Alpek

Supplementary

Sustainability Performance Report

2024

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INTRODUCTION

The **2024 Supplementary Sustainability Performance Report** serves as a supplementary document to Alpek's 2024 Integrated Annual Report and reflects the company's ongoing commitment to enhancing the quality and transparency of its sustainability disclosures, in alignment with the latest international standards and frameworks (TCFD, GRI, S&P CSA, CDP and SASB). This report includes the first assurance of Alpek's sustainability data for its baseline year (2019 for emissions and 2020 for safety data) and for the period from January 1 to December 31, 2024. Additionally, it presents relevant environmental & governance information, including corporate commitments, climate-related risks and opportunities, employee training programs, and taxation matters.

For access to the **full 2024 Integrated Annual Report** and the most-up-to-date information on **Alpek's policies, financial performance, and ESG initiatives**, please visit: Alpek | Leading Petrochemical Company in the Americas

REPORTED 2024 SUSTAINABILITY DATA

SAFETY

GRI: 403-9 & 403-10 | SASB RT-CH-320a.1 | CSA 3.4.3, 3.4.4, 3.4.5

Total Personal Safety Overview (Employees + Contractors)	2020	2021	2022	2023	2024
Total Recordable Incidents (number of incidents)	68	64	66	47	49
Incapacitating Incidents (number of incidents)	40	42	42	30	34
Non incapacitating Incidents (number of incidents)	28	22	24	17	15
Fatalities (number of incidents)	0	0	1	0	0
Lost days (number of days)	1,931	1,102	1,228	1,005	1,150
TRIR – Total Recordable Incident Rate (200,000 hours worked)	0.73	0.61	0.57	0.42	0.51
LTIR[1] – Lost Time Incident Rate (200,000 hours worked)	0.43	0.40	0.36	0.27	0.35
Mortality Rate (200,000 hours worked)	0.00	0.00	0.01	0.00	0.00
Hours Worked by Employees & Contractors (number of hours)	18,540,338	21,077,638	23,156,390	22,565,712	19,379,039

Employee Safety Overview	2020	2021	2022	2023	2024
Total Recordable Incidents (number of incidents)	48	50	48	34	39
Incapacitating Incidents (number of incidents)	28	33	33	23	28
Non incapacitating Incidents (number of incidents)	20	17	15	11	11
Fatalities (number of incidents)	0	0	0	0	0
TRIR – Total Recordable Incident Rate (200,000 hours worked)	0.72	0.71	0.65	0.46	0.62
LTIR[1] – Lost Time Incident Rate (200,000 hours worked)	0.42	0.47	0.45	0.31	0.44
Mortality Rate (200,000 hours worked)	0.00	0.00	0.00	0.00	0.00
Hours Worked by Employees (number of hours)	13,287,314	14,003,671	14,764,474	14,806,171	12,626,830

Contractors Safety Overview	2020	2021	2022	2023	2024
Total Recordable Incidents (number of incidents)	20	14	18	13	10
Incapacitating Incidents (number of incidents)	12	9	9	7	6
Non incapacitating Incidents (number of incidents)	8	5	9	6	4
Fatalities (number of incidents)	0	0	1	0	0
TRIR – Total Recordable Incident Rate (200,000 hours worked)	0.76	0.40	0.43	0.34	0.30
LTIR[1] – Lost Time Incident Rate (200,000 hours worked)	0.46	0.25	0.21	0.18	0.18
Mortality Rate (200,000 hours worked)	0.00	0.00	0.02	0.00	0.00
Hours Worked by Contractors (number of hours)	5,253,024	7,073,967	8,391,916	7,759,541	6,752,209

1.- Data compiled in accordance with OSHA 29 CFR Part 1904.

EMISSIONS

GRI: 305-1 to 5 | TCFD: All elements | SASB: RT-CH-110a-1 | CSA S&P: 2.5.1 to 4

Scope 1 & 2 Emissions

The following section includes Alpek's SBTi-based reported emissions, which includes the emissions history of acquired sites since 2019, Alpek's baseline year.

Alpek's operations are subject to three distinct emissions regulations across its geographic footprint: the Québec Cap-and-Trade System (ETS), the State of Mexico carbon tax, and the UK Climate Change Levy. Collectively, these regulatory frameworks cover 6.4% of Alpek's total Scope 1 emissions for 2024.

CO_2 Emissions by Scope (SBTi based)[1] (Tons CO_2e)	**2019[2]**	**2020**	**2021**	**2022**	**2023[2]**	**2024**
Scope 1	1,327,552	1,108,420	1,163,276	1,135,242	813,231	812,775
Scope 2	1,471,694	1,460,198	1,503,061	1,410,957	1,204,707	1,080,276
Total Scope 1 & 2	**2,799,246**	**2,568,617**	**2,666,336**	**2,546,199**	**2,017,938**	**1,893,051**

1.- This base includes the history of the newly acquired sites since 2019

2.- Figures adjusted to reflect newly acquired sites or updates

Energy Breakdown

Energy Breakdown (GJ)	**2023**	**2024**
Total Energy Consumed	28,717,160	28,219,009
% Electricity supplied from the Grid	22.9%	21.9%
Electricity supplied from the Grid	6,599,819	6,174,019
% Carbon-free Electricity[1]	27.1%	39.6%
% of Renewable Electricity[2]	17.1%	18.1%
Self-generated Energy[3]	NA	NA

1. Carbon-free electricity is estimated based on the mix of renewable energy from the electricity grids of some countries. Carbon-free electricity includes nuclear energy.

2. According to CSA definition, renewable energy is generated through inexhaustible sources, excluding nuclear energy. iRECs are considered.

3. Currently, the amount of self-generated energy at Alpek is minimal—accounting for a negligible percentage of the company's total energy consumption. Hence, disregardad for tracking and reporting purposes.

