

2023 Sustainability Report





We energize life

Sustainability Report | 2023

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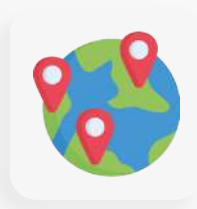
Data highlights



+30,000
energizers



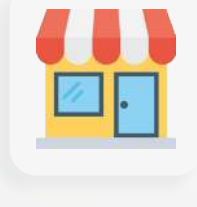
40
plants



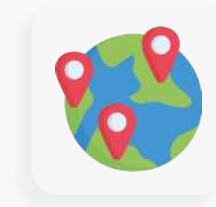
4
countries
where we
operate



3
research and development
centers: CETIV, Prolec Labs
and CIDEQ



+170
branches, distribution
centers and offices for
serving our customers



+35
countries where our
products are sold

Every day, Xignux companies sell:

551
metric tons
of cable

847
transformers

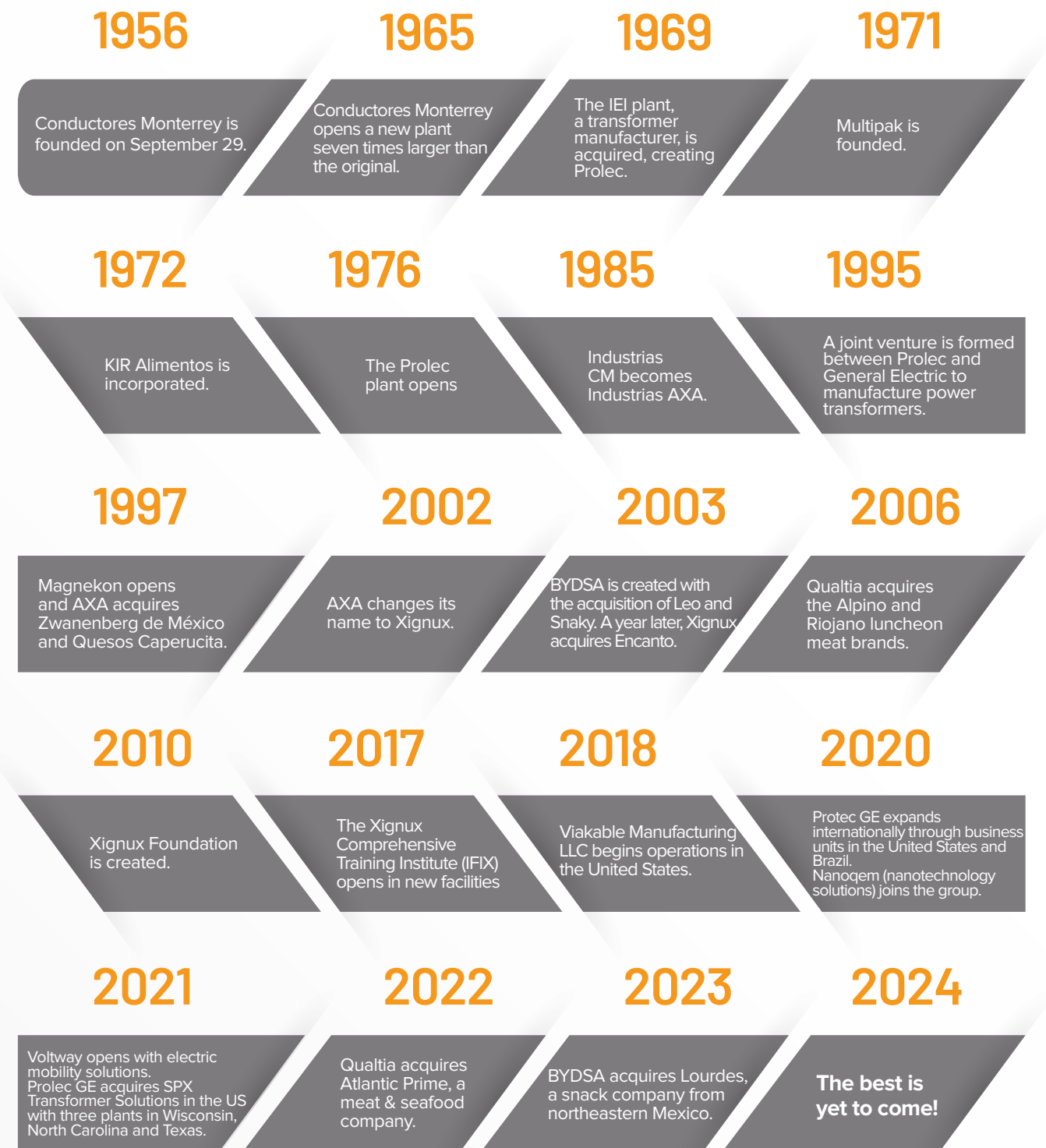
12,902
transformer
components

502
metric tons of
luncheon meats
and dairy products

97,000
pieces of ready-to-
eat food

1,680,000
bags of snacks

Our story





Message from our chief executive officer

I am pleased to share with you Xignux's sustainability achievements and progress throughout 2023, a year marked by our unwavering commitment to business innovation, sustainability and the advancement of our energizers.

We continue to expand the Total Productivity System culture in all areas of Xignux, with the goals of maintaining efficiency in every aspect of our work and putting all our weight behind the common goal of sustainable growth. In parallel, the Xignux Digital Transformation initiative made great progress as we held five Digital Transformation Forums, focused on accelerating this crucial evolution in our company. Meanwhile, the Xignux Leadership Program continued to strengthen the capabilities of our young people with strategic and innovative projects.

On the environmental front, our strategy rests on three fundamental pillars: developing products and solutions that drive the transition to a low-carbon economy, minimizing the environmental impact of our operations, and engaging with our communities to foster a positive environmental culture. Under this comprehensive approach, we seek to help build a more sustainable future for all.

The strategic partnership between Viakable and Voltway exemplifies our pioneering role in the field of electromobility in Mexico, where we are developing solutions for an efficient charging infrastructure. We also moved forward in our efforts to mitigate our carbon footprint, manage water more efficiently and recycle more. The distribution fleet that moves Qualtia and BYDSA products now has 83 electric vehicles, a major step toward mitigating the carbon footprint associated with our logistics operations. In addition, we are driving the evolution towards a circular economy by monetizing 75% of the non-hazardous waste generated in our operations.

Xignux Foundation continues to act as an engine of change that benefits thousands of people through high-impact programs. Its "Energy for All" program has made a significant difference by bringing electricity to remote communities, helping to reduce energy poverty.

In the area of education and research, the Romulo Garza Award and the Jorge L. Garza Lecture series continue to

be influential platforms for recognizing the contributions of students and professionals working to provide solutions to society's current challenges through research and entrepreneurship.

Our partnership with Chipinque Ecological Park demonstrates our commitment to the conservation of a unique natural area and the promotion of environmental education. Through our work with this nature preserve, we are helping to protect local ecosystem services essential to the well-being and future of the city of Monterrey.

During the year, our volunteer program achieved remarkable success, with more than 12,000 participations in initiatives ranging from reforestation, with close to 15,000 trees planted, to environmental education and assistance to those most in need. Through the strength of our energizers, we demonstrated the power of partnership-building and collective action for sustainable development.

In recognition of our practices, Viakable, Prolec, Qualtia and Xignux Corporativo received the Socially Responsible Enterprise distinction, a sign of Xignux companies' commitment to ethics, employee quality of life, community development and care for the environment.

We achieved these results thanks to the work of our more than 30,000 energizers, who contribute their talent from different countries and cultures. In 2023, our commitment to diversity and inclusion took the form of an action plan to strengthen the role of female talent in the organization.

The plan was designed by the Xignux Diversity and Inclusion Committee based on the results of the UN Women's Empowerment Principles (WEP) assessment and McKinsey's Women Matter diagnostic. The graduation of 50 female energizers in the third generation of the Women's Leadership Program attests to our efforts to promote female talent at all levels of the organization.

The Xignux Comprehensive Training Institute achieved unprecedented participation, with a record attendance of more than 21,000 people at conferences, workshops

and a variety of activities that promote the personal, family, social and professional development of our employees and their families.

In addition, the more than 28,000 members of Crece, our employee savings and loan fund, continued to benefit significantly from access to financial services at competitive rates.

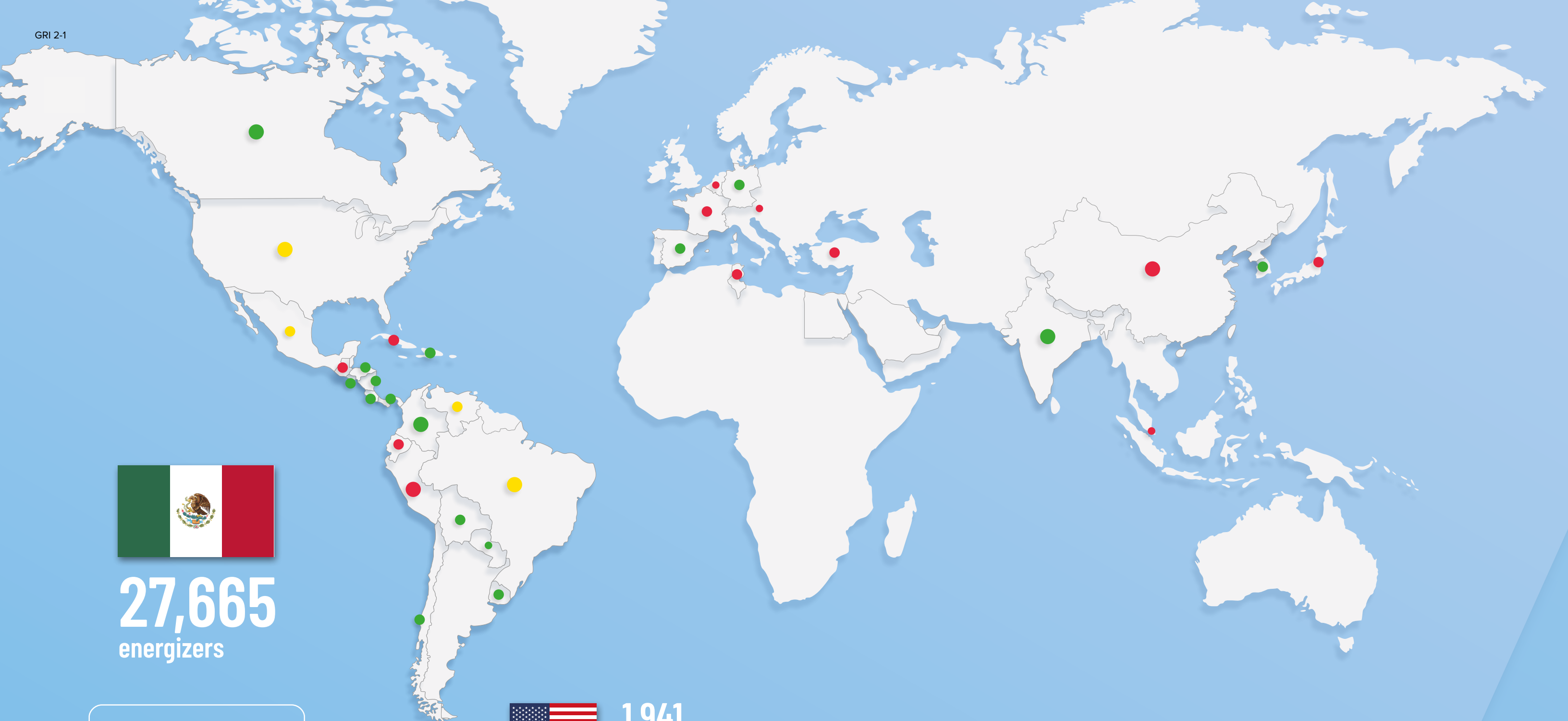
One aspect that distinguishes us as a company is our culture of ethics and integrity. Our whistleblower hotline and the Ethics Committees in each of the Xignux companies play a crucial role in upholding and promoting these values, as well as ensuring a fair and safe work environment.

