

Sustainability Policy

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1. General objective and sustainability focus

The document establishes the principles, processes and guidelines necessary to institutionalize and monitor the sustainability practices of Grupo Rotoplas, both within the company and with its different stakeholders.

We seek to create value for all our groups of interest, through our business model and the responsibility of our impacts in economic, environmental and social matters.

2. Scope of the policy

Applies to the collaborators of Grupo Rotoplas. We seek a business approach that contributes to socioeconomic development and the exercise of social responsibility in relation to the impacts of the activity, and to the extent possible to the performance of the different entities in our value chain (suppliers, distributors, customers and users).

3. Description

The policy reflects the collective understanding and commitment to sustainability of Grupo Rotoplas, as well the guidelines to maximize the creation and distribution of value for all our stakeholders.

This policy establishes the procedures of the sustainability management system, which consolidates the company's guidelines, responsibilities and steps for governance. It also serves as the basis for the Sustainability Strategy, which includes the priorities in relation to the material issues for the company and the stakeholders.

4. Terms and glossary

For the purposes of this document, the following definitions should be considered, which emanate from those considered by ISO 26000, which are those that govern the company's activities in the matter.

Value chain: activities of the entities and their interactions, which occur prior to the activity of the company in analysis, to obtain the materials, energy and other necessary resources, as well as those activities of distribution and transformation of goods and services that are produced, until the end of the cycle.

Sustainable development: to meet the needs of the present without compromising the ability of future generations to meet their own needs. It results from the collective efforts of different organizations, companies and administrations, as well as that undertaken individually by each citizen.

Stakeholders: entity or individual significantly affected by the activities, products and services of the company or whose actions affect the company's ability to implement its business strategy and achieve its objectives.

Impact: positive or negative change generated in the society, the economy or the environment, produced, in whole or in part, because of decisions made by the company in the past and present.

Indicator: Data of information that serves to know the current development of sustainability in Grupo Rotoplas and that allows to manage its future evolution.

Social Responsibility: behavior and activities of the organization in relation to the impacts that its decisions, products, services and processes cause in society and the environment, through an ethical and transparent behavior that reduces or eliminates the negative impacts and strengthens the positive ones, including the health and well-being of society;

- considers the expectations of its stakeholders;

- complies with the applicable legislation and that is coherent with the international regulation;
- it is integrated across all the organization and it is put into practice in all interactions; and
- it is aligned with the sustainability of the organization over time and the creation of value for the stakeholders.

Sustainability management system: set of policies and procedures that establish the guidelines for the creation of value, while considering the different stakeholders and impact of the activities generated by the company. So that the different areas involved in Grupo Rotoplas can participate and facilitate the involvement of stakeholders.

Sustainability: The purpose is to create value to the stakeholders and maintain it through time. Impacting positively through social responsibility and adding their effort to that of others in a collective contribution to sustainable development.

Software management: Technological platform available to Grupo Rotoplas for the registration of the value of sustainability strategy and performance indicators, as well as for the visualization of the associated activity and the monitoring the degree of progress.

5. Role and responsibilities

Administration and Finance VP – Responsible for the integral approach of sustainability in the company, to capitalize on the financial opportunities that emanate from sustainability and from the integration of sustainability to the business strategy. It is also responsible for dictating the guidelines to be followed in the integrated annual report, as well as in other reporting exercises.

Sustainability and Institutional Business VP – Responsible for the integral approach to sustainability in the organization when leading the Sustainability Committee, as well as the implementation of the Sustainability Strategy. He is also in charge of reporting the progress in this regard to the Corporate Practices Committee, from which it is also informed to the Board of Directors Likewise, the Vice President of Sustainability and Institutional Businesses raises the strategic focus of the relationship with Governments, Civil Society Organizations, Non-Governmental Organizations and International and Intergovernmental Organizations as a vehicle to exercise sustainability in the organization. Finally, it is jointly responsible to authorize integrated annual reports and similar reporting exercises.

Investor Relations Manager – In charge of specifying the initiatives that, leveraged to sustainability, improve the company's valuation before the financial interest groups and coordinate the activities to generate the integrated annual report.

Sustainability Committee – Responsible for giving impulse and monitoring the environmental, social and corporate governance initiatives of the company that are part of the Sustainability Strategy, including the established indicators, as well as other additional initiatives that may be considered; It will keep the Sustainability Strategy up-to-date in accordance with the company's approach and the perspective of the stakeholders. He is also in charge of promoting the implementation of the initiatives in the different countries in which we operate, coordinating the representatives established for this purpose.