Scope 3 Emissions Category 1 & 10

Scope 3 Emissions (Tons CO_2e)	**2019[1]**		**2023[1]**	**2024**
Purchased Goods and Services	7,562,190		6,920,553	6,990,981
Processing of sold products	7,469,959		6,133,769	6,419,374

1.- Adjustment was made from LY report to show improved verifiable data

Scope 3 Emissions Breakdown

Scope 3 Emissions (Millions of Tons CO_2e)	2019		2023[1]	2024
Purchased Goods and Services	7.56[2]		6.92[2]	6.99
Capital Goods	0.29		0.04	0.04
Fuel-and-energy-related- activities (not included in Scope 1 or 2)	0.19		0.44	0.43
Upstream transportation and distribution	0.97		0.96	1.01
Waste generated in operations	0.02		0.03	0.03
Business travel	0.0003		0.0006[2]	0.0005
Employee commuting	0.01		0.003[2]	0.003
Upstream leased assets	-		-	-
Downstream transportation and distribution	0.08		0.06	0.03
Processing of sold products	7.47[2]		6.13[2]	6.42
Use of sold products	2.23		5.97	7.64
End-of-life treatment of sold products	1.96		1.64	1.82
Downstream leased assets	-		-	-
Franchises	-		-	-
Investments	0.16		0.02	0.001
Other upstream	-		-	-
Other downstream	-		-	-
Total Scope 3	**20.94[2]**		**22.21[2]**	**24.43**

1.- Scope 3 emissions from 2023 onward may differ from results of 2022, since the calculation methodology was reviewed by a third party consultant

2.- Adjustment was made from LY report to show improved verifiable data

WATER

GRI: 303-5 | CSA S&P: 2.4.2 | SASB RT-CH-140a.1

Water Intake

Water Intake[1] (Thousands of cubic meters)	2023	2024
Total Water Intake	133,919	140,385
Total Water Intake in High and Extremely High Water Stress Zones	2,810	2,372
% of Water Intake in High and Extremely High Water Stress Zones / Total Water Intake	**2.1%**	**1.7%**

1- Locations with High (40–80%) or Extremely High (>80%) Baseline Water Stress were identified using World Resources Institute's (WRI) Water Risk Atlas tool, Aqueduct classification.

Water Consumption

Water Consumption[1,2] (Thousands of cubic meters)	2023	2024
Total Water Consumption	20,158	-3,781
Total Water Consumption in High and Extremely High Water Stress Zones	1,521	1,101
% of Water Consumption in High and Extremely High Water Stress Zones / Total Water Consumption	**7.5%**	**-29.1%**

1.- The variation in consumption between 2024 & 2023 is attributed to inconsistencies in the discharge measurement systems at certain plants.
2- Locations with High (40–80%) or Extremely High (>80%) Baseline Water Stress were identified using World Resources Institute's (WRI) Water Risk Atlas tool, Aqueduct classification.

WASTE

GRI: 306-3, 306-4 I CSA S&P: 2.3.1

Hazardous Waste Disposal (Metric Tons)	2023[1]	2024
Total Generated	2,596	1,828
Total Recycled / Reused	1,362	696
Total Disposed	**1,234**	**1,132**

1.- Adjustment was made from LY report to show improved verifiable data

Waste management

In alignment with Alpek's commitment to foster a circular economy, all Alpek Polyester's facilities – representing the Company's largest business unit and responsible for 83% of Alpek's total waste – implement a comprehensive waste management strategy. Waste is categorized based on its material and on its disposal method, including recycling, composting, energy recovery, incineration, landfilling or sanitization.

It is important to note that only materials that generated over 1 kilogram (kg) or 1 pound (lb) are included in this report. The following tables provide a detailed breakdown of the types of waste generated at each site, along with their corresponding volumes and disposal methods.

Altamira

Waste Material	2024	Units	Disposition
Containers impregnated with paint and scrap paint	**0.2**	Ton	Landfilled
Material impregnated with acetic acid sludge	**5.6**	Ton	Landfilled
Material impregnated with hazardous waste	**63.0**	Ton	Landfilled
Material impregnated with oil	**3.8**	Ton	Recycled
Other inorganic waste	**387.4**	Ton	Landfilled
Plastic and rubber	**20.8**	Ton	Recycled
Sludge from effluent treatment plant	**8,496.6**	Ton	Landfilled
Waste oil	**50.1**	Ton	Energy Recovery

Cedar Creek

Waste Material	2024	Units	Disposition
Alkaline Batteries	**0.3**	000' lbs	Recycled
Biological Sludge from WWTS	**2,550.6**	000' lbs	Composted
Contaminated Absorbent	**14.4**	000' lbs	Recycled
Dumpster Waste	**83.8**	000' lbs	Energy Recovery
Lab Waste	**5.3**	000' lbs	Incinerated
Pallets	**6.1**	000' lbs	Composted
Resins Block Waste	**1,069.8**	000' lbs	Recycled
Resins Brown Block Waste	**171.9**	000' lbs	Landfilled
Scrap metal	**54.9**	000' lbs	Recycled

Cincinnati

Waste Material	2024	Units	Disposition
2 Yard	**33.7**	000' lbs	Landfilled
30 Yard	**1,112.4**	000' lbs	Landfilled
4 Yd	**67.4**	000' lbs	Landfilled
42 Yard	**6,656.3**	000' lbs	Landfilled
95 Gal	**7.9**	000' lbs	Landfilled
CMP DISP	**402.2**	000' lbs	Landfilled
Process Waste	**21.4**	000' lbs	Recycled
RO DISP	**77.9**	000' lbs	Landfilled

Clear Path Recycling

Waste Material	2024	Units	Disposition
Ballistic 2D	**2,624.6**	000' lbs	Landfilled
Ballistic Fines 3D	**2,354.4**	000' lbs	Landfilled
Ferrous Wire	**189.4**	000' lbs	Landfilled
Non-Process	**11,109.4**	000' lbs	Landfilled
Pre Treatment	**2,031.1**	000' lbs	Landfilled
Scrap Metal	**921.0**	000' lbs	Recycled
WBW Wet Labels	**4,914.5**	000' lbs	Landfilled
West Pad	**74.5**	000' lbs	Landfilled