In 2023, we published our Human Rights Policy, in which we pledged to respect and actively promote human rights both inside and outside our organization. This policy underscores our ban on any form of forced or child labor, discrimination and violation of labor rights, and highlights our adherence to the principles of the UN Global Compact.

With each passing year we become increasingly convinced that business success must go hand in hand with environmental protection, the well-being of our communities, and a culture of ethics and integrity. With this in mind, last year we began a transformation to more thoroughly embed environmental, social and governance (ESG) principles into Xignux's management. This process will continue in 2024 with the definition of material topics and targets for 2030 and beyond.

I am deeply proud of our 2023 energizers and their achievements. As I reflect on the road we have traveled, I am proud to see how we at Xignux continue to build on the values of trust and excellence that we are known for. I invite you to read our report and learn more about the actions and results of this past year.

Juan Ignacio Garza Herrera
Chief Executive Officer Xignux



27,665
energizers

Xignux in Mexico and the world

- Presence
- Recurring sales
- Occasional sales



1,941
energizers



601
energizers



210
energizers

About Xignux

From the energy that we transform to light your home to the food you enjoy in it, we bring solutions that energize life and society, and help build a better world.

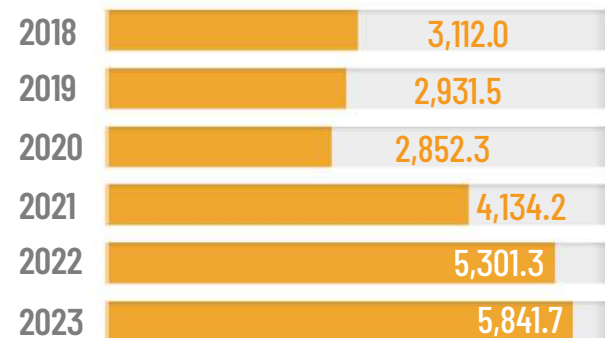


Xignux economic impact

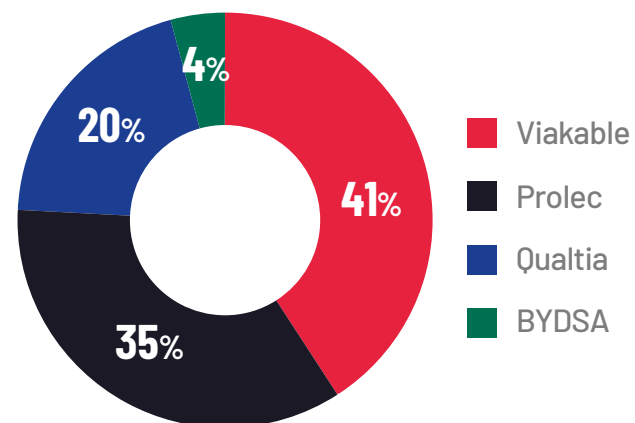
Millions of dollars

	2021	2022	2023
Net sales	4,134.2	5,301.3	5,841.7
Cost of goods sold	3,166.4	3,963.5	4,294.9
Operating expense	647.8	812.9	941.6
Taxes	96.0	122.8	172.6
Payments to providers of funds	83.5	87.5	86.3
Others	(9.1)	(14.0)	(4.1)
Economic value retained	149.6	328.6	350.4

Sales
millions of dollars



Sales by company
percentage



Xignux companies

Xignux leads the market in the energy and food industries, and maintains a strategic presence in nanotechnology and electromobility.



We are leading producers and sellers of electrical conductors that power the productive life of homes, businesses and communities.



We contribute to the progress and well-being of society through innovative, sustainable solutions for the generation, transformation and delivery of electrical energy.



We develop solutions based on nanotechnology and advanced materials that reduce costs, save energy and use more recycled materials.



We make and sell the highest-quality food and ingredients, which offer nutrition, wellness and innovation.



We energize and delight with excellent, affordable snacks.



We develop comprehensive electromobility solutions to facilitate the transition toward sustainable mobility.

Commitment to innovation

Innovation is an essential part of our culture. We conduct research and development to provide solutions that meet our customers' needs and contribute to the sustainable development of the communities where we operate.

We operate through three research and development centers: the Viakable Technology and Research Center (CETIV), Prolec Labs, and the Qualtia Innovation and Development Center (CIDEQ).

Both CETIV and Prolec Labs are located in the Monterrey Technology Research and Innovation Park. This space is home to several private-sector research centers and higher educational institutions, with which we work in synergy. With the help of these centers, as well as that of Qualtia, located at the Tepetzotlán, Mexico plant, we make sure we are providing the highest quality cables, electrical conductors, transformers and foodstuffs to our customers at competitive prices.

We are proud to share one example of our successful innovation efforts: this past year, Prolec Labs introduced VG-100, a plant-based insulating liquid that is used in electrical transformers, switches, capacitors and other similar electrical equipment. This product offers several advantages, including its contribution to environmental care and protection.



Our transformers energize life and take care of the environment.

IFIX: toward the technical, administrative, human and family development of our people

We are deeply committed to the development and training of our employees and their families. Last year the Xignux Comprehensive Training Institute (IFIX), designed to offer educational experiences that foster personal and professional growth, celebrated its sixth year of operations at its facilities in Monterrey. During this time, it has benefited thousands of people through a variety of programs including workshops and conferences. These activities, in addition to improving job skills, also strengthen family and social life, reflecting our commitment to the comprehensive well-being of our energizers.



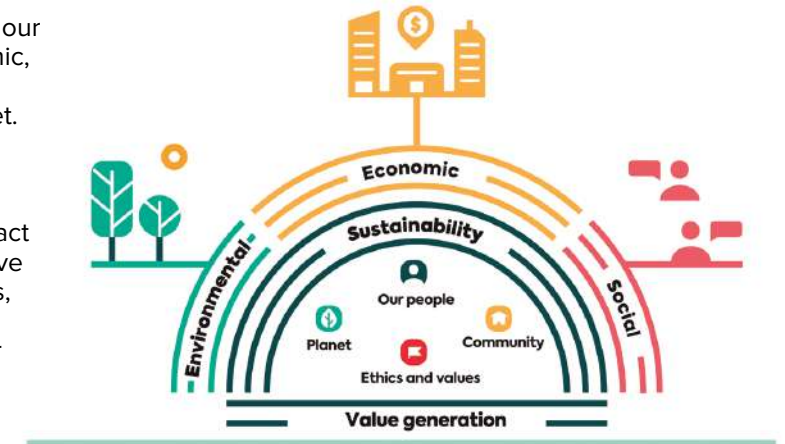
Sustainable management at Xignux

Xignux sustainable development model

The Xignux sustainable development model focuses our initiatives on four fields of action to generate economic, social and environmental value for our stakeholders: Ethics and Values, Our People, Community and Planet.

The Social Responsibility areas at each of Xignux's companies work continuously on the design and implementation of initiatives that have a positive impact on the four pillars of the model. Through a constructive relationship and open dialogue with our stakeholders, we are able to meet their expectations and add sustainable social and environmental value wherever we are present.

Through the Xignux Foundation, we partner with strategic allies in four priority areas of investment: energy, nutrition, education and community development.



Goals of the Xignux sustainable development model

Sphere of action	Targets	Priority SDG
Ethics and values	<ul style="list-style-type: none"> Promote value-based management. Detect, address and prevent risks in operations. Ensure zero negative impact on human rights. Maintain zero tolerance for non-compliance with the Code of Ethics. 	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Our people	<ul style="list-style-type: none"> Guarantee a healthy and safe organizational environment. Provide promotion opportunities for our employees. Ensure equal employment opportunities. Support a healthy work-life balance. 	5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH
Community	<ul style="list-style-type: none"> Build a sustainable supply chain. Maintain a constructive relationship and listen to the needs of the communities in which we operate. 	2 ZERO WASTE, 6 CLEAN WATER AND SANITATION, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Planet	<ul style="list-style-type: none"> Continually increase energy efficiency. Adopt clean energy sources. Increase efficiency in the use of water. Seek innovation in packaging design. Comply with waste disposal and confinement regulations. Recover and use waste responsibly. Contribute to the conservation and regeneration of ecosystems. 	7 AFFORDABLE AND CLEAN ENERGY, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION, 15 LIFE ON LAND

Our material topics

Our materiality analysis allows us to identify the sustainability-related issues that are most relevant, internally and from the perspective of our stakeholders. The following list of material topics, in addition to guiding our actions and communication on sustainability issues, concentrates our efforts on responding to our stakeholders' expectations.

Internal	External	Internal and external
<ul style="list-style-type: none"> Employee education and training Safety Health and wellness Dignified work Diversity and equal opportunity Work-life balance 	<ul style="list-style-type: none"> Circular economy Packaging innovation Energy efficiency Special handling waste Use of renewable energy sources Labeling Food quality and safety Healthy, nutritious foods 	<ul style="list-style-type: none"> Social and environmental responsibility criteria in sourcing Dignified work and prohibition of child labor



Identificamos los temas más relevantes para nuestros grupos de interés y los integramos a nuestra estrategia de sostenibilidad.



We are mindful of our stakeholders' expectations

Communication with our stakeholders

We continually analyze the feedback we receive from our stakeholders through various communication channels, and we take their expectations into account for fine-tuning our strategy and focusing our sustainability goals.

