



ESG

2023

BOOKLET

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DISCLAIMER

- This document is a **preview** of Alpek's 2023 ESG performance for the shareholders prior to Alpek's Annual Shareholders' Meeting. Some of the indicators published in this document are **estimates** and the **final data will be published in Alpek's official 2023 Sustainability Report**.
- This document also intends to report a preview of Alpek's progress and performance to contribute to the UN Sustainable Development Goals (SDGs) and its alignment to TCFD, GRI, S&P CSA, CDP and SASB.
- As part of Alpek's efforts to continuously improve the quality of its ESG disclosure, the CO₂ Emissions information is presented under the SBTi criteria basis.
- You can always find all updated policies, financial reports and ESG reports at: www.alpek.com

INTRODUCTION

GRI 2-22 | CSA 0.1

This 2023 booklet aims to provide a consolidated preview of Alpek’s ESG performance. Metrics included in this document cover activities during the period from Jan 1st to Dec 31st of 2023. This 2023 booklet presents initial detail through performance data tables and comments which will be included in Alpek’s Sustainability / ESG Annual Report in order to comply with our commitment of continuous improvement on the transparency of the company’s ESG activities. This contains information regarding:

- Environmental metrics: Emissions and waste
- Social metrics: Workforce data, health and safety rates
- Governance metrics: Board oversight, performance and evaluation, and governance processes

ESG APPROACH

GRI 2-22 | TCFD: Strategy & risk management

As part of Alpek’s ESG Risk Management, the company has adopted a dynamic materiality approach through which it conducts a comprehensive analysis of ESG and industry trends, and how it is perceived by its stakeholders. This process includes ongoing dialogue with stakeholders, which allows an adequate response to be given to their demands and expectations, while also managing the impact in their organization.

ESG OPERATIVE FRAMEWORK:



REPORTING FRAMEWORK

CSA 1.3.2

Since 2015, Alpek has been reporting all ESG and sustainability information under the GRI methodology, now GRI Standards. However, since 2020, the company decided to evolve its reporting, through an adapted approach of the TCFD recommendations, answering the GRI Standards and integrating the SASB Standards it could accurately respond. The company is also publishing data for S&P CSA, CDP and the FTSE4Good Index, among others.

Consequently, the reporting framework that the Task Force on Climate-related Financial Disclosures (TCFD) provides is quite effective, and Alpek has adapted it to aid in the process of executing its ESG Strategy, as well as to contribute to the UN Sustainable Development Goals.

REPORTING FRAMEWORKS	WHERE TO FIND THEM	WHAT THEY ARE
GRI Standards	GRI Standards v.2021	The Global Reporting Initiative (known as GRI) is an international independent standards organization that helps businesses, governments and other organizations understand and communicate their impacts on issues such as climate change, human rights and corruption.
SASB Chemicals Sector Standards	https://www.sasb.org/wp-content/uploads/2018/11/SASB-Standards-Application-Guidance-2018-10.pdf	SASB Standards enable businesses around the world to identify, manage and communicate financially-material sustainability information to their investors.
TCFD Reporting Framework	https://www.tcfhub.org/getting-started/	The TCFD has developed a framework to help public companies and other organizations more effectively disclose climate-related risks and opportunities through their existing reporting processes.
United Nations Sustainable Development Goals	https://sdgs.un.org/es/goals	The Sustainable Development Goals by 2030 are the blueprint to achieve a better and more sustainable future. They address the global challenges we face, including poverty, inequality, climate change, environmental degradation, peace and justice.
CDP Carbon Disclosure Project	https://www.cdp.net/en/	CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.
S&P Global CSA	https://www.spglobal.com/esg/csa/	The CSA applies a best-in-class approach to assess the management of ESG issues in companies and industries around the world. Based on their performance, companies receive scores ranging from 0 to 100 and percentile rankings for approximately 20 financially relevant sustainability criteria across economic, environmental, and social dimensions.