Columbia

Waste Material	2024	Units	Disposition
17L Lab LP Material (51761)	**0.5**	000' lbs	Energy Recovery
Activated Carbon	**69.1**	000' lbs	Energy Recovery
Aerosol Can Residue (51726)	**0.01**	000' lbs	Energy Recovery
Asbestos Insulation (51700)	**7.2**	000' lbs	Landfilled
Ash	**2,720.1**	000' lbs	Landfilled
Asphalt	**574.3**	000' lbs	Recycled
Batteries, Ni-Cd, Ni-Mh/Lithium/Alkaline/Carbon Zinc (51723)	**0.2**	000' lbs	Recycled
Bio-Sludge WWTP	**750.5**	000' lbs	Composted
CHDM/EG Liquid (51694)	**3.2**	000' lbs	Energy Recovery
Chemically Contaminated Solids (51727)	**23.6**	000' lbs	Energy Recovery
Clear Plastics	**3.9**	000' lbs	Energy Recovery
Desiccant	**26.8**	000' lbs	Landfilled
Dirty PET Pellets/Plastic/Rocks	**920.1**	000' lbs	Recycled
Dowtherm/Therm Contaminated Soil/Oil Dri (51008)	**17.6**	000' lbs	Energy Recovery
EG Monomer Sludge Solids (51649)	**89.2**	000' lbs	Energy Recovery
Empty Antimony Bags (51721)	**3.2**	000' lbs	Energy Recovery
Empty T66 Drums (51751)	**0.8**	000' lbs	Recycled
Fiberglass/Mineral Wool Insulation	**6.5**	000' lbs	Energy Recovery
Filtrate Purge Sludge (51676)	**39.9**	000' lbs	Energy Recovery
Fire Fighting Foam	**4.3**	000' lbs	Incinerated

Fluorescent Tubes Broken (51661A)	**0.1**	000' lbs	Recycled
Fluorescent Tubes Whole (51661B)	**0.2**	000' lbs	Recycled
GC Lab Waste, vials (51660)	**0.4**	000' lbs	Incinerated
General Process Filters (51651)	**18.8**	000' lbs	Energy Recovery
Grease, Water/Debris (51696)	**9.0**	000' lbs	Energy Recovery
IntegRex Catalyst Bags (51741)	**11.7**	000' lbs	Energy Recovery
IntegRex Sump Cleanout	**24.3**	000' lbs	Energy Recovery
IntegRex Waste Catalyst Solid (51753)	**4.3**	000' lbs	Energy Recovery
Merpol A Liquids	**5.1**	000' lbs	Energy Recovery
Metal	**540.0**	000' lbs	Recycled
Methyl Acetate (51671)	**2,974.7**	000' lbs	Recycled
Molecular Sieves (51656D)	**51.1**	000' lbs	Energy Recovery
OCC	**52.6**	000' lbs	Recycled
Office Paper	**4.0**	000' lbs	Recycled
Paper Bed Filter/Monolan (51652)	**129.7**	000' lbs	Recycled
PET Chunk Waste (Lard Cans)	**25.6**	000' lbs	Recycled
Plant Trash	**280.0**	000' lbs	Energy Recovery
Plastic drums/pails	**22.7**	000' lbs	Recycled
Plastic Strapping	**1.0**	000' lbs	Energy Recovery
PM-95	**6.8**	000' lbs	Recycled
PM95 Combined Liquid (51703)	**0.1**	000' lbs	Energy Recovery
PM95 Contaminated Solids (51131)	**0.1**	000' lbs	Incinerated
PTA Chunk Powder (51013)	**359.0**	000' lbs	Energy Recovery
Sandblast Grit/Lead Paint Chips	**0.4**	000' lbs	Incinerated
Silicone Oil (51760)	**0.2**	000' lbs	Energy Recovery
Super Sacks	**4.9**	000' lbs	Energy Recovery
Used Lube Oil (51683)	**2.3**	000' lbs	Recycled
Used Toner Cartridges	**0.1**	000' lbs	Recycled
Various R&D Plastics/Pellets	**8.5**	000' lbs	Recycled
Waste Paint Related Materials	**1.2**	000' lbs	Energy Recovery
Wood Waste	**228.2**	000' lbs	Energy Recovery

Coso PET

Waste Material	2024	Units	Disposition
Batteries, Ni-Cd, Ni-Mh/Lithium/Alkaline/Carbon Zinc	**3.4**	Ton	Landfilled
Cans, aluminum	**0.5**	Ton	Recycled
Cardboard	**17.4**	Ton	Landfilled
Diesel Contaminated	**0.3**	Ton	Energy Recovery
Dirty ethylene glycol	**111.3**	Ton	Energy Recovery
Empty Buckets with remains of chemicals	**0.5**	Ton	Landfilled
Ethylene glycol/toners mix (drain pump)	**3.3**	Ton	Energy Recovery
Filter paper with pet dust	**4.4**	Ton	Landfilled
Fluorescent Tubes	**0.03**	Ton	Landfilled
Glass (contaminated)	**0.1**	Ton	Landfilled
Insulation (Non-asbestos)	**2.6**	Ton	Landfilled
IPA powder	**49.8**	Ton	Landfilled
Lub Oil used	**1.2**	Ton	Energy Recovery
Molecular Sieve	**18.9**	Ton	Landfilled
Oligomer Chunks	**145.0**	Ton	Landfilled
Orthocresol/acetone mix	**0.2**	Ton	Landfilled
Other Inorganic Waste (PVC, CPVC, Fiberglass)	**1.0**	Ton	Landfilled
Other Inorganic Waste (Tires)	**0.3**	Ton	Landfilled
Pet waste	**0.4**	Ton	Recycled
Phosphoric Acid	**0.1**	Ton	Landfilled
Pyridine/acetone mix	**0.1**	Ton	Landfilled
Rhil diluted with ethylene glycol	**0.3**	Ton	Energy Recovery
Scrap metal	**32.4**	Ton	Recycled
Solid material impregnated with Antimony Trioxide	**1.5**	Ton	Energy Recovery
Solid material impregnated with laboratory solvent	**2.3**	Ton	Energy Recovery
Solid material impregnated with oil and grease	**9.1**	Ton	Energy Recovery
Solid material impregnated with Acid	**0.1**	Ton	Landfilled
Solid Wastes (include paper, cardboard, plastic bottle, broken glass, insulation)	**22.4**	Ton	Landfilled
Solvent Mix	**0.6**	Ton	Landfilled
Ton sack empty	**38.9**	Ton	Landfilled
Wood	**188.9**	Ton	Landfilled