Every Xignux company has its own materiality process and matrix, so that it can address the expectations of its specific stakeholders. For information, see the **"Performance details"** section.

Stakeholder group	Communication channel
Shareholders	Annual and quarterly reports. Dedicated area.
Financial institutions and investors	Annual and quarterly reports. Dedicated area.
Community	Whistleblower system, Social Responsibility areas of Xignux Companies, Xignux Foundation.
Authorities	Partnerships with public organizations. Dedicated area.
Employees	Informational meetings, annual performance evaluations, whistleblower system, Code of Ethics, e-mail, newsletters, bulletins, meetings with supervisors, screens in dining rooms, webpage and social media.
Suppliers	Code of Ethics, whistleblower system, surveys, e-mail.
Customers	Whistleblower system, surveys, call centers.

Sustainable development is a team effort

We create networks of collaboration between companies, civil society and communities to maximize our industry's positive impacts and together address social and environmental issues to improve them.

Our membership in forums and associations



Agriculture

- Agro-food cluster
- Consejo Estatal Agropecuario de Nuevo León (CEANL)
- Consejo Nacional Agropecuario (CNA)
- Asociación Nacional de Establecimientos TIF (ANETIF)
- Consejo Mexicano de la Carne (CoMeCarne)
- Cámara Nacional de la Industria de la Leche
- Consejo Mexicano de Productos de Consumo



Retailing and Trade

- Asociación Venezolana de Exportadores, Venezuela
- American Chamber of Commerce (AmCham)
- Consejo Empresarial Mexicano de Comercio Exterior, Inversión y Tecnología (COMCE)



Construction

- Cámara Mexicana de la Industria de la Construcción
- Housing Cluster



Accounting

- Instituto de Contadores Públicos de Nuevo León



Technology

- Nuevo León Nanotechnology Cluster
- Electromobility Cluster



Electrical

- Asociación Bolivariana de Productores de Cables Eléctricos, Venezuela
- Asociación Nacional de Normalización y Certificación del Sector Eléctrico
- Cámara Nacional de Manufacturas Eléctricas
- International Cablemakers Federation, Austria
- National Electric Energy Testing, Research & Applications Center, United States
- Wire Association International, United States
- National Electrical Manufacturers Association, United States



Finance

- Instituto Mexicano de Ejecutivos de Finanzas



Labor

- Comisión Nacional de los Salarios Mínimos



Safety

- Consejo Mexicano de Seguridad San Pedro



Social Security

- Consejo Consultivo Delegacional IMSS N. L.



IT

- Asociación Mexicana de Profesionales en Informática



Social

- Asociación de Líderes en Desarrollo Humano
- Centro de Estudios Sociales del Noreste
- Consejo Cívico de Instituciones de Nuevo León
- Red SumaRSE Nuevo León
- Hagámoslo Bien
- United Nations Global Compact



Legal

- Asociación Nacional de Abogados de Empresa (ANAE)
- La Barra Mexicana, Colegio de Abogados



Human Resources

- Asociación Técnica de Compensaciones
- Ejecutivos de Relaciones Industriales (ERIAN)
- Grupo Esco
- G18
- Movimiento Congruencia



Industrial

- Cámara de Industriales del Estado Carabobo, Venezuela
- Cámara de la Industria y Transformación de Nuevo León (CINTRA)
- Centro de Productividad de Nuevo León
- Club Industrial
- Confederación de Cámaras Industriales de los Estados Unidos Mexicanos (CONCAMIN)
- Confederación Patronal de la República Mexicana, Nacional y de Nuevo León (COPARMEX)
- Consejo Coordinador Empresarial (CCE)
- Consejo Mexicano de Negocios (CMN)
- Industriales Potosinos



Viakable: energy industry leader

Viakable was there at the birth of Xignux, founded in 1956 as Conductores Monterrey. It is a leading producer and seller of electrical conductors, which make possible the productive life of homes, businesses and communities.

Viakable's talent is focused on innovating and making all types of cables for electrical power generation, transmission and distribution. Our products remain at the cutting edge of technology and are sold throughout the Americas, where they are known for their quality, safety and reliability.



Viakable's mission and vision are aligned with those of Xignux.

Mission:

We transmit energy that powers your life.

Vision 2030:

To be the preferred choice in the power transmission market, doubling our value and offering the best experience for our customers, through:

- The best team of energizers with a human approach consistent with our values.
- Meaningful innovation.
- Supply chain excellence.
- Benchmark sustainable initiatives that help build a better future.

viakable.com



A growing sustainable company

2023 was a year of tremendous opportunities for Viakable, which we were able to capitalize on, charting the company's path toward our goal of doubling the value of the business by 2030. There were also some challenges during the year, however, due to the normalization of prices in the United States.



4,195

Employees



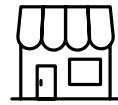
+2,250

Customers



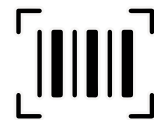
11

plants



32

Branches and distribution centers



+13,000

SKUs



551

tons of cable sold per day



We doubled cable manufacturing capacity at Viakable Manufacturing's LaSalle, Illinois plant, allowing us to grow in the construction market in the United States, Mexico and Central America.

Together with Xignux and the government of Durango, we announced an investment of USD5.9 million to build a new Multipak plant in that state.

Fifty-one leading customers participated in the second annual "Volta 2023 Generation Leaders" meeting, with the opportunity to network and learn more about our products.

As we do every year, we held our "Enlaza" recognition event, which was attended by 63 customers from 22 Mexican states, as well as 14 customers from Costa Rica, Guatemala, Nicaragua, Panama, Puerto Rico and El Salvador.

Phillips Industries presented Viakon with its Supplier Excellence Award, at the opening of its new plant in the state of Coahuila.

In addition, we maintained an outstanding presence in the following major industry events:

- Nuevo Leon Automotive Cluster Best Practices Program.
- Expo Nacional Ferretera 2023, with more than 50,000 visitors from 30 countries.
- 2023 Meetings of the Institute of Electrical and Electronics Engineers, Mexico Chapter.
- Expo Eléctrica Internacional y del Norte.

Toward a more sustainable future

New ESG strategy at Viakable

In 2023, we designed an Environmental, Social and Governance (ESG) strategy specific to our operations, factoring in the expectations of our markets and stakeholders, as well as the demands of customers and financial institutions.

This exercise yielded four priority topics where we can apply best sustainability practices:

- **Decarbonization:** Reducing the decarbonization of operations, which includes scope 1 and 2 emissions.
- **Product impact management:** Increase waste recovery and reuse in operations, as well as minimize the Destination of hazardous substances.
- **Responsible sourcing:** Promote sustainable practices in the value chain and evaluate suppliers' ESG performance.
- **Employee health and safety:** Maintain best practices and a leadership position in occupational health and safety.

For each of the four strategic topics, Viakable developed a plan with objectives and key performance indicators, working toward continuous process improvement, adoption of technologies, training for those involved and validation with certifying agencies in the area.

At Viakable, we have embarked on a transformation to integrate ESG principles into management of our operations.



Viakable: a socially responsible company

In 2023, we received Socially Responsible Enterprise (SRE) distinction from the Mexican Center for Philanthropy (Cemefi) for the second year in a row.

This distinction recognizes the concerted efforts of all the energizers that work at Viakable, and attests to 67 years of action helping to build a better world and a sustainable future.



Viakable received the Socially Responsible Enterprise distinction for the second year in a row.

Planet

Environmental Management System

Under Viakable's Environmental Management System (EMS), five production plants hold ISO 14001:2015 standard certification, attesting to our capacity to protect the environment and boost the efficiency of our plants. In addition, we joined the National Environmental Audit Program, coordinated by the Federal Environmental Protection Agency, which awards Clean Industry Certification to companies which, in addition to complying with environmental regulations, take action to improve the environmental efficiency of their processes.

Environmental culture

At Viakable, every year we hold internal forums in which all of our plants introduce their best safety, quality, and environmental practices. In 2023, we recorded 609 environmental improvements aimed at boosting production process efficiency, a fundamental step toward achieving our business and sustainability objectives. We also held a Continuous Improvement Forum, focused on understanding the Total Productivity System culture and sharing success stories of improvement in each business unit.

For a greener planet

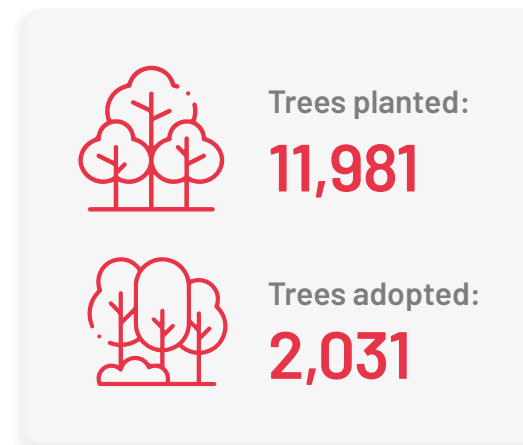
During the year, we led various initiatives to improve our environment and community action. One of these was a conservation project for the monarch butterfly, through the reforestation of its sanctuary in the state of Michoacán. We also held an "Adopt a Tree" activity, along with various tree-planting campaigns in the areas near our operations, with the participation of energizers, neighbors and local schools, reaching a total of 14,012 trees and pollinator plants.

5 plants are ISO 14001 certified.

1 plant has Clean Industry certification.



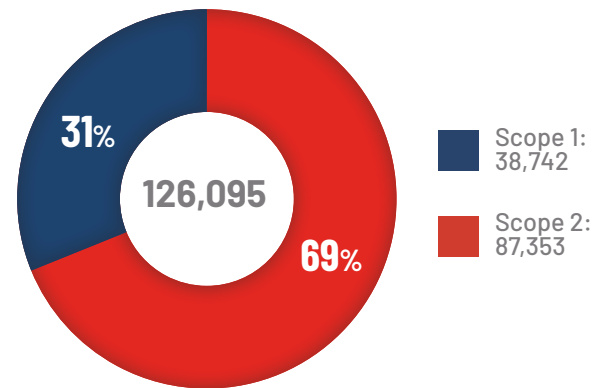
We are responsible in the use of materials and promote recycling actions.



14,012 total trees planted by Viakable in 2023.