MATERIALITY

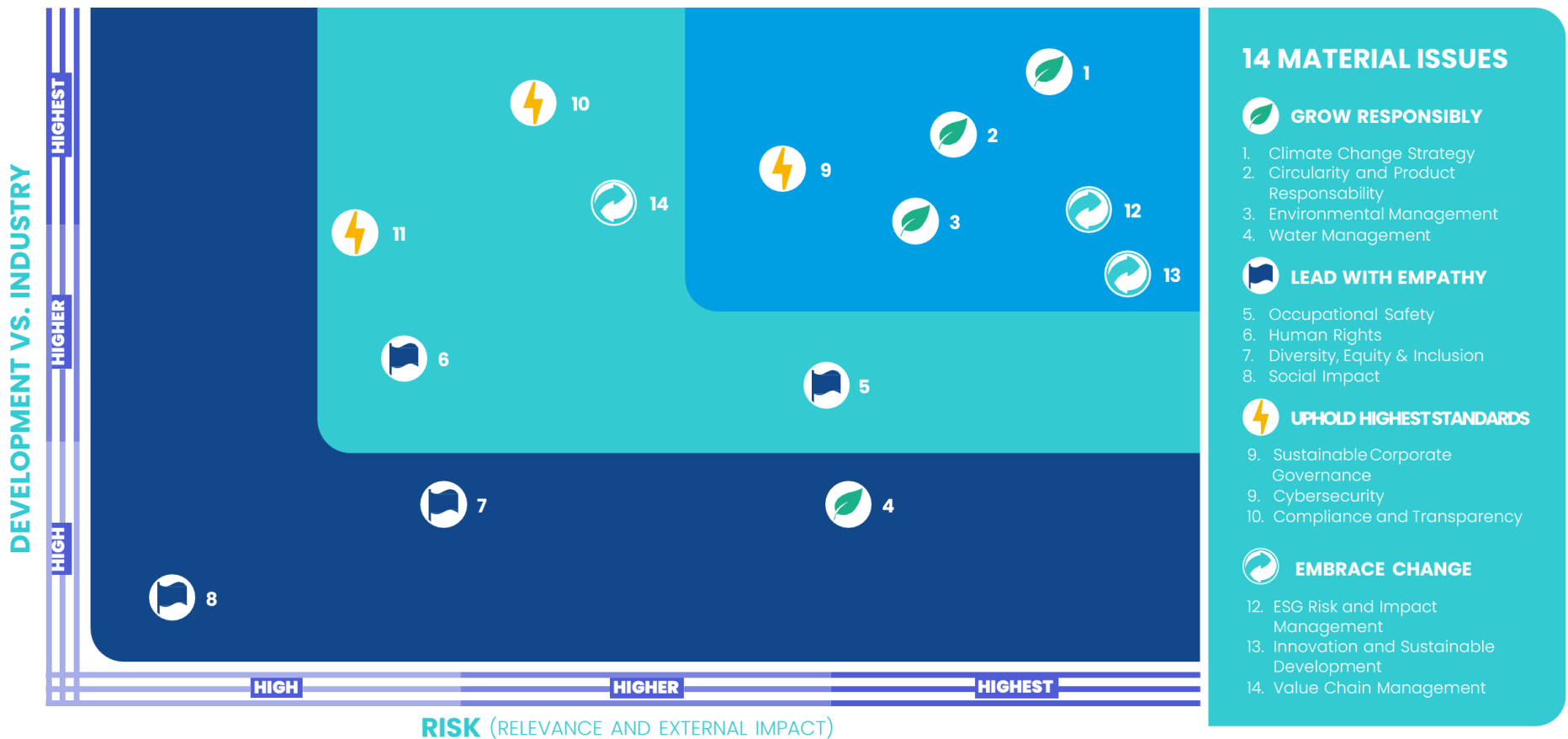
ALPEK'S MATERIAL ISSUES

GRI 3-1 to 3 | CSA 1.2 | TCFD: Governance, Strategy, Risk Management

During 2023, Alpek demonstrated its commitment to align its sustainability management to leading international standards by updating its materiality matrix and transitioning to a double materiality assessment.

The analysis involved evaluating Alpek's ESG stewardship maturity through effective allocation of resources and implemented programs. Simultaneously, the process evaluated risk exposure, considering Alpek's operational impacts on society and environment, as well as financial outcomes.

NEW DOUBLE MATERIALITY MATRIX 2023



SOCIAL

WORKFORCE

Enclosed is an overview of Alpek's workforce composition by several diversity aspects, which is the first step towards developing a comprehensive DEI (Diversity, Inclusion and Equity) strategy.

GRI 2-7 | CSA 3.2.1

Employee Breakdown by Type (Number of employees)	2021 ⁴	2022 ⁴	2023
Total Employees	6,396	7,259	5,930
Management ¹	335	334	365
Administrative ²	2,038	1,954	1,790
Operative ³	4,023	4,971	3,775
Female	1,038	1,191	1,090
Management ¹	63	55	68
Administrative ²	662	615	587
Operative ³	313	521	435
Male	5,358	6,068	4,840
Management ¹	272	279	297
Administrative ²	1,376	1,339	1,203
Operative ³	3,710	4,450	3,340

1.- Management positions (from junior managers to directors)

2.- Administrative positions (from assistants to supervisors and its equivalents)

3.- Operative (non-unionized and unionized operative employees)

4.- Alpek reclassified its employees from "Executive Management", "Management" and "Non-management" to: "Management", "Administrative" and "Operative" to facilitate a better understanding of the breakdown of the different levels in the organization. Therefore prior published years might differ.