Coso PTA

Waste Material	2024	Units	Disposition
Aluminum	**2.8**	Ton	Recycled
Biological waste	**0.01**	Ton	Incinerated
Carbon steel	**212.1**	Ton	Recycled
Fabrics impregnated with oil	**3.4**	Ton	Incinerated
Herbicides	**0.1**	Ton	Landfilled
Lab glass	**0.2**	Ton	Landfilled
Lamps	**0.3**	Ton	Landfilled
Lubricant oil	**5.4**	Ton	Recycled
Mercury batteries	**1.0**	Ton	Landfilled
Organic solvents	**0.7**	Ton	Landfilled
Paint waste	**0.9**	Ton	Landfilled
PET	**1.2**	Ton	Recycled
Plastics PVC	**26.6**	Ton	Recycled
PTA	**1,603.2**	Ton	Landfilled
PTA with oil	**1.1**	Ton	Landfilled
Solids impregnated with hazardous waste (cans)	**1.7**	Ton	Landfilled
Solids impregnated with hazardous waste (filters)	**0.6**	Ton	Landfilled
Solids impregnated with hazardous waste (plastics)	**2.1**	Ton	Landfilled
Stainless steel	**12.7**	Ton	Recycled
Trash	**159.7**	Ton	Landfilled
Wooden waste	**25.7**	Ton	Landfilled

Ecopek

Waste Material	2024	Units	Disposition
Labels	**1,935.8**	Ton	Landfilled
Mixture – Oil & Water	**101.6**	Ton	Incinerated
Molecular Sieve	**1.9**	Ton	Incinerated
Organic mud	**358.7**	Ton	Composted
Pathogenic waste	**120.0**	Ton	Incinerated

Pearl River

Waste Material	2024	Units	Disposition
Block Waste - Resins	**4,338.7**	000' lbs	Recycled
Container Residue	**1.3**	000' lbs	Incinerated
Laboratory Waste	**1.3**	000' lbs	Incinerated
Office Paper	**3.2**	000' lbs	Recycled
Scrap Metal	**28.0**	000' lbs	Recycled
Single Source Recycle Cardboard	**8.9**	000' lbs	Recycled
Trash	**211.1**	000' lbs	Landfilled
Universal Waste Lamps	**0.1**	000' lbs	Recycled
Used parts washer solvent-petroleum	**0.2**	000' lbs	Incinerated

Reading

Waste Material	2024	Units	Disposition
Compactors	**24,386.4**	000' lbs	Landfilled

Richmond

Waste Material	2024	Units	Disposition
20/30/40 yard waste	**5,752.6**	000' lbs	Landfilled
40 yard compactor	**4,310.2**	000' lbs	Landfilled
Dry Compactor	**4,962.4**	000' lbs	Landfilled
Wastewater sludge	**4,555.2**	000' lbs	Landfilled
Wet Compactor	**6,982.0**	000' lbs	Landfilled

Riyadh

Waste Material	2024	Units	Disposition
Broken wooden pallet	**0.2**	Ton	Recycled
Cartons	**0.3**	Ton	Recycled
Chiller process water	**17.3**	Ton	Recycled
Contaminated rags/cloth	**0.2**	Ton	Incinerated
Defective electrical spares	**0.1**	Ton	Recycled
Defective instrument spares	**0.2**	Ton	Recycled
Defective mechanical spares	**1.0**	Ton	Recycled
Empty drums, pail and cans swabs	**0.1**	Ton	Recycled
Food leftovers	**5.2**	Ton	Incinerated
Office stationeries	**0.03**	Ton	Recycled
Paper cores	**0.2**	Ton	Recycled
Pet sheet/lumps	**72.7**	Ton	Recycled
Plastics	**0.1**	Ton	Recycled
Rags/cloths	**0.1**	Ton	Incinerated
Used chemicals	**0.3**	Ton	Incinerated
Used oil	**1.1**	Ton	Incinerated

Salalah

Waste Material	2024	Units	Disposition
Card Board	**142.7**	Ton	Landfilled
Empty plastic drums	**9.6**	Ton	Landfilled
Empty steel drums	**9.5**	Ton	Landfilled
Food waste	**33.7**	Ton	Landfilled
Heat Transfer Oil	**0.6**	Ton	Landfilled
Medical Waste	**0.04**	Ton	Incinerated
Mixed Waste Chemical	**0.2**	Ton	Landfilled
Other sweeping waste	**208.3**	Ton	Landfilled
Paper	**206.4**	Ton	Landfilled
PET/PTA bags	**1,079.2**	Ton	Landfilled
Reject PET materials from plant	**2,779.4**	Ton	Landfilled

Used oil	**8.8**	Ton	Landfilled
Wastewater Treatment Plant Sludge (Liquid)	**4,365.6**	Ton	Recycled
Wastewater Treatment Plant Sludge (Solid)	**18.8**	Ton	Landfilled
Wood	**269.7**	Ton	Landfilled
Wrappings/paper core	**242.8**	Ton	Landfilled

Selenis

Waste Material	2024	Units	Disposition
Plant Trash	**46.3**	Ton	Landfilled
Plastic (wrap, bottle, bag) and cardboard box/paper recycle	**10.3**	Ton	Recycled
Scrap metal	**36.2**	Ton	Recycled
Wastewater Treatment Plant Sludge	**120.0**	Ton	Composted

Suape

Waste Material	2024	Units	Disposition
Battery	**31.6**	Ton	Recycled
Contaminated waste (contaminated PPE, contaminated with grease, cotton waste, contaminated HTM, empty chemical drums)	**41.2**	Ton	Energy Recovery
Decontamination Lamp	**0.3**	Ton	Recycled
Drum scrap 200L	**1.5**	Ton	Recycled
Health waste	**0.03**	Ton	Incinerated
Mother liquor	**750.3**	Ton	Energy Recovery
Not recyclable (swept, pruning, waste of bathroom and pantry)	**319.9**	Ton	Energy Recovery
Oily Lubricant	**18.6**	Ton	Recycled
Oily water	**106.3**	Ton	Recycled
Recyclable waste	**1.826.7**	Ton	Recycled
Refectory waste	**93.4**	Ton	Composted
Sludge	**2,351.8**	Ton	Composted
Waste PTA	**6,964.6**	Ton	Energy Recovery