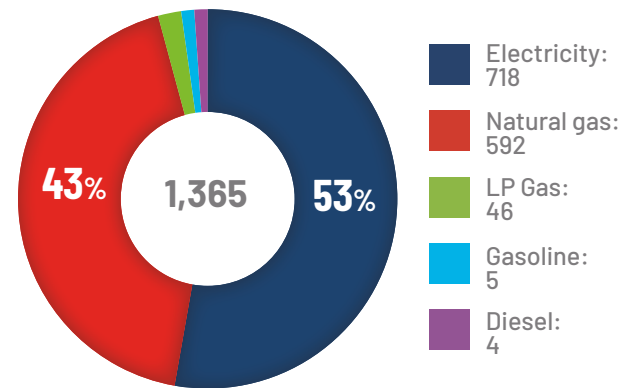
GHG emissions, Viakable

Metric tons of CO₂e



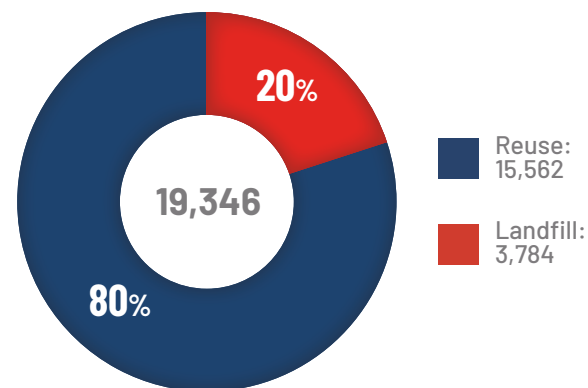
Energy consumption, Viakable

terajoules



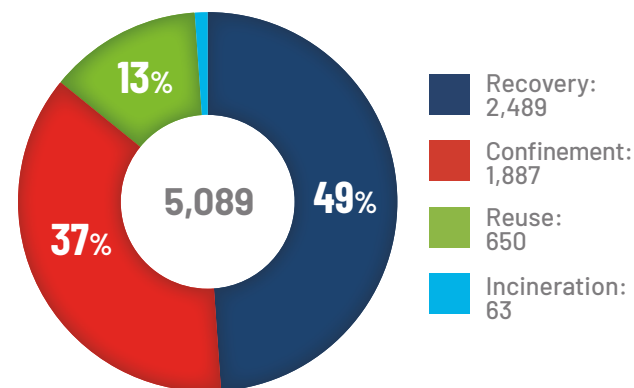
Destination of non-hazardous waste, Viakable

metric tons



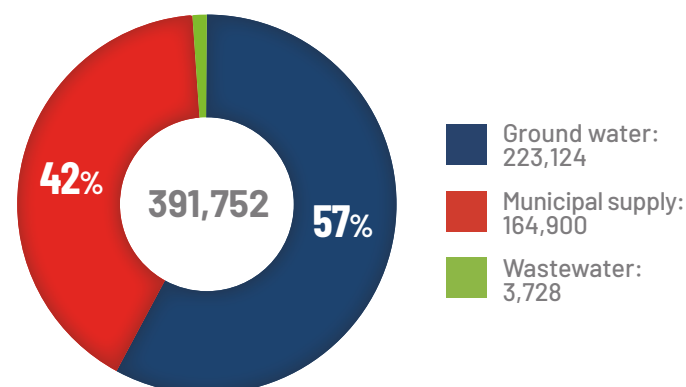
Destination of hazardous waste, Viakable

metric tons



Water withdrawal by source, Viakable

cubic meters



Materials used, Viakable (metric tons)

Material	Weight
Renewable	
Wood	35,129*
Non-renewable	
Copper	142,682
Aluminium	83,623
PVC and XLPE	44,773
High and low density polypropylene	11,785
Steel	3,805
Glazes	3,511

*Units: thousands of board feet

Our People

Health and safety first

Viakable's Health and Safety Management System is aligned and certified under ISO 45001:2018, the most rigorous international standard for occupational health and safety management. This attests to our commitment to creating a safe and healthy work environment, improving occupational safety processes and ensuring the well-being of our people.

In 2023, we held our first Safety Forum, an event designed to share best practices. During the event, employees from the different business units presented

innovative projects aimed at improving the safety of our operations.

During Viakable Safety and Health at Work Day, we held various awareness-raising and training activities in all our business units: courses on risk identification, first aid and ergonomics. We also installed health modules for medical check-ups and vaccinations and organized interactive activities and blood donation campaigns, complemented by physical activity events to reinforce the importance of personal care and accident prevention. We also opened our "Safety Dojo," a new facility for hands-on training in risk identification and safety awareness.



Our new Safety Dojo is a facility for hands-on training in risk identification and safety awareness.

Promoting our energizers' well-being

We recognize that the well-being of our employees extends to their families. More than 150 children of energizers participated in the Viakable 2023 Summer Camp, an experience that encourages the development of academic and motor skills. Young people over the age of 15 were actively involved as part of the staff, assisting in the supervision and coordination of the activities. In addition, as we do every year, we recognized 218 employee children for academic excellence. In addition, 415 energizers and their families participated in the second edition of the Viakable Race, which promoted wellness through a day of physical activity and community spirit.

In addition, around 3,000 energizers and their families attended the Viakable 2023 Children's Festival and Health Day, where, in addition to having fun, they visited various modules on health care and prevention.

For the third year in a row, we received the Factor Wellbeing distinction, awarded by the Tec Milenio Wellness Science Institute and Business Insider to leading organizations in organizational wellbeing practices.

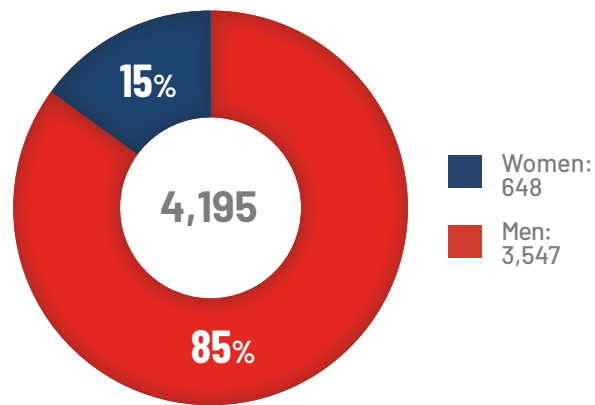
We promote inclusion

At Viakable, inclusion is essential to fostering an enriching work environment and taking advantage of the different perspectives and skills of all our energizers. Through Xignux's institutional program "Integra," we promote the hiring of people with disabilities. In addition, in 2023 we participated in an inclusive job fair and organized conferences to raise awareness of the importance of inclusion in creating a more equitable work environment. Finally, we organized a Bazaar for Inclusion, where our energizers had the opportunity to purchase products made by people with disabilities.

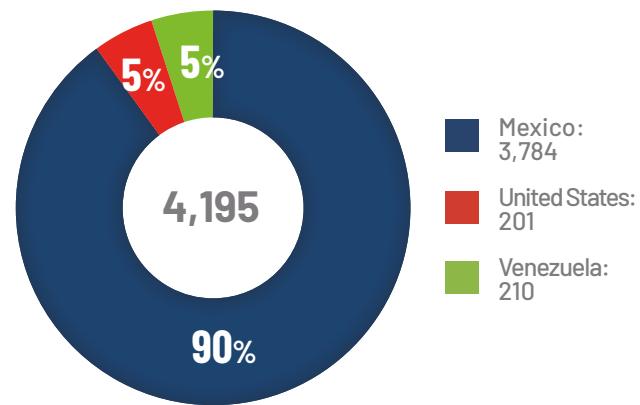


Our diversity is a key piece of our organization's success.

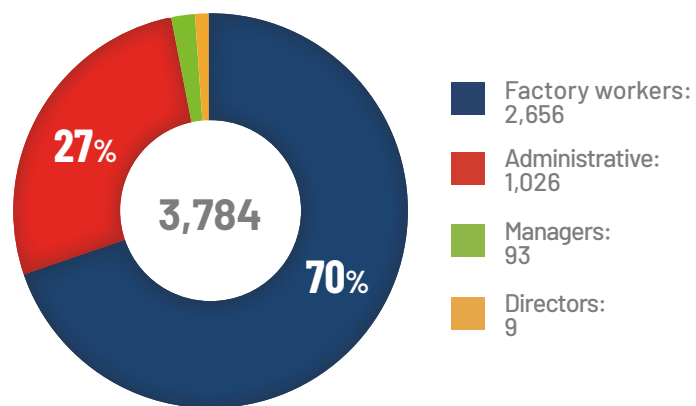
Viakable employees by gender



Viakable employees by country



Viakable employees by job responsibility*



* Data on Mexican operations.



We received the TRe distinction from the government of the state of Nuevo León, which recognizes companies who are leaders in labor relations, occupational safety and health, and an innovation-based work culture.

Community

For Viakable, maintaining a good relationship with the communities in which we operate is fundamental to the sustainability of our activities. We are committed to being a good neighbor through community development programs and volunteer activities, which encourage an open dialogue and favor a better quality of life for individuals and families.



We offer volunteer activities and time with family for energizers.

Among the main volunteer actions in 2023 are:

Activity	Scope
EnergizArte Viakable	With the participation of teachers and students from 13 schools in Nuevo León, San Luis Potosí and Durango, we held the first drawing contest to raise awareness among students about caring for the environment.
Brushstrokes of help	We helped paint the Constituyentes de Querétaro and Venustiano Carranza schools in Nuevo León, improving the educational environment for students.
Support to firefighters	Energizers donated funds to the firefighters of Nuevo León and San Luis Potosí, which will be used to purchase equipment.
Food donation	We delivered non-perishable food supplies to the Abuelos de San Antonio, Hogar Santa Eduvigis and Hogar de la Misericordia centers in Nuevo León.
Donate your kilos	We carried out a health activity with employees to support organizations such as the Casa Hogar Niño Jesús and Comedor de los Pobres in Nuevo León.
School supply drive	We collected school supplies for children from indigenous and low-income communities, in collaboration with the Tarahumara José A. Llaguno Foundation and the Semilla Children's Foundation.
Gift a Smile	We provided toys to the ARENA association, which supports children with autism.

5,054
volunteer participations

11,420
volunteer hours

14,012
trees planted

15,494
people benefited

58%
of Viakable's energizers participated in volunteer activities

prolec®

Together we're a great team

Prolec is a company with more than five decades of experience contributing to the progress and well-being of society by innovating in the transformation and delivery of electrical energy. Our internationally recognized range of transformers joins other high quality solutions that, through joint work by our business units and our strategic partners, demonstrate our sense of innovation, social responsibility and leadership.

The "One Prolec" philosophy reflects our vision of unity, focus and collective commitment to common goals in all the sites where we operate. This holistic approach encompasses the well-being of our employees, environmental conservation and the sustainable development of the communities in which we operate.



Prolec's Mission and Vision are aligned with those of Xignux.

Mission:

To contribute to the progress and well-being of society by innovating in the transformation and delivery of electrical energy.