Sustainability Coordinator – Responsible for coordinating the implementation of the initiatives included in the Sustainability Strategy, convene the Sustainability Committee, follow up and present the established indicators, including the continuous attention to the consolidation software.

Delegates of Sustainability by Country – Designated to implement the initiatives of the Sustainability Strategy in their country, considering the particularities of the operating context and of the stakeholders, coordinating the different areas involved, as well as monitoring the results and including them in the management software. They are also in charge of reporting regularly to the Sustainability Coordinator and participating in the Sustainability Committee.

Communications Department – It is responsible for defining together with the Sustainability Committee those other channels, platforms and formats or publications to show sustainability performance and how the company creates value. Additionally, it is also in charge of communicating with the stakeholders the integrated annual report, which oversees the Investor Relations team, with the support of the Sustainability team.

6. Sustainability Guidelines

Value creation for the stakeholders

Our activity is the result of the implementation of the strategy and business model, through relationships with our different stakeholders, delivering a consistent performance in conjunction to our Mission.

We build our progress over time through the creation of value for all the stakeholders, generating a comprehensive financial performance while contributing to socio-economic development and attention to one of the key aspects for society: the availability of water and sanitation, in optimal conditions for health and for the realization of the economic activities that build the expectations of life and development.

We understand the relationship with our stakeholders in a proactive and multidirectional manner, with a listening approach to maximize the value created. The focus in sustainability and value creation falls comprehensively throughout the company.

The value proposal for each of our stakeholders can be found in the Annex to this policy.

Sustainability governance

This focus in the creation of value comes from our **Mission**, "that people have more and better water" and materializes through the **Sustainability Strategy**, composed of the focuses and lines of work on which we emphasize, throughout of the social, environmental and economic dimensions of sustainability, as well as corporate governance practices.

The Sustainability Strategy is based on the prior determination of the **relevant issues** for the company and for our stakeholders (material issues). It is composed of initiatives that develop different areas of the company, reflecting the transversal nature of sustainability. The progress in its implementation is monitored through the monitoring of a set of indicators, whose information is regularly expressed by the representatives of sustainability in the countries and at the corporate level, with the support of the **Sustainability Coordinator**. The monitoring of the results corresponds to the **Sustainability Committee**, which also analyzes the evolution of the initiatives.

Our performance, including the relationship with the different stakeholders, is guided through a set of policies and procedures, organized in processes. The focus on sustainability, the guidelines in the main areas, such as human rights, the environment, safety and health, diversity and anti-corruption practices, are consolidated in our **sustainability management system**. This system therefore has the governing documents, including this policy.

Management in operations and in chain value

Innovation is key for Grupo Rotoplas, both in the development of products and services and in the organization of operating processes and service models. This is presented transversally in the company. All areas are entrusted with innovating, considering our focus on sustainability and the objectives and goals set forth in the Sustainability Strategy.

The collaborators of Grupo Rotoplas must adhere to the **Code of Ethics and Conduct**, which develops our values and standards of conduct for the relationship with the different stakeholders, including those to be respected within the company. If it is breached, it cannot be justified by the lack of knowledge of the content. The same is extended to those third parties acting on behalf of the company by its approval, and the members of the Board of Directors. The contents of the Code are reinforced with specific policies, in the social, environmental and governance areas. In the latter, with the key guidelines for the relationship with third parties, Grupo Rotoplas has an Anti-corruption Policy. Through this, the company emphasizes an integral performance of our employees, according to the values and cultural thinking about.

At Grupo Rotoplas we are committed to **diversity and respect for human rights**, ensuring equal opportunities in access and career development within the company, as established in our Labor Inclusion Policy and Administration Policy of Compensation. The concern for equity and care for other fundamental forms such as free work and in adequate conditions has been incorporated into our supplier evaluation criteria, outlined in the Sustainable Purchases policy.

Our relationship with the entities of the **value chain**, whether suppliers, distributors, customers, users, or others, is based on procuring the generation of win-win dynamics, in which the creation of value is sought in both directions, attached to the Code of Ethics and Conduct and the rest of the policies, including also as part of the Sustainability Strategy and aligned with the business model.

At Grupo Rotoplas we want to maximize the value for the stakeholders, which includes the users of our solutions. Therefore, we understand that monitoring through action-based indicators should extend beyond our operational results, encompassing the dimension of the **social impacts that are generated**. We promote the measurement of our social impact, which is closely linked to the delivery of water and sanitation, whose access is key to the development of the communities.