Wilton

Waste Material	2024	Units	Disposition
O-cresol/chloroform	**0.1**	Ton	Recycled
Antimony Trioxide contaminated Waste	**1.0**	Ton	Recycled
Asbestos	**3.4**	Ton	Landfilled
Degraded Therminol (low boiler)	**5.3**	Ton	Recycled
DMR	**5.8**	Ton	Recycled
Dowtherm contaminated waste	**0.2**	Ton	Recycled
Electrical Cable	**0.1**	Ton	Recycled
Empty Oil/Grease/Paint/Solvent Containers	**0.1**	Ton	Recycled
Gaskets	**0.03**	Ton	Recycled
General waste	**34.3**	Ton	Energy Recovery
Glass	**1.1**	Ton	Recycled
Glycol Contaminated Waste	**0.2**	Ton	Recycled
Glycol/PTA/Water	**14.8**	Ton	Landfilled
Hach-lange	**0.03**	Ton	Recycled
Hotwell waste	**11.9**	Ton	Recycled
Light bulbs	**0.05**	Ton	Recycled
Mixed aerosols	**0.2**	Ton	Recycled
Mixed solvent	**0.2**	Ton	Recycled
Notifiable	**0.2**	Ton	Recycled
Oil contaminated waste	**0.8**	Ton	Recycled
Oily rags	**0.06**	Ton	Recycled
Phenol/TCE Solvent	**0.6**	Ton	Recycled
Scrap metal	**269.7**	Ton	Recycled
Spill dry contaminated with dowtherm	**1.6**	Ton	Recycled
Spill dry contaminated with glycol	**0.3**	Ton	Recycled
Spill dry contaminated with oil	**1.6**	Ton	Recycled
Spill dry contaminated with grease	**0.2**	Ton	Recycled
Stainless scrap metal	**4.9**	Ton	Recycled
Uncontaminated Lagging	**4.9**	Ton	Landfilled
Waste Oil	**0.2**	Ton	Recycled
Water/oil	**6**	Ton	Landfilled
Wood	**10.8**	Ton	Recycled
Wooden packaging	**7.0**	Ton	Recycled

Zarate

Waste Material	2024	Units	Disposition
Acetic Acid (PTA) (10-43)	**20.7**	Ton	Incinerated
Antimony Trioxide	**0.3**	Ton	Incinerated
Batteries, Ni-Cd, Ni-Mh/Lithium/Alkaline/Carbon Zinc	**0.3**	Ton	Incinerated
Domestic Waste	**46.6**	Ton	Landfilled
EG with Solids	**3.0**	Ton	Incinerated
Fluorescent Tubes Broken	**0.1**	Ton	Incinerated
Gas Oil Solids	**0.1**	Ton	Incinerated
Metal bars	**36.4**	Ton	Recycled
Mixture - Oil & Water	**1.7**	Ton	Incinerated
Oil Waste	**2.3**	Ton	Incinerated
Oily Rags	**6.0**	Ton	Incinerated
Paper Bed Filter/Monolan	**16.5**	Ton	Landfilled
PET Waste	**65.2**	Ton	Landfilled
Plastic with Toner	**0.2**	Ton	Incinerated
PM95 Combined Liquid	**0.4**	Ton	Incinerated
PM95 Contaminated Solids	**1.3**	Ton	Incinerated
Water + Anmonia	**1.1**	Ton	Incinerated
Oligomer PET	**8.5**	Ton	Incinerated
Pallets	**5.2**	Ton	Recycled
Solid with paint	**1.3**	Ton	Incinerated

CLIMATE

CLIMATE-RELATED RISKS IDENTIFICATION

GRI: 201-2 | CSA S&P: 1.4.2, 2.5.5, 2.5.8

Alpek continues to strengthen its climate-related risk identification process by integrating the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). The TCFD aims to establish a robust methodology for disclosing financial risks associated with climate change. Additionally, Alpek has collaborated with the SASB Climate Risk Framework, which provides industry-specific insights into relevant climate risks.

As a responsible company, Alpek recognizes the importance of assessing the specific impact of each identified risk and estimating when these risks might influence its operations and/or value chain. These assessments are detailed in the table below.

Alpek considers three time horizons:

- Short-term: 0 to 3 years (2024-2027)
- Medium-term: 5 years (2029)
- Long-term: 7 years (2031)

The potential financial impacts align with recommendations from SASB and TCFD frameworks. Additionally, business impacts are evaluated based on the CDP framework and Alpek's internal analysis.

The identified risks are classified into two categories (square marked as "gray" labels a detected risk):

- Transitional: Including political, technological, market, and reputational risks
- Physical: Covering both acute and chronic risks

	Potential Business Outcomes							Potential Financial Outcomes						
	Lost sales or income	Equipment damage	Operating cost increase	Regulatory Fines	Reputation damage	Production interruption	Supply chain disturbances	Unable to operate business	Revenue (income)	Expenses	Assets	Liabilities	Financing Costs	Time frame
Political Risks														
Greenhouse Gas Emissions above limiting regulations	■		■	■	■					■				Medium to Long term
Unsuccessful Greenhouse Gas Emissions Management			■	■	■					■			■	Short to Long Term
Increased pricing of GHG emissions			■						■	■			■	Short to Long Term
Enhanced emissions reporting obligations					■					■				Short to Long Term
Mandates on and regulation of existing products and services	■		■		■				■	■				Short to Long Term
Exposure to litigation				■	■			■		■				Short to Long Term
Technological Risks														
Unsuccessful investments in new technologies	■		■						■	■				Short to Medium Term
Transition to lower emissions technology costs			■			■				■				Short to Medium Term