Vision 2025:

To be recognized as the most reliable strategic ally for innovative and sustainable solutions in the delivery of electric energy in the American continent, generating value for our stakeholders.

prolec.energy



A new sales record

Without a doubt, 2023 was an excellent year for Prolec. We set a new sales record for the year, thanks to the operational stability that allowed us to honor our commitments and earn significant recognition from several of our main customers.

The talent of all of us who make up Prolec has been the fundamental pillar behind our progress thus far. Our passion for results, dedication, teamwork, sense of responsibility and focus on our goals will allow us to continue growing and reaching new horizons.



8,655
Employees



361
Customers



9
Plants



916
Products in the market



847
Transformer units sold per day



12,902
Components for transformers sold per day

Prolec at the forefront: innovation and collaboration in transformer technologies

In 2023, we participated in a workshop on Advanced Electrical Transformer Technologies, organized by the U.S. Department of Energy in West Virginia. This event provided an exceptional platform for us to share our innovations with key players in the electrical industry.

In particular, we presented the innovative flexible transformer, the first of its kind installed in the U.S. power grid, designed by engineers at Prolec. This development marks an industry milestone for its contribution to grid resilience and transformation, and reinforces Prolec's position as a leader in the transformer market.

In addition to this important innovation in Power transformers, at Prolec we lead in other markets with innovative solutions, such as VG100 Biodegradable Oil with high flame point, specific solutions to integrate with generation solar and wind, and recently in solutions that provide power grid intelligence, like the Smart Transformer, which collects critical information and displays it in software for visualization and analysis.

In addition, in early 2023, we completed the delivery of five EHV transformers, the largest we have ever manufactured at Prolec GE Waukesha, with capacities of 420/560/700MVA, 352.5 kV. Each transformer was shipped by rail from Waukesha, Wisconsin, and fully assembled at substations throughout Illinois for Ameren Corporation. These transformers will help supply electricity to 1.2 million people in an area of more than 110,000 square kilometers.

We are ISO 9001 quality certified. Quality and experience are hallmarks of trust that allow us to offer products and services that ensure our customers' complete satisfaction.

Towards a more sustainable future

Prolec's new ESG strategy

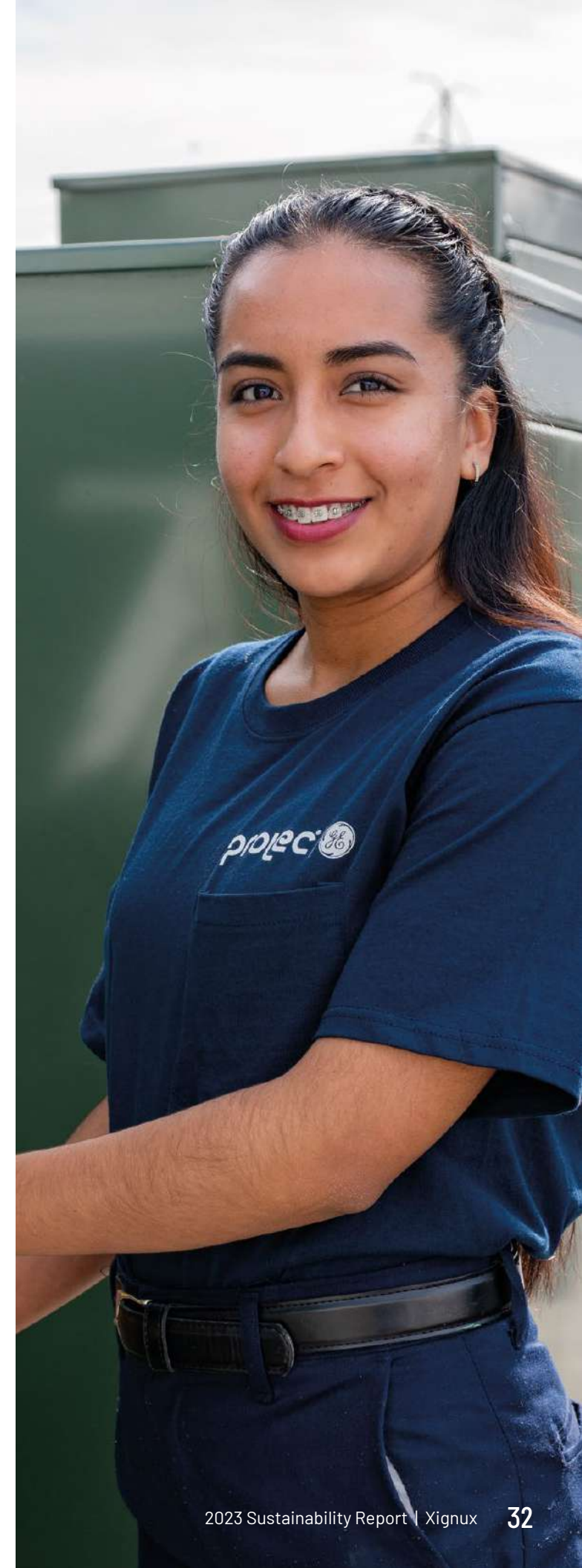
In 2023, Prolec began a transformation process involving an ESG (Environmental, Social and Governance) strategy specifically designed for our operations. With it we hope to adapt to the evolving expectations of the market and our stakeholders, in addition to meeting the growing demands of customers and financial institutions. With this approach, we can ensure that our operations are sustainable and aligned with global best practices.

As part of the new sustainability strategy, Prolec's management team defined three priority topics:

- **Decarbonization:** further contribute to the fight against climate change by reducing the carbon footprint of our operations, which includes scope 1 and 2 emissions.
- **Environmental management:** continue to optimize the use of energy and water in operations and step up implementation of best practices in waste management to minimize negative impacts on the environment.
- **Human capital:** strengthen actions for attracting and retaining talent, and continue to firmly support the comprehensive development of our employees.

Action Plan 2030

Prolec will continue working this year to strengthen its ESG strategy, seeking to define its priority goals in the short, medium and long term, and charting a clear roadmap to meet them.



Prolec: A socially responsible company

In 2023, Prolec received the Socially Responsible Enterprise (SRE) distinction from the Mexican Center for Philanthropy (Cemefi). This award is given to companies with outstanding practices in favor of employee quality of life, business ethics, environmental preservation and community support.

This award reaffirms our permanent commitment to energizing life and society.

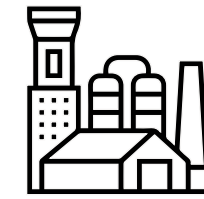


Prolec received for the first time the distinctive Socially Responsible Company.

Planet

Environmental Management System

For our commitment and actions for sustainable development, Prolec has held ISO 14001 certification for more than two decades. Identifying, preventing and controlling the environmental impacts that our products may generate are actions we take daily toward this commitment, which keep us in absolute compliance with the laws on environmental care.



3 plants are ISO 14001 certified.

Environmental efficiency

For all of us at Prolec, operational efficiency is essential to reducing our environmental footprint. By optimizing processes, we reduce emissions and resource consumption, contributing significantly to environmental stewardship and our sustainability goals.

Our Prolec GE plant in Waukesha was selected in 2023 for a government subsidy that will facilitate the incorporation of advanced energy-efficient technology. The implementation of a cooling and heat recovery system, along with new operational controls, will optimize the plant's use of energy resources. These actions, coupled with projects at all Prolec sites, will enable us to significantly improve operating costs, while improving energy efficiency and advancing our sustainability goals.

By replacing obsolete machinery with more efficient equipment, we avoided 6,796 metric tons of CO₂ emissions.

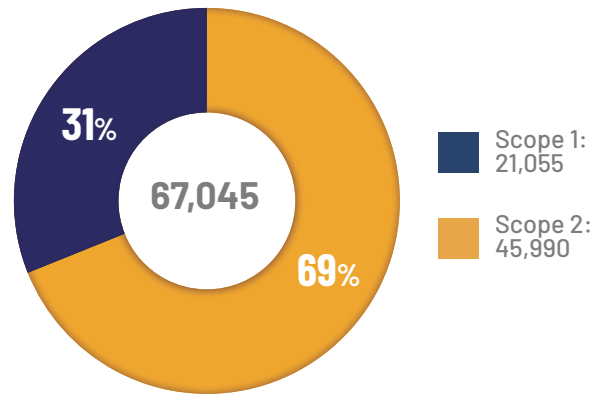
By optimizing processes to reduce waste generation, we saved 49,347 kg of hazardous waste.



Sustainability and innovation are pillars of our culture.

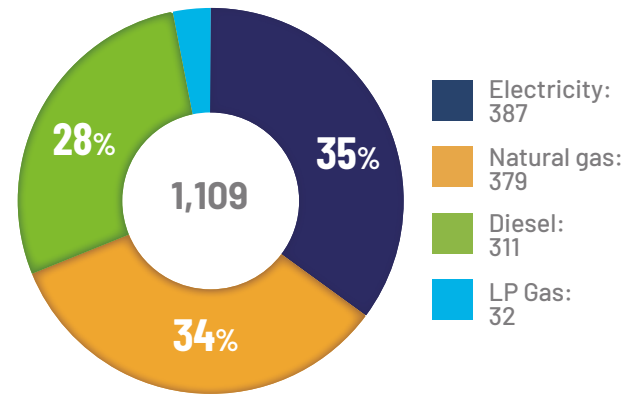
GHG emissions, Prolec

metric tons of CO₂e



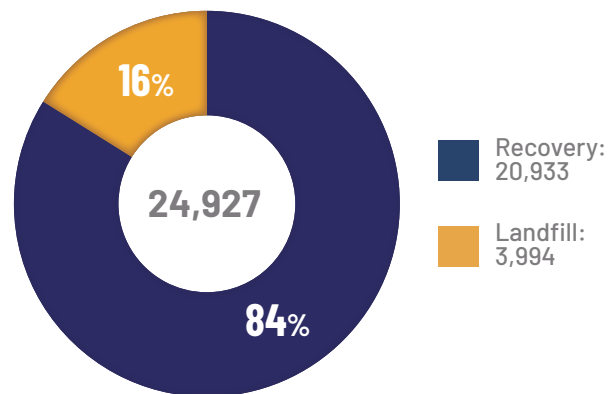
Energy consumption, Prolec

terajoules



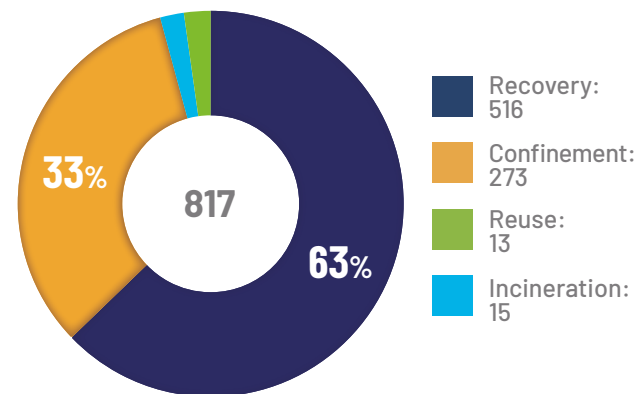
Destination of non-hazardous waste, Prolec

metric tons



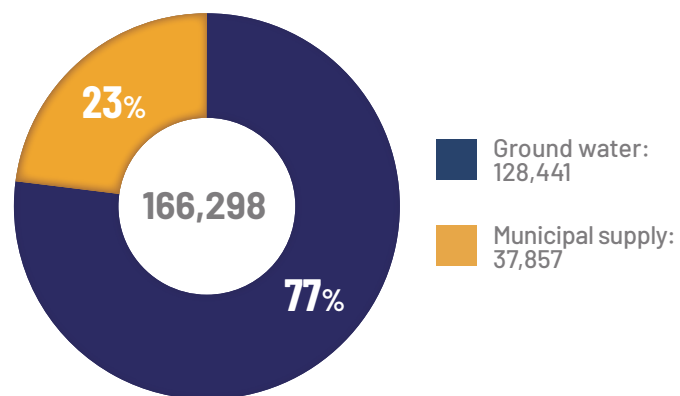
Destination of hazardous waste, Prolec

metric tons



Water withdrawals by source, Prolec

cubic meters



Materials used, Prolec (metric tons)