GRI 2-7 | CSA 3.2.2

Female Employee Breakdown by Position (Number of employees)	2021	2022	2023
Total Female Employees	16%	16%	18%
Management (Junior, Middle and Top Management)	19%	16%	19%
In Top Management	NA ¹	5%	6%
In Middle Management	NA ¹	10%	12%
In Junior Management	NA ¹	21%	23%
Administrative	32%	31%	33%
Operative	8%	10%	12%

1.- This information was not previously disclosed.

GRI 405-1 | CSA 3.2.3

Employee Breakdown by Country (Number of employees)	2021	2022 ⁴	2023
Total Employees	6,396	7,259	5,930
Management ¹	335	334	365
Administrative ²	2,038	1,954	1,790
Operative ³	4,023	4,971	3,775
Mexico	3,382	3,331	2,171
Management ¹	134	143	143
Administrative ²	1,122	907	868
Operative ³	2,126	2,281	1,160
Canada	70	69	71
Management ¹	8	2	9
Administrative ²	18	23	18
Operative ³	44	44	44
United States	1,517	1,712	1,566
Management ¹	133	99	124
Administrative ²	447	501	438
Operative ³	938	1,112	1,004
Argentina	400	413	419
Management ¹	17	20	18
Administrative ²	119	108	119
Operative ³	264	285	282
Chile	300	267	276
Management ¹	8	1	5
Administrative ²	66	70	42
Operative ³	226	196	229
Brazil	618	624	548
Management ¹	13	14	14
Administrative ²	238	159	162
Operative ³	367	451	372
United Kingdom	102	103	106
Management ¹	16	7	10
Administrative ²	28	31	45
Operative ³	58	65	51
Oman	0	620	627
Management ¹	0	32	18
Administrative ²	0	112	58
Operative ³	0	314	551
Saudi Arabia	0	64	68
Management ¹	0	4	2
Administrative ²	0	8	6
Operative ³	0	52	60
Other Countries - Management²	6	56	78

United Arab Emirates	0	45	66
Ireland	0	1	1
Spain	0	1	1
Germany	0	1	1
Austria	0	1	1
Shanghai	2	6	6
Singapore	1	1	1
Peru	3	0	0
Denmark	0	0	1

1.- Management positions (From junior managers to Directors)

2.- Administrative positions (from assistants to supervisors and its equivalents)

3.- Operative (non-unionized and unionized operative employees)

4.-Alpek reclassified its employees from "Executive Management", "Management" and "Non-management" to: "Management", "Administrative" and "Operative" to facilitate a better understanding of the breakdown of the different levels in the organization. Therefore prior published years might differ.

GRI 405-1 | CSA 3.2.3

Total Workforce Distribution by Race¹

Total Workforce Distribution (as % of total employees)	2021	2022	2023 ³
Asian	1%	1%	13%
White	28%	22%	35%
Hispanic or Latino	60%	57%	45%
Indigenous or Native American	0%	0%	1%
African American or Black	4%	4%	5%
Others, two or more races	4%	14%	1% ³
Non-Identified	3%	1%	0%
Total Alpek Workforce (%)	100%	100%	100%

1.- Races classified according to CSA report.

2.- Previously only considered USA workforce, from 2021 to year today includes global workforce

3.- At 2022, Alpek acquired Octal. In 2023 Alpek carried out a more accurate race classification for this new headcount.

GRI 405-1 | CSA 3.2.4

Employee Breakdown by Age (Number of employees)	2021	2022 ¹	2023
Total Employees	6,396	7,259	5,930
Over 50 years old	1,574	1,816	1,364
Male	1,332	1,625	1,194
Female	242	191	170
30-50 years old	3,514	4,121	3,547
Male	2,921	3,380	2,865
Female	593	741	682
Under 30 years old	1,308	1,322	1,019
Male	1,105	1,063	781
Female	203	259	238

CSA 3.2.4

Alpek Employees with a Disability (Number of employees)	2021	2022	2023
With a disability	9	15	16

PEOPLE'S SAFETY

Alpek constantly invests in its employees' health and safety. From running vaccination campaigns to outdoor volunteer activities, we try to ensure a safe and healthy workplace. Every Business Unit has a Health and Safety system in place and mechanisms to respond to every emergency, as well as occupational medical care, periodic examinations, and monitoring of health programs.