Substitution of existing products and services with lower emissions options	■								■	■				Short to Medium Term
Energy management on operations		■	■			■			■	■	■		■	Short to Medium Term
Product Design for Use-phase Efficiency	■		■		■				■	■				Medium Term
Market Risks														
Changing customer behavior	■				■				■				■	Medium Term
Increased cost of raw materials	■		■			■	■	■	■	■		■	■	Short term
Reputational Risks														
Shifts in consumer preferences	■				■				■				■	Medium Term
Stigmatization of sector	■		■		■	■			■				■	Medium to Long Term
Increased stakeholder concern or negative stakeholder feedback	■				■				■				■	Medium to Long Term
Acute Risks														
Severity of weather events	■	■	■			■	■	■	■	■	■			Medium Term
Chronic Risks														
Changing weather and precipitation patterns	■	■	■			■	■	■		■	■		■	Medium to Long Term
Rising mean temperatures			■							■				Medium to Long Term
Rising sea levels	■	■	■			■	■	■		■	■		■	Medium to Long Term
Water stress	■	■	■	■	■	■	■	■	■	■		■	■	Short to Long Term

CLIMATE-RELATED RISKS ANALYSIS

GRI: 201-2 | CSA S&P: 2.5.10

Alpek reconducted its quantitative assessment of climate-related risks using Climanomics, a platform developed by S&P Global. This tool supported the company in estimating and understanding the financial impact of climate events resulting from climate change across its different scenarios. The risk modeling methodology is based on a Hazard-Vulnerability-Risk framework:

1. Identify Hazard – Changes in environmental or economic conditions associated with climate change, relative to a historical baseline.
2. Evaluate Vulnerability – The response of an asset to changes in climate-related hazards.
3. Valuate Risk – The financial impact of hazards, as mediated by asset vulnerabilities.

Climanomics quantifies the direct financial impacts caused of climate change using a metric known as Modeled Average Loss (MAAL), which is a function of hazard intensity, vulnerability, and asset value. This metric results from the sum of climate-related expenses, decreased revenue, and/or business interruptions resulting from climate risks.

Analysis Description

The analysis conducted is asset-specific and it evaluated all 29 of the Company's production sites. The timeframes considered align with the previously defined short-, medium-, and long-term segments.

To measure the magnitude of financial impact risk associated with these events, Alpek has outlined the following risk levels:

- High risk → Financial impact above 1% of Alpek's EBITDA
- Medium risk → Financial impact between 0.5% and 1% of Alpek's EBITDA
- Low risk → Financial impact below 0.5% of Alpek's EBITDA

Additionally, the platform enables the development of climate change scenario analyses based on Shared Socioeconomic Pathways (SSPs), ranging from SSP1-2.6 to SSP5-8.5. These scenarios offer comprehensive projections that account for various socioeconomic developments and their potential impacts on climate change, including land use, energy consumption, population growth, emissions, and other factors. For this assessment, Alpek evaluated the following climate scenarios for both transitional and physical climate risks:

SSP1 – 2.6	SSP5 – 8.5
• Aggressive mitigation scenario → Net Zero Emissions by 2050 • Global average temperature rising by 1.3 – 2.4°C by 2100 • Aligned with Paris Agreement	• Low mitigation scenario → GHG Emissions tripled by 2075 • Global average temperature rising by 3.3 – 5.7°C by 2100 • Aligned with Business-as-usual projections

Transition Climate Risks

Transition risks refer to the financial and operational challenges businesses face as they move toward a lower-carbon future. These risks arise from changes in policies, regulations, market dynamics, technology, and societal expectations aimed at addressing climate change. Alpek applied this analysis across three time horizons divided by decades: the 2020s, the 2030s, and the 2040s. This assessment evaluated the following five transitional climate risks and quantified the exposure based on asset value under the two previously described scenarios:

- Carbon Pricing → Implementation of emerging policies and regulations that impose a carbon pricing mechanism on emissions.
- Litigation → Increasing costs associated with defending against climate-related legal proceedings.
- Market → Impacts of the transition to a lower-carbon economy, affecting supply and demand for products.
- Reputation → Management of public perception regarding the organization's environmental impact and practices.
- Technology → Financial implications of adopting new technologies to support the transition to a lower-carbon economy.

The Below 2°C Scenario Analysis implies a faster rate of mitigation and, therefore, a greater expected risk, as it requires a more rapid reduction in emissions. In contrast, the Above 2°C Scenario Analysis reflects a business-as-usual pathway with less ambitious mitigation and decarbonization efforts, resulting in higher projected temperatures.

Below 2°C Scenario Analysis: SSP1 – 2.6

The data shown in the table represent the total number of sites with the specified risk

# of sites	2020s			2030s			2040s		
Climate Risk	Low	Medium	High	Low	Medium	High	Low	Medium	High
Carbon Pricing	28	0	1	28	0	1	28	0	1
Litigation	29	0	0	29	0	0	29	0	0
Market	29	0	0	29	0	0	29	0	0
Reputation	29	0	0	29	0	0	29	0	0
Technology	29	0	0	29	0	0	29	0	0
Absolute Modeled Average Annual Loss ($M USD)	25.32			68.28			261.84		

Above 2°C Scenario Analysis: SSP5 – 8.5

The data shown in the table represent the total number of sites with the specified risk

# of sites	2020s			2030s			2040s		
Climate Risk	Low	Medium	High	Low	Medium	High	Low	Medium	High
Carbon Pricing	28	0	1	28	0	1	28	0	1
Litigation	29	0	0	29	0	0	29	0	0
Market	29	0	0	29	0	0	29	0	0
Reputation	29	0	0	29	0	0	29	0	0
Technology	29	0	0	29	0	0	29	0	0
Absolute Modeled Average Annual Loss ($M USD)	24.82			27.37			54.46		

Physical Climate Risks

Physical risks associated with climate change are the tangible impacts that can directly affect people, assets, infrastructure, and ecosystems. The climate risk assessment evaluated the following physical climate events under the two previously described scenarios:

- Extreme Temperatures → This impact function analyzes the potential effects of increasing average maximum temperature on assets, considering certain building adaptations. This risk may manifest as increased cooling and ventilation costs, servicing costs, revenue impacts, reduced employee productivity, among others.
- Drought → Evaluates the expected impact of the annual probability of exceeding the 90th percentile drought conditions and their effect on operations. This risk can result in business interruption, increased water expenses, and foundation damage.
- Wildfire → Assesses the probable risks of prolonged exposure to conducive wildfire conditions, which may result in business interruption, physical damage, and employee health impacts.
- Water Stress → Models the potential effects of water availability in a given area relative to the supply level of the nearest basin. Impacts may include reduced production, revenue losses, equipment damage, and regulatory fines.
- Coastal Flooding → Refers to the inundation of land by seawater, tipically caused by intense windstorm or tsunamis. Associated impacts include cleanup and repair costs, as well as business interruption.
- Fluvial Flooding → Also known as river flooding, occurs when excess rainfall or snowmelt causes rivers to exceed their historical 100-year flood levels.
- Tropical Cyclone → Models the potential impact of the annual frequency of Category 3 or higher tropical cyclone (hurricanes).
- Pluvial Flooding → Occurs when an extreme rainfall event causes flooding independent of rivers or other water bodies, posing risks to both rural and urban sites.