Material	Weight
Renewable	
Wood	4,781
Cardboard	11,479
Non-renewable	
Steel	125,448
Oil	48,442
Aluminum	13,654
Copper	6,930
Organic solvents	228
Plastics	15

Our People

Health and safety first

Our Health and Safety Management System focuses on proactively identifying operational risks, analyzing workplace conditions, addressing training needs, promoting management involvement and teamwork. The personal commitment and participation of all employees is key to its success, and under this system they work cooperatively and proactively to identify and mitigate accident risks. This atmosphere of cooperation fosters a safer work environment and a comprehensive safety culture, in which each energizer plays a key role in protecting their coworkers and themselves.

For the second year in a row, employees at the Goldsboro, North Carolina plant received the North Carolina Department of Labor's Plant Award for achieving one million work-hours without a recordable lost-time incident.

Well-being for our energizers and their families

As we do every year, in 2023 we recognized the children of our energizers who obtained an excellent grade point average. And for the first time, we also held this event at sites outside Mexico. Likewise, in the first edition of the One Prolec virtual race, we united 470 energizers from our plants in Mexico, the United States and Brazil to promote wellness and integration under the "One Prolec" slogan.

In 2023, we responded to Expansión magazine's Súper Empresas survey for the first time, achieving outstanding results in the category of companies with more than 3,000 employees. This recognition underscores our commitment to the well-being of our energizers and our uninterrupted effort to maintain a work environment that promotes growth and integral development.



The safety of our energizers comes first.



We promote female talent

We commemorated International Women's Day at our plants in Mexico, the United States and Brazil. At Prolec Monterrey, we organized the Women's Energy Fair. In Brazil and the United States, particularly in Shreveport and Waukesha, we gave talks on this topic, and launched a campaign to stress the importance of working on gender equity, highlighting the role of women in the company.

Fostering excellence: training and development at Prolec

Through investment in educational programs and the continuous improvement of internal talent, we create a learning environment that raises the professional level of our energizers and drives innovation and efficiency in all our processes.

As part of our commitment to continuous learning, we implement a number of programs such as:

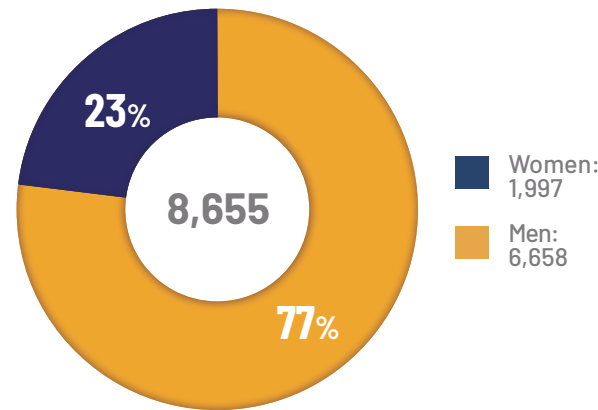
- Management and leadership program for middle management.
- Virtual training program to strengthen soft skills.
- Programs to strengthen specific competencies by job.
- Professionalizing master's programs in collaboration with the Universidad Autónoma de Nuevo León: We offer two specialized programs, a master's degree in Industrial Engineering with a focus on Manufacturing Systems and another in Electrical Engineering with a specialization in Transformers.
- Administrative Master's Degrees.
- Program to strengthen the Xignux Work Culture and the Total Productivity System.

These programs enrich our energizers professionally, strengthen our organizational capabilities and improve our products.

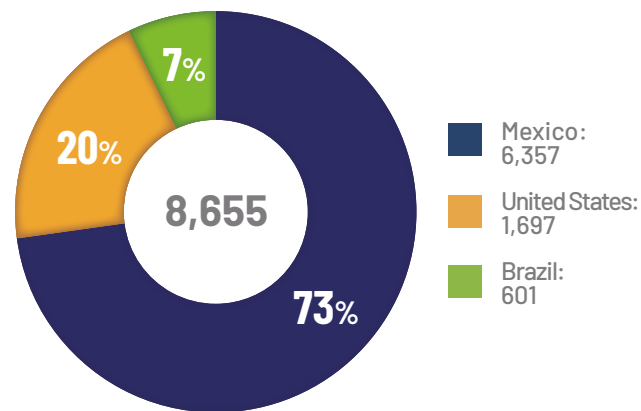


+1,000,000
hours of employee training

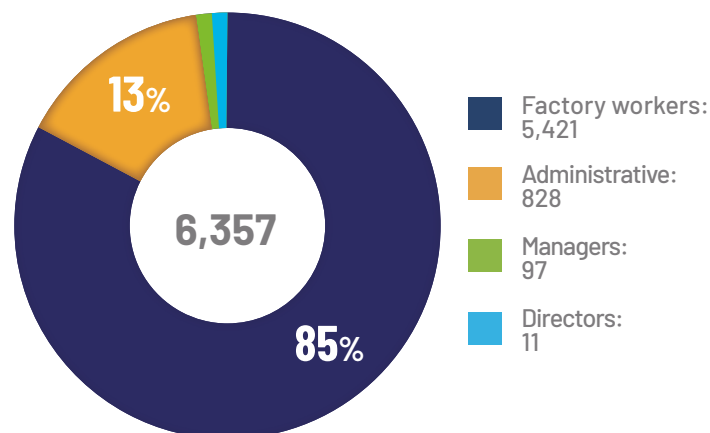
Prolec employees by gender



Prolec employees by country



Prolec employees by job responsibility*



*Data on Mexican operations

Community

As a Xignux company, we at Prolec understand that the success and sustainability of our operations depend on a strong and positive relationship with local communities. For this reason, we strive to be their allies through community development programs and volunteer initiatives. These actions open channels of dialogue and improve the quality of life of individuals and families in our areas of influence, strengthening community ties.



Prolec volunteers donate their time and efforts to contribute to a better community.

Among our main volunteer actions in 2023 were:

Activity	Scope
Golf Tournament with a Cause	Our Waukesha plant held the third golf tournament with the United Way Association, in which 40 of our energizers were among the 116 competitors
Katy Build Tournament	Our Shreveport plant sponsored the Katy Build tennis tournament to benefit veterans in the community, in which 350 players participated, including some Prolec GE employees.
Sales with a cause	At our Apodaca plant, we held several sales with a cause with our employees to support charitable institutions such as DIF Centers and the Down Center of the municipality, as well as people with addictions and women in vulnerable situations.
Fundraising for natural disasters	Employees from all our Prolec sites made contributions to help those affected by hurricane Otis in Guerrero, Mexico, and by the floods in Rio Grande do Sul, Brazil.
Cleanup Brigade	We cleaned up trash along the banks of the Pesqueria River in Nuevo Leon, Mexico, to promote a positive environmental culture among our employees.
Blood Donation	We conducted a blood donation campaign with employees at our sites in Waukesha and Goldsboro, United States, and in Apodaca, Mexico.
Hair donation	We collected hair braids from employees at our Apodaca plant to make wigs for women with cancer.
Food donation	We donated canned and non-perishable food to different institutions that serve people in vulnerable situations in Nuevo León and at PGE Waukesha sites.
Clothing donation	We collected winter clothing in Canoas, Brazil, to benefit people who have been affected by natural disasters.
Transform your Christmas	We organized a toy drive among employees to donate to the children of the DIF in Apodaca, Mexico, and to the Vó Nelsa school in Canoas, Brazil.

2,269
volunteer participations

2,148
hours of volunteer time

15,249
people benefited

+12%
of Prolec energizers participated in volunteer activities

Qualtia®

We offer comprehensive solutions to our customers and consumers

At Qualtia, we produce and market foods of the highest quality, offering flavor, nutrition, wellness and innovation. We have four business units: Luncheon Meats, Dairy, Meats and Food Solutions.

These units complement each other to position us as strategic suppliers in each of the markets in which we participate. We also have one of the largest cold, dry and frozen distribution networks, through which we sell market beverages, dressings and groceries.

Main brands

Qualtia | CARNES FRÍAS

Qualtia | LÁCTEOS

Qualtia | PROTEÍNAS

Qualtia | FOOD SOLUTIONS



Qualtia's mission and vision are aligned with those of Xignux.

Mission:

We help feed society, nourishing and energizing every moment of consumption.

Vision 2025:

To be a leading food company with profitable growth of 1.7 times in sales, leading digital commerce with highly recognized brands in Mexico, and with 5% of total profit coming from international markets.

To have superior capacity for innovation and be passionate about satisfying our customers and consumers, supported by key suppliers as strategic partners.

To be one of the best places to work with committed energizers, who embody our work culture and share our values, all in a framework of sustainability.

qualtia.com.mx



Qualtia: A growing sustainable company

At Qualtia, our sales grew stronger in 2023 thanks to higher out-of-home consumption, with increased demand for products in hotels and restaurants for the Meats and Food Solutions business units.

In 2024 we will begin our Q25 investment plan, which involves technology upgrades and plant automation programs.

We want to transform Qualtia into a business focused on consumers and our people. To achieve this:

- We prioritize three strategic pillars: focus on consumer loyalty to our brands, differentiated innovation, and strengthening talent and culture.
- Supported by three enabling pillars: a more efficient operating model, technology upgrades in systems, plants and productivity with Total Productivity System (TPS) and risk reduction with Governance, Risk and Compliance (GRC) management.



