note: Due to the recent incorporation of Fanosa, employee data for 2021 is unavailable.

HIRING 2022

| | <30 years | | 30-50 years | | >50 years | | TOTAL |
|--------------|-----------|-----|-------------|-----|-----------|-----|-------|
| | Women | Men | Women | Men | Women | Men | |
| TOTAL | 189 | 961 | 210 | 704 | 14 | 46 | 2,124 |

% WOMEN HIRED 2022

| | |
|--------------|-----|
| TOTAL | 19% |
|--------------|-----|

% TURNOVER 2022

| | <30 years | | 30-50 years | | >50 years | |
|--------------|-----------|-----|-------------|-----|-----------|-----|
| | Women | Men | Women | Men | Women | Men |
| TOTAL | 41% | 33% | 13% | 12% | 5% | 11% |

Formula: [(Number of people leaving)/(Personnel at beginning of year + Personnel at yearend)/2]*100

Training and career development**(GRI 404-1)****HOURS OF TRAINING PER LABOR CATEGORY AND SEX 2022**

| | Women | Men |
|--------------|--------------|--------------|
| Executives | 84 | 4,407 |
| Employees | 1,063 | 3,344 |
| Operators | 1,021 | 2,102 |
| TOTAL | 2,168 | 9,853 |

| | Average hours of training women | Average hours of training men |
|--------------|---------------------------------|-------------------------------|
| TOTAL | 1.09 | 1.05 |

Work environment (GRI 3-3)

All Grupo Lamosa companies have a work environment management system that uses annual anonymous electronic surveys to measure personnel satisfaction and possible areas of opportunity in different segments, such as security, supervision, working conditions and communication. With the results obtained, action plans and commitments are generated to improve employee satisfaction.

Performance evaluation (GRI 404-3)

Executives and other employees undergo annual evaluations to assess their fulfillment of objectives and soft skills. Operating personnel are given more specific evaluations according to the type of function they carry out and the category to which they belong.

Retirement plans (GRI 201-3)

Some Grupo Lamosa companies have retirement plans for executives and employees, with defined benefits and contributions. In addition, the company offers training programs for retirement.

Employee health and safety

(GRI 403-8, 403-9; SASB EM-CM-320a.1, RT-CH-320a.1, RT-CH-320a.2)

All Grupo Lamosa employees are covered by the health system that corresponds to the legislation of each country where the company operates. Additionally, Grupo Lamosa has its own Health and Safety Management system, which guarantees that production centers have safe working environments.

OCCUPATIONAL HEALTH AND SAFETY 2022

| | Tiles | Adhesives | Insulators and Lighteners |
|---------------------------------|-------|-----------|---------------------------|
| Deaths - employees (number) | 0 | 0 | 0 |
| Partial Frequency Index - (PFI) | 0.78 | 1.84 | 9.15 |

PFI: Lost-time Accidents, and the formula is:
 $PFI = 240,000 * \text{Incidents} / \text{Hours worked (OSHA)}$

Focus on training, prevention and risk management in production plants

Risk management in work areas is carried out through the internal HIRAC methodology (Hazard Identification, Risk Assessment and Controls), where a team made up of people from Operations, Maintenance, Management and SHE (Safety, Health and Environment) carry out an analysis to determine the optimal controls for the operations.

Risks fall into different risk identification categories, with the ones ranked as “high” being the priority to be addressed.

Additionally, internal training is carried out for “Safe Operations” through the monitoring of Procedures and Methodologies for all the activities carried out at the different work centers.

2.4 Product sustainability and innovation

(SASB CG-MR-410a.1, EM-CM-410a.1, CG-BF-250a.2)

REVENUE FROM PRODUCTS WITH SUSTAINABILITY CERTIFICATION

| | 2022 |
|---|-------------|
| Tiles | |
| UL GREENGUARD certification (million USD) | 115.8 |
| VOC products (SKUs) | 3,203 |
| Adhesives | |
| Porcelain Tile Agency Certification (million USD) | 77.4 |
| VOC products (SKUs) | 44 |

Note: VOC products refers to the products that comply with emissions and/or content standards for volatile organic compounds.

Waste

(GRI 306-3, 306-4; SASB EM-CM-150a.1, RT-CH-150a.1)

Grupo Lamosa has implemented procedures to optimize the use of materials in the production processes of its different businesses, thus reducing the amount of waste generated. Reuse and recycling are encouraged.

NON-HAZARDOUS WASTE GENERATED IN 2022 (tons)

| | Tiles | Adhesives | Insulators and Lighteners |
|--------------------|---------------|--------------|---------------------------|
| TOTAL (ton) | 73,215 | 7,411 | 4,718 |
| Landfill (%) | 7.2 | 14.8 | 33.7 |
| Reuse (%) | 82.4 | 0.2 | 18.8 |
| Recycled (%) | 10.4 | 85.0 | 47.5 |

Note: Recycled waste includes wood, cardboard and iron.