Below 2°C Scenario Analysis: SSP1 – 2.6

The data shown in the table represents the total number of sites with the specified risk.

# of sites	2020s			2030s			2040s		
Climate Risk	Low	Medium	High	Low	Medium	High	Low	Medium	High
Extreme Temperatures	22	2	5	22	2	5	22	2	5
Drought	29	0	0	29	0	0	29	0	0
Wildfire	29	0	0	29	0	0	29	0	0
Water Stress	29	0	0	29	0	0	29	0	0
Coastal Flooding	29	0	0	29	0	0	29	0	0
Fluvial Flooding	29	0	0	29	0	0	29	0	0
Tropical Cyclone	29	0	0	29	0	0	29	0	0
Pluvial Flooding	29	0	0	29	0	0	29	0	0
Absolute Modeled Average Annual Loss ($M USD)	243.86			316.50			382.54		

Above 2°C Scenario Analysis: SSP5 – 8.5

The data shown in the table represents the total number of sites with the specified risk.

# of sites	2020s			2030s			2040s		
Climate Risk	Low	Medium	High	Low	Medium	High	Low	Medium	High
Extreme Temperatures	21	3	5	21	3	5	21	3	5
Drought	29	0	0	29	0	0	29	0	0
Wildfire	29	0	0	29	0	0	29	0	0
Water Stress	28	1	0	28	1	0	28	1	0
Coastal Flooding	29	0	0	29	0	0	29	0	0
Fluvial Flooding	29	0	0	29	0	0	29	0	0
Tropical Cyclone	29	0	0	29	0	0	29	0	0
Pluvial Flooding	29	0	0	29	0	0	29	0	0
Absolute Modeled Average Annual Loss ($M USD)	137.53			171.83			214.22		

CLIMATE-RELATED OPPORTUNITIES

GRI: 201-2 | CSA S&P: 2.5.9

While the effects of climate change pose potential risks to Alpek's value chain and overall operations, they also present opportunities to explore new Technologies, solutions, markets, products, and business models. The company has identified key opportunities in response to rising emissions and the global transition toward a low-carbon economy.

Use of lower-emission sources of energy

Transitioning to renewable or carbon-free energy sources can present significant long-term cost savings for the company, as conventional energy costs are subject to the volatility of fossil fuel prices and potential supply chain disruptions. Additionally, adopting these energy sources enables the company to explore the electrification of thermal processes as a strategic component of its decarbonization efforts.

Over the past few years, Alpek has undertaken a comprehensive assessment of its electricity footprint to identify and evaluate the most effective pathway toward a zero-emission future. This initiative led to two major developments: the conversion of two significant electricity contracts in Mexico to carbon-free nuclear supply, and the exploration of Virtual Power Purchase Agreements (VPPA) and Power Purchase Agreements (PPA) in various markets, particularly in the United States. With nearly 40% of its electricity consumption occurring at its U.S. sites, current regulations, industry growth in renewables, and decreasing technology costs have presented compelling business cases for the company. While the long-term commitments of standard contracts and the substantial investments involved pose significant risks, the company remains optimistic about its carbon-free transition. It is confident that a diverse range of options will be essential to its long-term sustainability efforts.

Expanding on these initiatives, in 2024, Alpek increased its share of nuclear energy at two sites in Mexico and continued its procurement of International Renewable Energy Certificates (IRECs) across facilities in Chile, Argentina, Mexico, and Brazil. The company also launched initiatives to optimize chemical processes and electrify key operational equipment across multiple sites.

Additionally, during the year, Alpek enhanced its decarbonization roadmap, now covering 90% of the company's total scope 1 & 2 emissions. This roadmap incorporates business unit-specific regulations, technology availability, infrastructure costs, operational conditions, steam supply constraints, and offsetting limitations. Key strategies include Energy Storage, Carbon-free energy, Electrification, and Carbon Capture, Utilization, and Storage (CCUs). CCUS technologies are suited to mitigating CO_2 emissions from large point sources or directly removing CO_2 from the atmosphere. The process consists of three stages: capture, transport and either storage (CCS) or utilization (CCU) of CO_2.

Development and expansion of low-emission goods and services

Over the last decade, Alpek has strategically invested in low-emission products, contributing to increased revenues. In 2022, the Company completed the acquisition of OCTAL, a major global producer of PET sheet, adding over one million tons of installed capacity across four sites. Alpek has leveraged OCTAL's proprietary DPET® technology, which eliminates several energy-intensive conversion steps and reduces CO_2 emissions by 25% compared to industry standards. This acquisition improves Alpek's carbon intensity, supports its CO_2 emissions reduction goals, and accelerates the transition to more sustainable packaging alternatives.

In line with its commitment to fostering a circular economy, Alpek aims to increase its rPET capacity to help its customers meet their recycled content targets. Alpek focuses not only on recycling PET bales but also on converting PET flake into pellet form for bottle production. In recent years, Alpek has taken several steps to achieve this goal. It acquired two PET flake-to-pellet conversion lines from PolyQuest, Inc. with a total capacity of 30,000 tons, added Single Pellet Technology™ (SPT) capabilities at various North American facilities to blend recycled and virgin PET, and acquired CarbonLite, the largest PET recycling plant in the U.S., capable of recycling over 100,000 tons per year.

Additionally, Alpek reinforced its commitment to contribute to a circular economy by acquiring the remaining 50% stake of Clear Path Recycling LLC, thereby achieving full ownership of the recycling facility located in Fayetteville, NC. Throughout the year, the Company prioritized enhancing the efficiency of its existing recycling facilities through various projects aimed at improving recycling yield and the quality of the final recycled product.