During 2023, there was a 26% reduction of Alpek's TRIR comparing to 2022. Additionally, two of our Business Units and ~34% of our total sites achieved zero recordable incidents.

GRI 403-3, 403-9 & 403-10 | SASB RT-CH-320a.1 | CSA 3.7.2 & 3.7.3

Total Personal Safety Overview (Employees + Contractors)	2021	2022	2023
Total Recordable Incidents (number of incidents)	64	66	47
Fatalities (number of incidents)	0	1	0
TRIR – Total Recordable Incident Rate (200,000 hours worked)	0.61	0.57	0.42

ENVIRONMENTAL

BIODIVERSITY

GRI 304-1 to 4 | CSA 2.5

Alpek is aware of the importance and the impact that the biodiversity has in day to day life. Although Alpek’s direct operations are not in close proximity to critical biodiversity and does not put in risk any critical ecosystem, we participate in reforestation programs and support the preservation of wild life.

ANIMAL FREE TESTING

Alpek believes that animals should not suffer or die to test any product or materials. At Alpek, we do not test any products or materials on animals.

EMISSIONS

GRI 302-1 to 4, 305 1 to 4 | TCFD: All elements | SASB: RT-CH-110a-1 | CSA S&P: 2.3

Emissions Reported Under SBTi Criteria:

Science Based Target Initiative (SBTi) validated and approved the company’s GHG emissions reduction target, which can be found at www.alpek.com/esg/targets and is summarized below. This initiative aligns with the Paris Agreement to maintain the global temperature rise to no more than 2°C, where Alpek has committed to contribute to this effort.

Reduction of 27.5% of our Scope 1 and 2 emissions, and 13.5% Scope 3 emissions by 2030 (2019 base)

The data on the following table may vary due to the integration of the emissions of all plants acquired (regardless of the year), to meet the SBTi criteria:

CO ₂ Emissions by Scope (SBTi based) ¹ (Millions of tons)	2019	2020	2021	2022	2023
Scope 1	1.34	1.10	1.16	0.95	0.79
Scope 2	1.43	1.43	1.47	1.40	1.21
Total Scope 1 & 2	2.77	2.54	2.63	2.35	2.00
Scope 3	20.95	21.31	24.65	25.11	PENDING²

CSA 2.6.9

By the end of 2023, we achieved a reduction of CO2 S1&2 emissions of:

~15% vs. 2022

and ~27% comparing to our 2019 SBTi Base¹

1.- This base includes the history of the newly acquired sites since 2019.
2.- Scope 3 to be published in our official 2023 ESG sustainability report.

WASTE MANAGEMENT

Pollution is one of Alpek's most relevant material issues, therefore, we constantly look to reduce our waste disposal, avoiding this to get to landfills. It is important to mention that most of Alpek's waste is Non-Hazardous.

NON-HAZARDOUS WASTE GENERATION

GRI 306-4 | SASB RT-CH-150a.1

Non-Hazardous Waste Disposal (thousand tons)	2020	2021 ¹	2022	2023
Total Generated	78	83	104	108
Total Recycled / Reused	45	48	31	30
Total Disposed	33	36	73	78

HAZARDOUS WASTE GENERATION

GRI 306-2 & 306-4 | CSA 2.4.2 | SASB RT-CH-150a.1

Hazardous Waste Disposal (thousand tons)	2020	2021 ¹	2022	2023
Total Generated	1.8	2.3	1.8	1.8
Total Recycled / Reused	0.5	0.7	0.5	0.5
Total Disposed	1.3	1.5	1.3	1.2

1.- The addition of 2 new plants at the end of 2020 (M&A NOVA EPS business) resulted in an increase in the total waste generation.

GOVERNANCE

BOARD OF DIRECTORS

Alpek's Board Members and Top Management are the base of the pyramid that support its sustainable mindset. In order to ensure proper initiative implementation, the Directors appointed ESG Champions at the Business Unit level, who along with the corporate ESG Team, have further developed Alpek's ESG Strategy and aligned it with its business objectives.