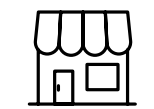
12,440
employees



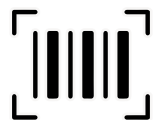
+30,100
Customers



15
plants



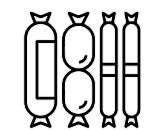
88
Branches and distribution centers



+13,000
SKUs



97,000
pieces of ready-to-eat food sold per day



502
metric tons of luncheon meats and dairy products sold per day

We introduced Q25, a three-pronged strategy to transform Qualtia into a consumer-centric consumer packaged goods (CPG) company. The strategy centers around human capital, consumer focus and innovation.

At the XO plant in San Martin Obispo, State of Mexico, we received ISO 22000 certification for our food safety management system, a competitive advantage that allows us to offer certified safety to customers and consumers.

Three of our ready-to-eat food plants maintained FSSC22000 certification, which means we operate under the highest safety standards in our processes and products. Similarly, four of our other plants earned Global Market Intermediate recognition, a food safety accreditation scheme.

The Mexican Institute of Industrial Property distinguished our Zwan and KIR brands as "famous brands" for their widespread renown and presence in the global marketplace. This is a distinction shared by only around 80 brands in Mexico today. At the same time, Peperami was declared a "noteworthy brand"—only 31 brands share this label.

In the Brazil Agribusiness 2023 trade mission, we explored new animal protein supply options and raw material alternatives with the Brazilian Association of Meat Exporting Industries.

We have been participating in Expo ANTAD for 20 consecutive years, with more than 10,000 daily visits to our stand.

Our commitment to sustainability

Toward a sustainable future

At Qualtia, our commitment to sustainability is key to ensuring the quality of our food, as well as respect for the environment and the well-being of our energizers and communities.

As a leading company in the food industry, we focus on integrating sustainable practices at all stages of our value chain. From responsible sourcing of raw materials to production methods, we seek to minimize environmental impact and ensure quality and efficiency.

Qualtia: a socially responsible company

In 2023, we received the Socially Responsible Enterprise (SRE) distinction, awarded by the Mexican Center for Philanthropy (Cemefi), for the second year in a row.

We are proud of this distinction because it reflects our best practices in business ethics, the quality of life of our people, our relationship with the community, and our care for the environment. We are firmly committed to continuing on this path, incorporating practices, policies and processes that guarantee our concern with ESG criteria in all our operations.



Empresa Socialmente Responsable®



Qualtia received the Socially Responsible Enterprise distinction for the second year in a row.

Planet

Environmental efficiency

We are committed to continuously innovating methods to increase productivity and optimize the resources used in our processes. We apply advanced technology and production techniques to ensure that every stage of our operation is as efficient as possible.

Our participation in the Xignux 2023 Work Culture Forum centered around enhancing the sustainability performance of our processes. The team that represented us focused on developing solutions in favor of waste reduction and the promotion of a circular economy at the Querétaro Plant, through two projects:

Circular supply: This project works to optimize water in secondary operating processes through the use of renewable energies and fully recyclable or bio-based inputs.

Packaging with recycled material: Initiative to reduce the consumption of virgin material in packaging by recovering and recycling useful resources from materials, by-products or waste

Water stewardship

Efficient water management is a priority in our operations. We strive to care for water and use it efficiently in all our production processes.

We have wastewater treatment plants (WWTP), that treat water for re-use within our facilities for secondary activities such as condensation processes, sanitary systems, and watering green areas.

We also extend our commitment to the community by donating treated water to local governments for irrigation activities and maintenance of community spaces. In this process, we comply with current regulations on wastewater quality so it is of appropriate quality for reuse.

We promote a circular economy

We seek out sustainable practices at all levels of our production chain. This includes minimizing waste during processing and continuously donating our cheeses, hams, sandwiches, and pizzas to food banks and civil organizations that can benefit from them.

In addition, in partnership with our suppliers, we explore new technologies that promote the use of packaging made from recycled, biodegradable, or easily recyclable materials. Similarly, in our logistics processes, we collect plastic film and sell it to authorized third parties for recycling. We also recycle plastic boxes and wooden pallets that we use in our operation.

Energy efficiency at Qualtia

Our production processes use only natural gas, a fuel known for its superior efficiency. We are also exploring innovations in the use of solar energy and the potential of hydrogen as renewable alternatives.

Other innovative energy-saving technologies include slicing systems that operate at more efficient temperatures. Also, in line with our sustainability policies, we use biodegradable refrigerants in 85% of our operations, in line with our commitment to greener practices.

For a greener planet

Qualtia is keenly aware of the importance of restoring of ecosystems, protecting biodiversity, reducing air pollution and mitigating the effects of climate change.

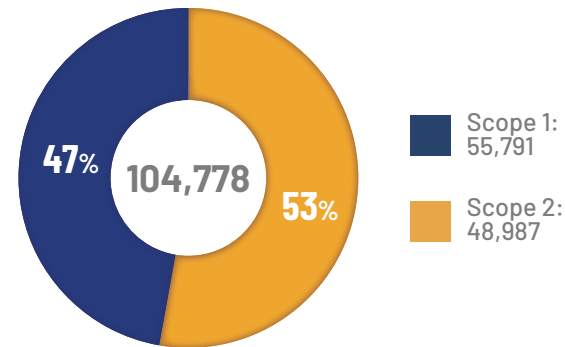
Since 2014, we have held an annual reforestation campaign at the La Concepción dam in Tepetzotlán, in which our energizers roll up their sleeves to plant trees and strengthen the area's ecosystem services. In the year of this report, 230 energizers and their families planted 700 native trees, working together with authorities and other allies in the area.



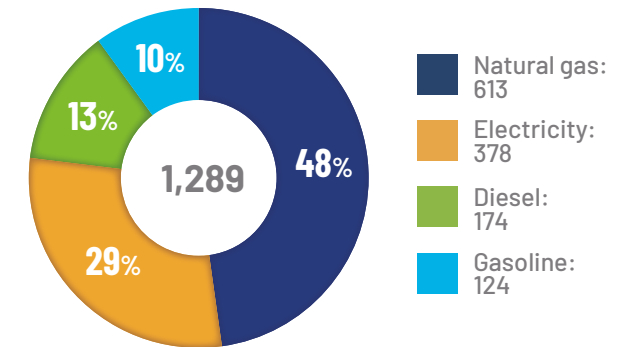
730
trees planted by
Qualtia volunteers
in 2023.

In 2023, the sewage sludge produced at the Querétaro Wastewater Treatment Plant was of high enough quality for 900 metric tons of it to be used for compaction and remediation of land to be leveled.

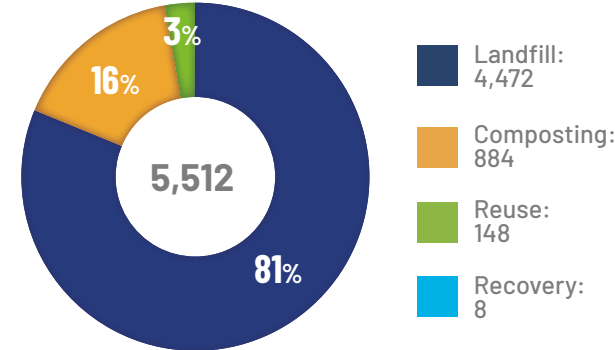
GHG emissions, Qualtia
metric tons of CO₂e



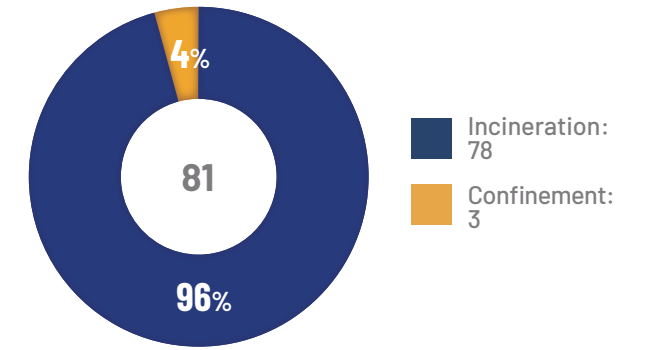
Energy consumption, Qualtia
terajoules



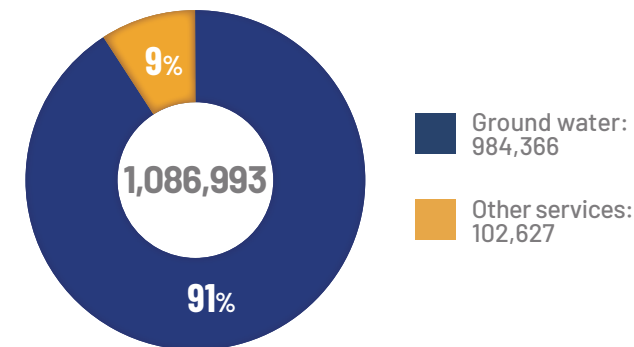
Destination of non-hazardous waste, Qualtia
metric tons



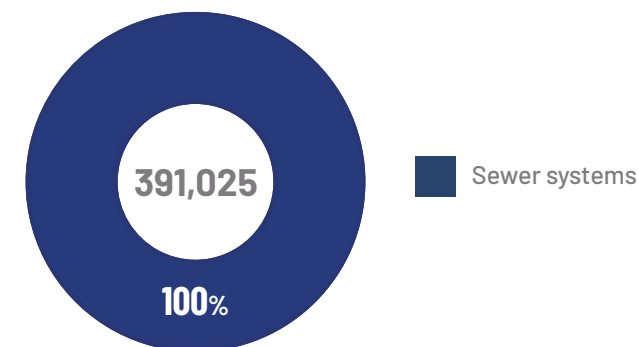
Destination of hazardous waste, Qualtia
metric tons



Water withdrawals by source, Qualtia
cubic meters



Water discharges by source, Qualtia
Cubic meters



Materials used, Qualtia (metric tons)

Material	Weight
Renewable	
Wood	4,117
Cardboard	1,710
Non-renewable	
Pastes	121,538
Meat products	11,183
Flours and condiments	7,426
High- and low-density polyethylene	3,802
Plastics	2,248
Oil	1,123
Others	1,103

Our people

Health and safety first

Qualtia's Health and Safety Management System reflects our commitment to creating a safe and healthy work environment that minimizes risks to employees. It continuously improves workplace safety processes and promotes the well-being of our energizers.

As part of our commitment, we continuously promote a robust occupational safety and health culture. Each year, we celebrate International Occupational Safety and Health Day with activities that encourage healthy habits and raise awareness about preventing accidents and illness.

