

Alpek's ESG Policy

1. PURPOSE

This policy aims to provide Alpek and its stakeholders with the principles and guidelines to successfully achieve the company's ESG (Environmental, Social, and Governance) goals. We recognize that relevant and material ESG-related issues and decisions can meaningfully impact our overall performance, sustainable growth, and contribution to the benefit of society at large.

Integrating responsible environmental, social, and governance criteria into our decision-making process is critical for our integrated risk identification and management processes, research for growth and decision-making, and continuous improvement.

2. SCOPE

All employees, contractors, Board of Directors members, and any stakeholders who may have or exert influence on the company's and its subsidiary's decision-making process are subject to this policy. They are expected to comply with it as an essential part of Alpek's regulatory framework.

3. GLOSSARY

Code of Ethics

This internal document establishes the ethics norms and rules of conduct that all Employees and External Related Persons must always observe while performing their duties. These rules shall serve as a guide to achieve transparent decision-making and compliance with the ethical responsibility concept that governs Employees and External Third Persons.

Employee

Any individual with an employment relationship with Alpek, either through an indefinite-term employment contract or any other form of relationship involving labor subordination.

Human Rights

The rights inherent to all human beings, regardless of nationality, place of residence, sex, national or ethnic origin, color, religion, language, or any other status, are hereby acknowledged. These rights are interrelated, interdependent, and indivisible.

External Related

Refers to an individual or legal entity, whether domestic or foreign, with a contractual, professional, or business relationship with Alpek, other than an employment relationship. Examples of such relationships include advisors, consultants, auditors, suppliers, distributors, customers, intermediaries, service providers, and contractors, among others.

Alpek

ALPEK, S.A.B. de C.V., and its subsidiaries as applicable, depending on the relevant context thereof. When “Alpek” is mentioned throughout this policy, it will refer to Alpek, S.A.B. de C.V. and its subsidiaries.

Stakeholder

A person or organization that can be affected or perceive itself as affected by Alpek’s and/or its subsidiaries’ decisions or activities.

Applicable legal regulations

Refers to any law, regulation, requirement, standard, decree, or international, national, or local code that applies to the jurisdiction or country.

4. DESCRIPTION OF ESG FACTORS THAT ALPEK MUST CONSIDER IN ITS DECISION-MAKING PROCESS:

Environmental factors

- Efficient management of natural resources.
- Care and preservation of the biodiversity near and around our operating facilities.
- Continuous environmental impact assessments.
- Introduction, use, and development of feasible sustainable technologies according to the resources available in every facility, as well as their economic viability.
- Development and implementation of contingency measures in cases of natural disasters.
- If negative environmental impacts are identified, comply with the mitigation and/or remediation measures required to comply with any applicable law or regulation.
- Strict compliance with current environmental laws and regulations, such as land use, environmental permits by the authorities, and feasibility of basic services.

Social factors

- Respect and safeguard the human rights of employees, contractors, and surrounding communities.
- Fair operating and labor practices.
- Internships, training, equipment, and immediate attention to cover Health and Safety matters in corporate and operational facilities.
- Rejection of child and forced labor in all our operations and those of contractors.
- Respect for our surrounding communities and working together for their development.
- If negative impacts are identified on the communities, comply with the mitigation and/or remediation measures required to comply with any applicable law or regulation.
- Strict compliance with current labor laws and regulations.

Governance factors

- Commitment to integrating and complying with ESG factors in the business strategy.
- Compliance with the Code of Ethics and Conduct for employees, suppliers, and contractors.
- Establishment of the figure of compliance/supervision of ESG factors in making investment decisions.
- Carrying out a Due Diligence Process to:

- Promote regulatory compliance and ethical conduct of our suppliers.
- Assess the environmental and social impacts of development.
- Ensure strict compliance with applicable laws.
- Incorporation of these factors in the various documents that function as contracts, agreements, collaborations, and/or associations.
- Identification and management of risks associated with non-compliance with ESG factors, compliance tasks, and responsibilities.
- Increase transparency in the reporting process.

5. ESG STRATEGIC MODEL

Alpek has established an action framework to deploy its ESG strategy within the company, which they abide by and follow to integrate the aforementioned ESG factors into its business strategy successfully. The pillars of this framework are:

Lead with empathy

Empower people to create value for our company and communities.

Embrace change

Actively monitor the changing environment and find new ways to tackle emerging problems.

Grow responsibly

Rely increasingly on sustainable business practices across the entire value chain to create value for stakeholders.

Maximize resource efficiency

Strive to minimize any adverse effects for Alpek's and its processes.

6. RISK MANAGEMENT OF ESG FACTORS

Alpek assumes to carry out periodic risk assessments of any deviation from compliance with ESG factors in existing facilities, products, and/or processes to act in a timely manner to mitigate and/or eliminate them within the areas involved, as well as with the external stakeholders involved.

Risk identification assessments, as well as compliance with the ESG Strategy, must be carried out annually.

7. REVIEW AND CONTINUOUS IMPROVEMENT

This Policy was developed in 2023, we commit to constantly review and adapt it, as necessary from time to time.

8. TRANSPARENCY AND REPORT

Alpek is committed to communicate with transparency and completeness the integration, compliance, and identification of ESG factors in its operations, developments, investments, and commercial relationships (including employees and contractors), on an annual basis.

Alpek's process consists of:

- Information collection: The metrics to achieve the established objectives are found in a single virtual platform for collecting and managing information, where the data pertinent to each area is periodically saved.
- Evaluation: Identify compliance with the ESG factors, objectives, and established metrics.
- Disclosure: Alpek generates an annual, concrete, and precise report of progress in ESG factors. In addition, it undertakes to respond to requests for information from investors when they so request it.

General Premise: All Business Groups and Companies shall align themselves with the regulatory framework established in the Alpek Policies. Company policies may have different conditions, but never less restrictive than the framework established by the Alpek Policy.

APPROVALS

Name	Position	Date of Approval
Jorge Pedro Young Cerecedo	Chief Executive Officer	June 6 th 2023
José Carlos Pons de la Garza	Chief Financial Officer	June 6 th 2023
Antón Fernández Zambrano	IRO, Corporate Finance and ESG Director	June 6 th 2023