GRI 405-1 | CSA 1.1.4

Board of Directors Composition (Number of Board Members)	2020	2021	2022	2023
Female	1	1	2	3
Male	10	10	9	11
Total	11	11	11	14

Board of Directors Independence Composition (Number of Board Members)	2020	2021	2022	2023
Independent	5	5	5	8
Independent Proprietary	2	2	2	1
Related Proprietary	2	2	2	3
Patrimonial	2	2	2	2
Total	11	11	11	14
Audit and Corporate Practices Committee	3	3	3	3

CSA 1.1.5

Board of Directors Attendance (% of attendance)	2020	2021	2022	2023
Board Meetings	100%	98%	98%	98%
Corporate Practices Committees	100%	100%	92%	92%

NON-EXECUTIVE BOARD MEMBERS REMUNERATION

Non-Executive Remuneration (\$ million MXN)	2020	2021	2022	2023
Non-Executive Board Members	347	409	424	410

SENIOR EXECUTIVE REMUNERATION

Senior Executive Remuneration (\$ million MXN)	2020	2021	2022	2023
Board of Directors	60,000	70,000	70,000	115,000
Corporate Committee	40,000	50,000	50,000	70,000

2023 BOARD OF DIRECTORS BREAKDOWN

Name	Gender	Age (Years)	Tenure (Years)	Type (Independent, Related, Patrimonial)	Attendance Board Meetings	Attendance CPC ¹
Alejandro Mariano Werner	M	57	1	Independant	100%	-
Álvaro Fernández Garza	M	55	12	Related Propietary	100%	-
Ana Laura Magaloni Kerpel	F	60	2	Independant	100%	-
Andrés E. Garza Herrera (Member of Audit and CPC)	M	55	11	Independant	100%	75%
Armando Garza Sada (Chairman of the Board)	M	66	12	Related Propietary	100%	-
Cecilia Montserrat Ramiro Ximénez	F	51	1	Independent	100%	-
Enrique Zambrano Benítez (Chairman of Audit and CPC)	M	67	11	Independent	100%	100%
Francisco José Calderón Rojas (Member of Audit and CPC)	M	57	11	Independent Propietary	100%	100%
Jaime Zabudovsky Kuper	M	67	4	Independent	100%	-
José Antonio Rivero Larrea	M	70	5	Independent	100%	-
José de Jesús Valdez Simancas	M	71	1	Related Propietary	75%	-
Merici Garza Sada	F	65	11	Patrimonial	100%	-
Pierre Francis Haas García	M	71	11	Independant	100%	-
Rodrigo Fernández Martínez	M	47	11	Patrimonial	100%	-

1.- CPC: Corporate Practices Committee

BOARD CODE OF ETHICS

Alpek's code of ethics of the board is based on the Mexican Stock Exchange suggestions, a copy of the spanish version of the document is in the following [link](#)

BOARD OVERSIGHT

Alpek’s Board of Directors oversees its management and overall strategy. In fulfilling this responsibility, the Board oversees on an enterprise-level approach to understand any major risk facing the company and help identify strategic opportunities.

The Board and its Chairman oversee all relevant ESG-related progress, followed by the CEO, who leads the ESG company strategy. Alpek’s CFO, who is also the appointed ESG Officer, is responsible for the effective management and execution of the strategy across all Business Units.

To support this effort, the company consolidated an ESG Taskforce, managed by the ESG Officer, ESG Director, Human Capital Director, and the top executives from all the Business Units. The objective of this group is to determine and oversee ESG initiatives and metrics, identify and mitigate ESG risks, and align opportunities for the company’s growth.

During Alpek’s Board of Directors meetings, the management team presents the progress on all the initiatives and objectives that are strategic to the company, as well as any that impact ESG priority issues. For example; growth in our rPET capacity as an effort in conjunction with Alpek’s partners to foster a circular economy, and innovation projects in which the company has enhanced efforts in exploring technologies to make its processes and products across all the Business Units more sustainable.

GRI 2-9, 2-13 | CDP C1.1a

Position of individuals on the board with responsibility for climate-related issues	
Board Chair	Alpek’s Chairman is independent of the management and has the highest authority on the board of directors to provide the vision, direction, and strategies to the company. Alpek’s Chairman ensures that the business has a clear knowledge of its exposure to climate-related risks.
Board-Level Committee	Alpek’s Audit & Corporate Practices Committee, appointed by the Board of Directors, consists of three independent members of the board and has the direct responsibility of supervising the effective strategies to address Climate Change issues and risks (including circular economy, energy eco-efficiency, and CO2 emissions). The Committee is also in charge of financial and administrative matters, and is evaluating the supervision of all other ESG-related matters.
Chief Executive Officer (CEO)	Alpek’s CEO leads business continuity, opportunities, and impacts and is actively involved in managing climate-related risks and opportunities. In 2021 we worked on improving our ESG Strategy, positioning the contribution against climate change as a relevant factor considered into our growth catalysts. This means climate-related risks and opportunities are now fully integrated into the decision-making process, with our CEO and Top Management leading a more sustainable operation.
Chief Financial Officer (CFO)	Alpek has appointed its CFO as the ESG Officer to implement and coordinate our ESG Strategy throughout the Company. It also started the consolidation of the ESG Taskforce, formed by top executives from every Business Unit. Along with the ESG Officer, the ESG Taskforce is responsible for establishing and overseeing environmental initiatives and metrics of the company, identifying risks and opportunities (financial and others), building and implementing strategies, as well as gathering and analyzing information to be reported to Alpek’s Board of Directors. Our Innovation Department reports to the CFO, and along with ESG Department, it is constantly working on improving and developing products and solutions that are more sustainable.

