



## Chairman letter to shareholders | April 2021

We have come through a particularly challenging year for everyone. The impact of COVID-19 highlighted the relevance of having a clear purpose, deep-rooted values, and a 360° value creation strategy, through which we seek to positively impact all our stakeholders.

We would particularly like to thank our employees, distributors, plumbers, suppliers and investors for their support, which allowed us to continue working to meet the needs of our consumers and users. We operate under strict safety measures at all times, abiding by the regulations established by the corresponding authorities in the countries in which we operate, always focusing on people's health and well-being.

We responded to the health emergency by donating storage solutions that provided access to more than 1 million liters of water and donating bebbia services to purify over 3 million liters of water in hospitals. We also helped to combat the spread of the pandemic through the installation of hand washing stations at critical locations with high population density in Mexico, Argentina, Peru and Guatemala.

In addition, we published the prototype and user manuals for the handwashing stations to make them a collaborative innovation project that can be accessed by anyone, thus promoting hygiene in public spaces.

The implementation of Flow, our organizational transformation program, was of vital importance during the year and helped us to achieve all the growth and profitability goals set for 2020. We managed to increase the ROIC to above the WACC, thereby creating economic value that will allow us to generate a positive social and environmental impact in the long term.

The transformation also strengthened our culture as a market shaper, based on client-focused innovation, and contributed to a more diverse workforce where we are always looking for the best talent in a culture of respect and continuous progress.

The demand for water solutions has increased hand in hand with climate change and the growing awareness of hygiene. At Grupo Rotoplas we are prepared to meet this demand and to continue evolving to remain the ally for more efficient water management for families, corporations and farmers, thus preserving water for future generations.

Rotoplas not only aspires to be a Company that remains at the forefront with the adoption of sustainable best practices, but also seeks to expand this vision and go further by helping third parties to reduce the impact of their operations.



We continue to evolve towards a circular operation with the incorporation of recycled resins in our products and the development of solutions for internal as well as third party use, through our range of solutions for water treatment, recirculation and recycling.

We pursue conscious capitalism approach, in which we place people, profitability, and the planet at the same level of importance. Additionally, through our core focus and our products and services, we seek to address the major global challenges such as inequality and climate change.

Our Climate Change Strategy reflects our understanding of the risks, the unique opportunities we have to support people as experts in water solutions and our determination to reduce our GHG emissions. In addition, this year we integrated the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to our strategy.

We invite you to learn more about our performance and results through our Annual Report, which, as part of our commitment to transparency and to our investors, now also adopts the standards of the Sustainability Accounting Standards Board (SASB).

Sincerely,

Carlos Rojas Mota Velasco

Executive Chairman of the Board of Directors