HAZARDOUS WASTE GENERATED IN 2022 (tons)

| | Tiles | Adhesives | Insulators and Lighteners |
|--|---------------|-----------|---------------------------|
| TOTAL (ton) | 10,543 | 2 | 622 |
| Reused hazardous waste (%) | 13.0 | - | 0.1 |
| Recycled hazardous waste (%) | 81.6 | - | 0.2 |
| Hazardous waste disposed of by a specialized third party (%) | 0.4 | 100 | 99.7 |

Water

(GRI 303-3, 303-4, 303-5; SASB RT-CH-140a.1, RT-CH-140a.3, EM-CM-140a.1)

Grupo Lamosa is aware of the importance of water resources for its operations. It uses them responsibly, always adhering to the legal framework and carrying out processes that help reduce and reuse part of the water that is consumed.

WATER EXTRACTION BY SOURCE TYPE IN 2022 (m³)

| | Tiles | Adhesives | Insulators and Lighteners |
|------------------------------|--------------------|---------------|---------------------------|
| TOTAL (m³) | 193,510,315 | 18,977 | 132,148 |
| Municipal network (%) | 0.08 | 82.73 | 52.91 |
| Wells (%) | 99.88 | 6.32 | 46.89 |
| Trucks (%) | 0.04 | 10.95 | - |

WATER DISCHARGE BY DESTINATION IN 2022 (m³)

| | Tiles | Adhesives | Insulators and Lighteners |
|------------------------------|-------------------|------------|---------------------------|
| TOTAL (m³) | 13,043,463 | 570 | 30,462 |
| Surface water (%) | 98.80 | - | - |
| Underground water (%) | 0.23 | - | 0.24 |
| Third-party location (%) | 0.97 | 100% | 99.76 |

WATER CONSUMPTION AND REUSE IN 2022 (m³)

| | Tiles | Adhesives | Insulators and Lighteners |
|--------------------------|--------------------|---------------|---------------------------|
| Total consumption | 180,466,852 | 18,407 | 101,685 |
| Total reuse (%) | 0.39 | 0.11 | 2.82 |

Note: The percent of water reused considers both treated and recycled water divided by total water extracted.

3. Governance

3.1 Integrity

(GRI 205-3, 406-1, 418-1; SASB CG-MR-230a.2)

TRANSPARENCY LINE 2022

| | 2022 |
|--|------|
| Number of complaints addressed through the Transparency Line | 269 |
| Policy violations | 38% |
| Inappropriate conduct | 35% |
| Conflicts of interest | 12% |
| Incorrect use of information | 9% |
| Other | 6% |

Note. The complaints addressed included cases of corruption and discrimination, which were duly resolved and the corresponding disciplinary measures imposed.

At Grupo Lamosa, we work every day to assure an ethical work culture and adherence to the company's values. Nevertheless, timely follow-up is given to any incidents that may arise.

When a complaint is received, an exhaustive investigation is carried out to determine the veracity of the facts and take the necessary steps to resolve the problem. Depending on the nature of the case, the company may take disciplinary action against the employees, suppliers or other parties involved, and implement corrective measures to prevent future violations.

ETHICS 2022

| | 2022 |
|---|------|
| Percentage of employees trained in the Code of Ethics | 100% |

Grupo Lamosa customers' and suppliers' adherence to the Code of Ethics is formalized in the contracts they sign in their commercial transactions with the company.

3.2 Value chain

(GRI 204-1)

% OF SPENDING ON LOCAL SUPPLIERS 2022 (USD\$ millions)

| Tiles | Adhesives | Insulators and Lighteners |
|-------|-----------|---------------------------|
| 65.4 | 72.5 | 97.3 |

Note: The percentage of spending on local suppliers is made up by business considering the spending allocated to suppliers located in the same state or province where the production plants are located.

3.3 Economic value generated and distributed

(GRI 201-1)

ECONOMIC VALUE GENERATED AND DISTRIBUTED 2022 (millions of Mexican pesos)

| | |
|--|---------------|
| Direct Economic Value Generated | 35,704 |
| Total revenues | 35,412 |
| Financial income | 221 |
| Other income | 71 |
| Economic value distributed | 31,831 |
| Cost of sales | 20,423 |
| Operating expenses (including salaries and benefits) | 8,293 |
| Income taxes | 1,927 |
| Dividends | 411 |
| Financial expenses | 777 |
| Economic Value Retained | 3,873 |

Economic value retained: Direct economic value generated – total economic value distributed