POLICIES

As part of Alpek’s ESG Risk Management processes, the company developed and published policies and initiatives that support compliance of its ESG Strategy across all operations.

GRI 2-23 | CSA 1.4.2, 1.7, 2.2, 2.3.4

Links
Human Rights (UPDATED)
Diversity Equity and Inclusion (DEI)
Code of Ethics (NEW)
Code of Conduct
Conflict of interest
Whistleblower (NEW)
Anticorruption
Tax (NEW)
Information Security
ESG (NEW)
Environmental (UPDATED)
Water management (NEW)
Safety, Health and Well-Being
Supplier Code of Conduct (NEW)
Responsible Investment (NEW)

INITIATIVES

Links
UN Global Compact - Alpek
UN Global Compact Letter of Commitment
Science Based Targets Initiative (SBTi) – Alpek’s approval
Women Empowerment Principles (WEPS) (NEW)

CODE OF BUSINESS CONDUCT

Alpek’s Code of Conduct is the main document that dictates the guidelines for all the company’s and employees’ behavior.

INTEGRITY AND TRANSPARENCY HELPLINE (HUMAN RIGHTS & CODE OF CONDUCT)

GRI 2-12, 2-23, 2-26 | CSA1.4.2, 1.4.5

As part of the process of engaging in the most transparent and effective ways with Alpek’s stakeholders, the company follows a specific process.

Alfa and Alpek Policy Highlight

- The company listens to complaints from all stakeholders.
- Alfa and Alpek are committed to processing them with transparency, fairness, keeping information confidential and protecting the whistleblower.
- Alpek uses Alfa’s integrity and transparency hotline as a third party.
- Complaints can be submitted by email, website, WhatsApp, and phone helplines.
- There is a minimum of information required for the complaint to be processed:
 - Name or anonymous
 - Person and company that is being reported
 - Date of the complaint
 - Details of the complaint
- The companies will protect the identities of the participants and will hold and manage them confidentially.

All our companies are supported by the Alfa Integrity and Transparency Helpline

- Alfa’s Internal Audit department manages the Integrity and Transparency Helpline, as they have the proper operational processes and infrastructure required for its functioning.
- All complaints are monitored until their conclusion.
- It offers free and accessible multilingual communication channels to file complaints.
 - 1-800 Phone available in 31 countries
 - Emails received in any language
 - Website <http://www.alfa.com.mx/transparency.html> and <http://www.alpek.com/transparency-mailbox.html>
 - WhatsApp in various countries
- Integrity and Transparency Helpline communication and presence:
 - Internet: Websites of Alfa & subsidiaries
 - Pocket Calendars and Posters
 - Business documents: orders, requests, invoices, etc.
 - Annual company campaigns: Screensavers, mailing, videos, posters.

Integrity and Transparency Helpline **alfa**

TRANSPARENCY IS EVERYONE'S JOB.

You can help by reporting any lack of transparency or integrity in any of our companies.

24/7 SERVICE

- 📞 MEX 01.800.265.2532
- 📞 USA 1.866.482.1957
- 📞 CAN 1.866.238.2860
- 📞 +52.812.353.9583
- ✉️ transparency@alfa.com.mx
- 🌐 www.alfa.com.mx/transparency.html