Key efforts included the installation of a bottle batch wash reactor at Clear Path Recycling to improve the washing process and remove haze from the bottles. Another initiative was the upgrade of sorting equipment at various recycling sites. Additionally, the polyester division obtained Third-Party Post-Consumer Recycled Content (PCR) Certification, recognized by the Association of Plastic Recyclers (APR), for products produced with recycled content at the Clear Path Recycling and Darlington facilities. As a result, all U.S. recycling sites hold valid certification for 2024.

RISKS BY PLANT

GRI: 201-2 | CSA S&P: 1.4.1, 1.4.2

Alpek has been actively working to incorporate threats derived from the effects of climate change into its risks management protocols, in alignment with TCFD and SABS recommendations. The Company aims to measure and quantify all potential environmental and social impact to better understand their root causes and mitigate any possible effects on the environment, society and the company itself.

In 2024, Alpek conducted an analysis of site-specific physical climate risks using the ThinkHazard platform. This tool enables the evaluation of risks associated with climate events such as earthquakes, cyclones, landslides, floods and extreme heat at each site.

The Company is currently enhancing this analysis, focusing on quantifying the economic impact of these risks under various climate change scenarios. This will help prioritize the risks and strengthen any existing mitigation measures. Acknowledging the potential threats posed by climate change to its operations and entire value chain, Alpek is also in the process of expanding the analysis to include strategic supplier regions.

Risks are classified into four categories: very low (green), low (yellow), medium (orange) and high (red). The gray represents “not applicable”.

Sites	Earthquake	Extreme heat	Coastal flood	Cyclone	Landslide	River flood	Tsunami	Urban flood	Volcano	Water Scarcity	Wildfire
Altamira											
Salamanca											
Cosoleacaque											
Lerma											
Fayetteville, NC											
Charleston, SC											
Columbia, SC											
Bay St. Louis, MS											
Richmond, IN											
Darlington, SC											
Monaca, PA											
Cincinnati, OH											
Reading, PA											
Montreal											
Zárate											
Pacheco											
General Lagos											
Guaratingueta											
Ipojuca											
Santiago											
Puerto Montt											
Punta Arenas											
Concón											
Salalah											
Riyadh											
Wilton											

ENVIRONMENTAL AND SOCIAL TRAININGS

In 2024, Alpek delivered a wide range of specialized training sessions across its Business Units to strengthen organizational knowledge on sustainability and promote climate change awareness.

Key training topics included energy efficiency, covering areas such as boiler optimization, engine maintenance, low-pressure vapor recovery, optimal energy usage, and renewable energy sources. Safety courses focused on firefighting techniques and safe forklift operation. Environmental courses addressed hazardous waste management, recycling, and water conservation strategies.

Additionally, Alpek actively promoted Diversity, Equity, and Inclusion (DEI) through targeted training initiatives. These included sessions on unconscious bias, inclusive hiring practices, and minority-focused development programs, all aimed at building a more inclusive and equitable workplace culture. The following table outlines the training efforts by topic:

Topic	Number of courses	Number of attendees	Total hours in training
Safety	1,424	22,847	51,740
Water	35	537	1,083
Waste	56	1,789	2,377
Energy and Emissions	39	1,227	4,724
Environment	71	1,243	5,500
DEI	11	266	328

Note: Adjustment was made to show revised numbers. Some of the courses fall into several of the categories, so their accounting is multiple.

BIODIVERSITY COMMITMENT

GRI: 101-1 I CSA S&P: 2.6.2

Alpek acknowledges the critical role that biodiversity plays in delivering essential ecosystem services, including the supply of raw material and waste minimization. Through its Biodiversity Risk Assessment, Alpek aims to identify its most significant biodiversity dependencies and impacts, paving the way for a robust biodiversity commitment in the near term. At the same time, Alpek actively engages in reforestation initiatives and formulates water management strategies and targets to safeguard biodiversity.

NO DEFORESTATION COMMITMENT

CSA 2.6.3

Alpek recognizes the importance of preserving natural habitats and is committed to conducting its operations responsibly, taking into account the ecological impacts on forests at all its sites and throughout its value chain. Additionally, Alpek demonstrates environmental stewardship by leading reforestation programs and actively engaging stakeholders in efforts to restore local ecosystems.

TAXES

Alpek is committed to ensuring compliance with tax regulations in all countries where it operates. The company adheres to all industry-specific requirements and prioritizes the timely payment of taxes as a key aspect of its corporate civic responsibility.

Effective Tax Rate (U.S. $ million)	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Income before taxes	**488**	**253**	**708**	**1,061**	**-548**	**-43.25**
Income tax rate	30%	30%	30%	30%	30%	30%
Statutory income tax rate expenses	-146	-76	-212	-318	164	12.96
Taxes for permanent differences between accounting-taxable income	48	19	10	46	-203	18.74
Total income tax	**-98**	**-57**	**-202**	**-272**	**-39**	**31.70**
Effective tax rate	**20%**	**23%**	**29%**	**26%**	**8%**	**73%**
Comprised as follows:						
Current income tax	-127	-91	-212	-264	-131	-67.37
Deferred income tax	29	34	10	-8	92	99.07
Total income tax	-98	-57	-202	-272	-39	31.70

GOVERNANCE

GRI: 2-9, 405-1 | CSA S&P: 1.2.1, 1.2.5

BOARD ELECTION PROCESS

2024 Election Board

At Alpek, Board members undergo an annual election and re-election process. The following table presents the results of the board elections.

Board Election Process Results	**(% of Votes)**		
	2022	**2023**	**2024**
In favor	97.6%	96.2%	97.6%
Abstention	0.8%	0.6%	0.0%
Against	2.6%	3.3%	2.4%

3rd PARTY ASSURANCE LETTER

A third-party verification was conducted for selected voluntary sustainability indicators. This assurance was carried out by Ernst & Young Global Limited (EY), an independent auditor, in accordance with recognized international standards to ensure the reliability and accuracy of the disclosed data. The assurance report can be accessed via the following link: https://www.alpek.com/wp-content/uploads/2025/04/2024-Voluntary-Sustainability-Indicators-Third-Party-Assurance-Report.pdf.