Commitment to partnerships

Beyond our operation and acting through the value chain, we want to be a key agent to address the great challenges of society, as part of our *raison d'être* as corporate citizens. As reflected in the 2030 Agenda established by the United Nations and materialized in the Sustainable Development Goals, with which we are strongly committed, these challenges require the collaboration of different agents.

From the company we seek the **establishment of alliances** around what we know best to do and that centers our Mission, **provide water and sanitation and extend a culture of resource use**.

These alliances occur both in knowledge development and operationally in the field, serving communities, and we seek to comply with a series of fundamental requirements:

- We look for initiatives that generate transformations for the permanence of positive impacts, through aspects such as the generation of capacities and the participation of the recipients.
- Those entities, companies and / or administrations with which alliances are established must share our values.
- Transparency and accountability must be established, and the measurement of social impact must be promoted in order to be able to advance in the maximization of impact.

We work to promote the **responsible use of water** both inside and outside the company, involving the different areas of Grupo Rotoplas and our stakeholders. For us, water is not only a present good but also a future resource, essential for the development and welfare of society.

Communication

Our sustainability performance is based on the principles of transparency and accountability, built it in close collaboration with our stakeholders. We want them to know our initiatives, results and impacts in relation to sustainability, especially on material issues from their perspective and the company's strategy, as well as the link with our business model and planning in this matter.

In addition to complying with the information requirements that correspond to us by law as a listed company, we deepen communication through different publications. Every year we publish an integrated report on financial and non-financial performance, as we understand that our performance generates an integral value proposition in the social, environmental and economic dimensions. We have established that this is developed in accordance with international reference methodologies, specifically the Global Reporting Initiative (GRI) Standards, and that it responds to topics previously determined as materials in consultation with stakeholders and from the perspective of the company's management; other guidelines may be added to the GRI Standards.

We also report on our performance through those channels, platforms and formats or publications that our Communications Area and Sustainability Committee deem appropriate in consensual approval. This is the case of the report on the company's contribution to SDG, which we have established on a biennial basis.

We understand communication as a bidirectional interaction listening proactively to the expectations and requirements of our stakeholders.

Main Sources of Information and References

International Standard ISO 26000: Social Responsibility	
<i>Global Reporting Initiative (GRI)</i>	United Nations Sustainable Development Goals
Report on Our Common Future (Brundtland Report)	
OECD Principles of Corporate Governance	
Principles of the United Nations Global Compact	
	Rio Declaration on Environment and Development

APPENDIX

The following is a descriptive, but not limitative, presentation of how we understand the value proposition for our different stakeholders. Information on how we do this is present in our integrated annual report, as well as in other publications that may complement it.

Clients

We consider within this group distributors, government entities, international and civil society organizations and companies that acquire our solutions, and the end user).

We seek to deliver products that are relevant to water and sanitation needs, with an added value resulting from our focus on innovation and the pursuit of excellence in quality. In the case of those customers who are distributors and/or marketers, support them through a brand of prestige and public confidence in the evolution of their business, so that we can reach the end user together.

Collaborators

Build a collaborative team, respecting diversity and supporting career development, concerned about being at the forefront of products and services, within the framework of an organizational culture based on the Rotoplas Way.

Suppliers

Work closely together in the evolution of the requirements of materials and services, meeting the trends in the needs of the customer and user, through relationships based on win-win conditions and confidence in operational continuity for Grupo Rotoplas.

Board of Directors and its internal organisms

To build a decision-making process that guarantees the creation of value for all stakeholders, based on ethics and transparency, enriched by organizational diversity and in accordance with the potentialities of the business model and the focus on sustainability.

Financial Community

Generate value with a win-win approach that delivers financial return while contributing to socioeconomic development in order to meet the financial support provided for the operation.

Authorities and Regulators

To rigorously comply with the applicable regulations and the rules of coexistence established in the different countries in which we operate, as well as to contribute to the development of new legislation and initiatives that consolidate the framework for action and progress in the areas of water and sanitation.

Community

We consider within this group non-governmental organizations, universities, the general community, the media, chambers and associations.

We seek to collectively develop knowledge in the field of water and sanitation, together with a culture of respect and reasonable use of the resource, making available our experience and implementing initiatives in situ that contribute to meeting the needs of the population with a focus on permanence and installation of capacities.