Logos: Sigma, alpek, Nemark, axtel, Newpek

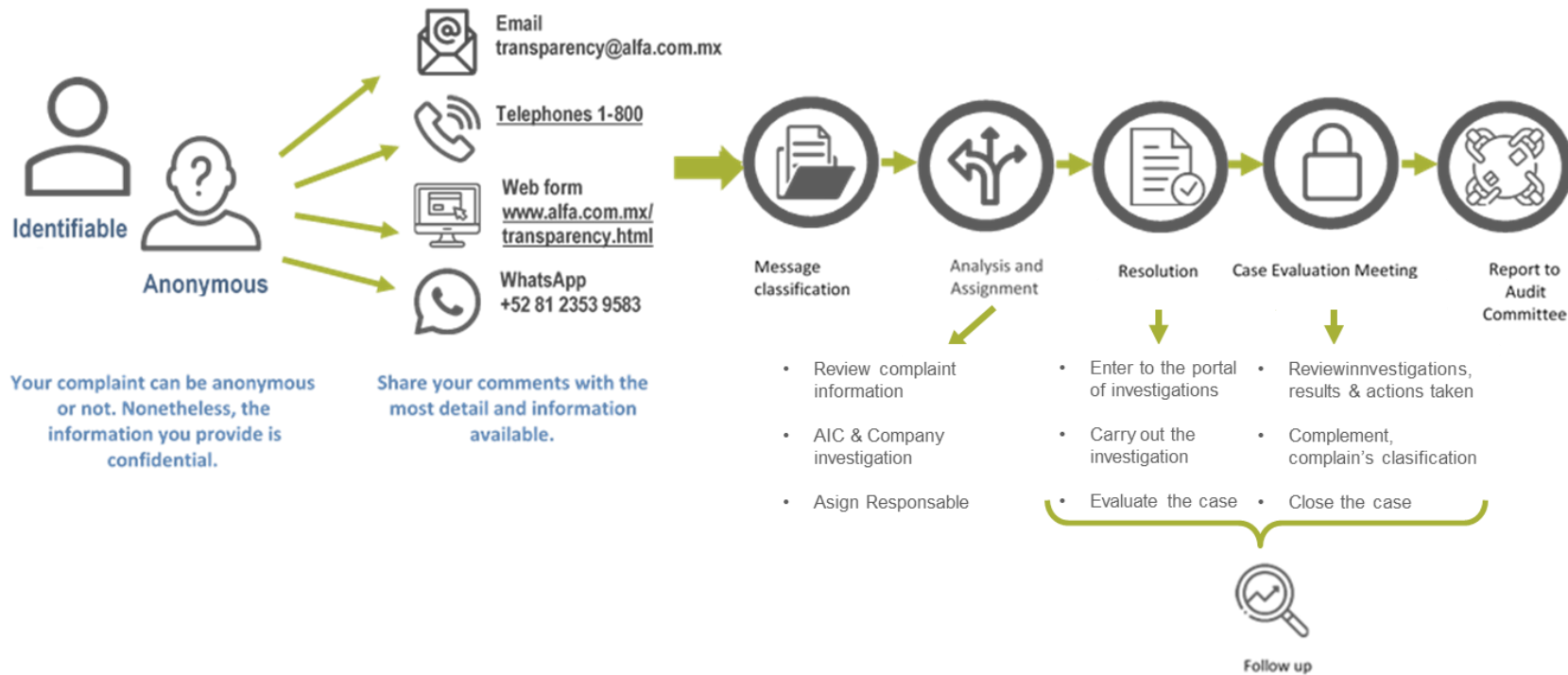
Internal Audit **alfa**

Country	Phone
Argentina	0800-444-5685
Brazil	0800-892-2016
Chile	800-914-378
Canada	1-866-238-2860
Mexico LD	52-818-748-2991
Mexico	01-800-265-2532
USA	1-866-482-1957

DUE DILLIGENCE PROCESS

CSA 1.4.2, 1.4.5, 3.3.4

How Alpek’s complaint-case is processed, through the integrity and transparency helpline:



- All Alpek’s sites are governed by this Due Diligence Process
- The Internal Audit of Alfa does the investigation and analysis.
- Depending on the complaint, additional company personnel may be involved to help the investigation.
- Violation or non-compliance, or the making of any act in violation of our Code of Conduct and/or Human Rights Policy, will result in disciplinary action, which may include termination of employment.

CORPORATE GOVERNANCE

A strong corporate governance process, supported by policies and clear statutes are fundamental to building a sustainable governance body.

CEO COMPENSATION – SUCCESS METRICS

CSA 1.1.8

Short term compensation is a 3-factor combination multiplied to give us the result: 1) Number of months (based on the executive level) fixed; 2) Company bonus factor (CBF); 3) Performance matrix, considers the results of the strategic objectives compared to peers.

CBF is calculated using EBITDA, the budget EBITDA is considered the target and if the company reaches the factor to use its 80%, the target includes a range +/- x%, the X% is calculated depending on the historic results of the company.

CEO LONG-TERM PERFORMANCE ALIGNMENT

CSA 1.1.9

Salaries and benefits received by our senior officers that were paid or accrued by us consisting of base salary, benefits, and variable compensation programs. We currently have a stock plan in place for our Executive Officers under which awards are granted and payable over a five-year period. The cash amounts payable during such period are based on quantitative and qualitative metrics such as financial results, the stock value of Alpek and Alfa, executive tenure in the Company, among others. The Board of Directors of Alfa has appointed a technical committee to manage the plan, and it reviews the estimated cash settlement of this compensation at the end of each year.

MANAGEMENT OWNERSHIP REQUIREMENTS	CSA 1.1.10 & 1.1.11	No, there are no share ownership requirements, and to the best of our knowledge, none of our officers own more than 1% of our common shares.
GOVERNMENT OWNERSHIP	CSA 1.1.12	To the best of our knowledge, there is no Government ownership.
FAMILY OWNERSHIP	CSA 1.1.13	Founding individuals or family members individually do not have more than 5% of the voting rights.
DUAL-CLASS SHARES	CSA 1.1.8 & 1.1.14	There are no dual-class shares in the company.
STOCK SERIES AND RIGHTS	CSA 1.1.14	Alpek only have 1 series "A", all the shares have the same rights.

BOARD STRUCTURE

Alpek's board oversees its responsible corporate citizenship, ensuring that its business conduct is ethical and properly governed.

GRI 2-9, 2-1 | CSA 1.1.1

The company is comprised of a 1 tier system consisting of executive, non-executive and independent directors.

BOARD MEMBERS TYPE | INDEPENDENT "BOARD INDEPENDENCE STATEMENT"

ALPEK DEFINES INDEPENDENT DIRECTORS IN ACCORDANCE WITH THE MEXICAN SECURITY LAW (ARTICLE 29) AND THE CODE OF CORPORATE BEST PRACTICES PUBLISHED BY THE MEXICAN SECURITIES COMMISSION AND THE MEXICAN CEE (ADVISORY CORPORATE COUNCIL).

By legal provision, the Independent Council **cannot** be composed by the following persons:

- I. The relevant managers or employees of the company or of the legal entities that make up the business group or consortium to which it belongs, as well as the commissioners of the latter.
- II. Have been an employee or manager of the company during the last twelve months prior to the date of his appointment.
- III. Without being an employee or manager of the company, have significant influence^[1] or power of command^[2] over the managers of the same.
- IV. Being an advisor to the company or partner or employee of firms that act as advisers or consultants to the company or its affiliates and whose income depends significantly^[3] on this contractual relationship.
- V. Clients, service providers, suppliers, debtors, creditors, partners, directors or employees of a company that is a client, service provider, supplier, debtor or major creditor^[4]. It is considered that a client, service provider or supplier is important, when the company's sales represent more than ten percent of the total sales of the client, the service provider or the supplier, during the twelve months prior to the date of the appointment. Likewise, it is considered that a debtor or creditor is important, when the amount of the credit is greater than fifteen percent of the assets of the company itself or of its counterpart.
- VI. Being an employee of a foundation, university, civil association or civil society that receives important donations from society^[5].
- VII. Being a General Director or high-level official of a company in whose board of directors the General Director or a high-level official of the company in question participates;
- VIII. Those who are relative^[6] or related by consanguinity, affinity or civil up to the fourth degree, as well as the spouses, the common-law wife and the common-law partner, of any of the natural persons referred to in sections I to IV of this article.

It should be noted that in the preceding paragraphs when speaking of a company, the legal entity or persons that make up the business group to which the company belongs must be included.

A shareholder who does not exercise significant influence, or command power, or is linked to the management team of the company, may be considered as an independent director.

1. Significant influence is considered to be the ownership of rights that allow, directly and indirectly, to exercise the vote of at least 20% of the capital stock.
2. It is the ability to decisively influence the agreements adopted in assembly or councils or in management.
3. If they represent significant income if it represents more than 10% of the advisor's income.
4. A customer or supplier is considered important when sales to or from the company represent more than 10% of the customer's or supplier's total sales, respectively. Likewise, it is considered that a debtor or creditor is important when the amount of the credit is greater than 15% of the assets of the company or its counterpart.
5. Important donations are considered to be those that represent more than 15% of the total donations received by the institution.
6. This assumption applies to the spouse and up to the fourth degree in the cases of consanguinity and affinity, for the cases of items i and ii; and to the spouse and up to the first degree in cases of consanguinity and affinity, for the cases set forth in subsections iii to vi.

BOARD DIVERSITY

CSA 1.1.3

Regarding diversity in the Board, in early 2023 Alpek welcomed another new female member as an independent member. This action is aligned with Alpek's commitment on diversifying the Board's scope and expertise, as well as improving its composition and effectiveness.

BOARD EFFECTIVENESS

CSA 1.1.5

In the company's By-laws document, page 11, Alpek declares that: "Independent board members and, where applicable, their alternates, will be selected based on their experience, ability, and professional reputation, further considering that due to their characteristics they can perform their duties free of conflicts of interest and without being subject to personal, financial, or economic interests. Independent board members who cease to be independent during their term, must make the Board of Directors aware of this fact no later than during the next meeting of the Board."