In 2023, at the Monterrey Plant, we organized disease detection programs, vaccinations, and talks on occupational safety, among other activities. At the Querétaro Plant, we also gave talks on nutrition and emotional well-being, and had physical activities such as soccer and foot races, reaffirming our concern for the comprehensive well-being of our energizers. At the Tepetzotlán Plant, we carried out integration and health dynamics to promote a culture of prevention on the job, and we celebrated areas with the most days without incapacitating accidents.

Building leadership and efficiency

At Qualtia, we are firmly committed to developing and improving the leadership and management skills of our people.

Our efforts in this direction last year included Productivity System (TPS) training, designed to strengthen the Xignux Work Culture (CTX) and productivity in our operations; the Digital Transformation Forum, which served as a platform for incorporating innovative technologies into our daily practices; and the Disruptive Leadership workshop, focused on strengthening collaboration among our teams to accelerate our transformation processes.

With these initiatives, we enrich the professional competence of our energizers and work toward our goals as a company.



+312,000

hours of training offered to Qualtia's employees.



We promote the advancement of our women energizers in every area of the company.



We are making progress in the use of biodegradable packaging.

Well-being of our energizers and their families

At Qualtia, we understand that employee well-being requires family well-being, so we extend our commitment toward comprehensive well-being in the home as well.

We offer programs and activities that promote the health and safety of our energizers, and engage and benefit their families. From preventive health activities to integration and personal development events, we ensure that our wellness initiatives address the needs of every family member.

In line with this commitment, we invite their children to visit our plants every year, giving them a chance to tour our facilities and learn more about the work their mothers and fathers do. This activity strengthens family ties and provides the children with an enriching and educational perspective.

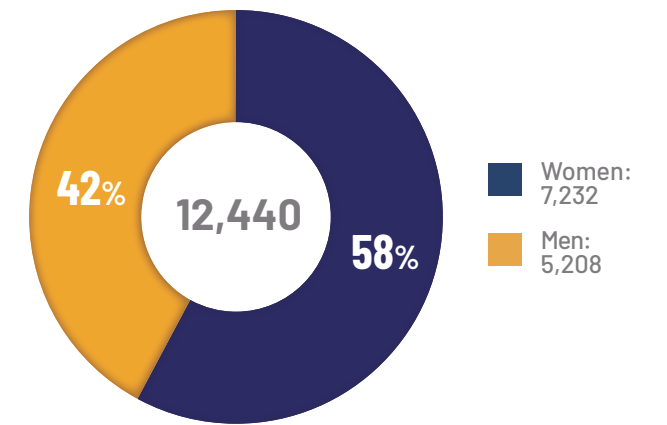
Through Qualtia University, we offer online education so that employees at any location across the country can take courses in operational, warehouse, delivery and sales force areas. Today, we have 6,825 active participants. The platform gives them easy access from their smartphones to more than 60 courses about how to do their jobs better and take advantage of growth opportunities.

Promoting inclusion

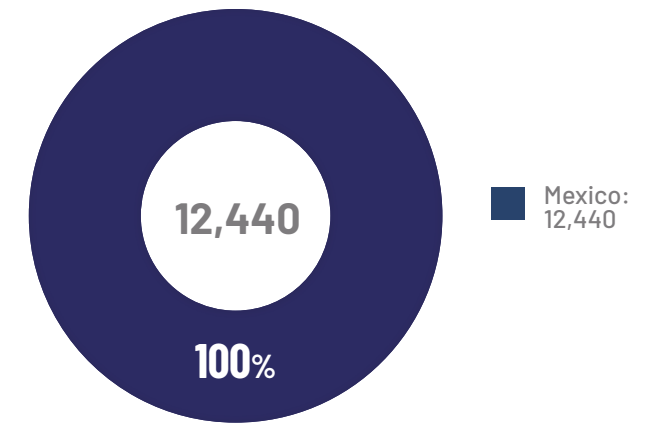
58% of our energizer team is made up of women, who occupy both administrative and operational roles. We want to create environments that inspire dialogue and provide resources useful to their personal and professional advancement.

For example, on International Women's Day, we organized a series of activities focused on promoting gender equality and women's participation in all aspects of society. These activities included conferences and webinars about women's empowerment.

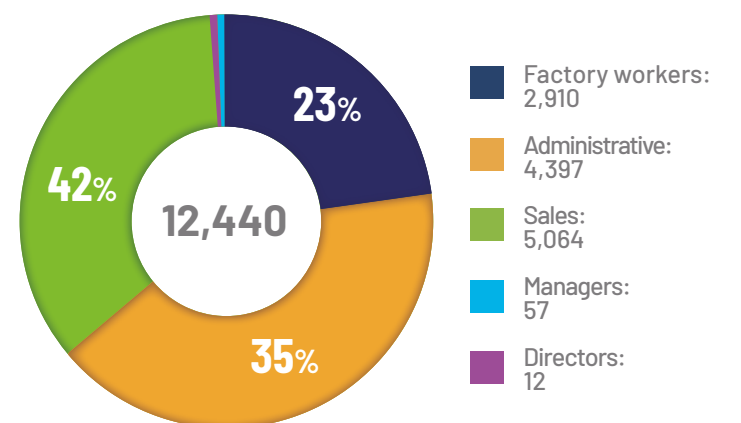
Qualtia employees by gender



Qualtia employees by country



Qualtia employees by job responsibility



Community

We invest our time, experience, knowledge, and resources in a variety of initiatives that improve the living conditions and development of the communities in which we operate.

This commitment is expressed in actions that promote human, social and economic development, allowing us to benefit our stakeholders, local communities and society at large, and which are fundamental for the sustainability of both our organization and the world around us.



We incorporate social and environmental responsibility criteria in all our processes.

Among the main volunteer actions in 2023 were:	
Activity	Scope
Drawing contest	We promoted the care, saving and efficient use of water in the eleventh edition of the Qualtia Children's Drawing Contest.
Transforming my street	We promote road safety through urban planning interventions designed to guarantee safe school routes, especially for the most vulnerable street users.
Team Wellness	Members of Qualtia's running club participated in various races with a cause throughout the year.
Sales with a cause	We carried out several sales with a cause with our collaborators to benefit the Centro Down Crecer juntos.
Together for Guerrero	Members of our Qualtia team made contributions to help colleagues affected by Hurricane Otis in Guerrero, Mexico. In total, we raised 263,412 pesos, an amount that Xignux Foundation matched one-for-one, bringing the total to 526,823 pesos.
Blood drive	We carried out a blood drive in which 35 people from the Monterrey, Querétaro and Tepetzotlán sites participated.
Give a smile	We donated Christmas gifts for children with cancer and those affected by other catastrophic illness, in coordination with the civil association "Manitas Pintando Arcoíris."
Toy drive	We collect toys among our energizers to donate them to children who are cared for at the San José children's home in Cancún.
Food donations	Each month, we use our food to make a donation to benefit civil society organizations working on nutrition and community support projects. In 2023, we made food donations totaling more than 783,000 pesos.

4,306
volunteer participations

14,787
people benefited

8,659
volunteer hours

18%
of Qualtia's energizers participated in volunteer activities.





We energize and delight with excellent snacks

We are a leading seller of salted snacks in the northeast of Mexico, created more than 20 years ago out of the merger of regional brands Leo and Encanto, both with a long history there. In 2023, we welcomed the Lourdes snack brand from Baja California. We have more than 4,600 employees and operate four production plants, distributing our products out of 50 distribution centers in the north and center of the country and reaching more than 250 thousand points of sale. We also have a production plant in Texas and a growing presence in the Hispanic market in the southern United States. At BYDSA, we manufacture products according to the strictest quality standards and in compliance with FSSC22000 Global Food Safety Initiative (GFSI) standards, which regulate and guarantee the safety of our processes and products.

Main brands



BYDSA's Mission and Vision are aligned with those of Xignux.

Mission:

We energize and delight with excellent, affordable snacks.

Vision 2025:

To be the fastest growing snack company nationwide in Mexico, bringing customers their favorite products and excellent service in every region of the country. To be an organization of capable, committed people who generate value by operating with excellence, contributing to society and caring for the environment.

bydsa.com



BYDSA: a sustainably growing company

At BYDSA, we have grown our sales force by 23% and expanded our presence in new territories. This past year, we continued our expansion with the acquisition of Lourdes, which extended our reach to more cities in northwestern Mexico.



4,633
employees



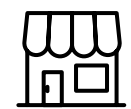
4
plants



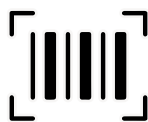
45
Distribution Centers



1,570
Sales and delivery units



+250,000
Points of Sale in Mexico and the United States



430
SKUs



1,680,000
bags of snacks sold per day



In 2023, we welcomed Botanas Lourdes to the BYDSA family, strengthening our presence in northwestern Mexico. With a more than 50-year history in Tijuana, Baja California, this addition expands and strengthens our commercial offerings, brings our most emblematic snacks to new markets, and creates synergies that drive our company's growth.

The U.S. Food and Drug Administration (FDA) conducted its first verification of a BYDSA plant in Mexico and certified that both the facility and our products meet U.S. safety requirements, which opens the door to stronger exports to the neighboring country.

Our commercial and logistics strategy was recognized by OXXO during its 2023 Annual Retail Meeting.

Our commitment to sustainability

Our mission for a sustainable future

At BYDSA, sustainability is an integral part of every aspect of our operation, from the careful selection of raw materials to the implementation of production methods that minimize our negative impact on the environment. This approach not only ensures the excellence and quality of our food, but also reinforces our commitment to the well-being of our employees and communities.

As a growing company in the food industry, we are dedicated to continuous innovation and improvement, committed at every step to building a more sustainable future. This includes bringing the Xignux work culture to new operations that join BYDSA, and applying best practices in environmental performance, employee well-being and community responsibility.



Our Wastewater Treatment Plant (WWTP) at the Monterrey Plant helps us to manage this resource responsibly.

Planet

Environmental Management System

BYDSA understands the crucial role that sustainability plays in the future of our planet and our company. Our Environmental Management System is key to ensuring that our operations meet rigorous standards. Through this system, we control the environmental impacts of our production and logistics processes, guaranteeing sustainability and responsibility in every step of our processes, with a particular focus on water conservation, circular economy, electromobility, energy efficiency and the reforestation of green spaces in our communities.

Responsible water management

Efficient water management is a priority for BYDSA. As a first step, we strive to use water efficiently in all our production processes. We also continue to build up our water treatment facilities to take advantage of this resource in secondary activities within our facilities. In this process, we strictly comply with current regulations on treated wastewater generated, ensuring its quality before reusing it.

We promote a circular economy

We want to incorporate the benefits of the circular economy into every aspect of our operations, working with authorized outside handlers to process the waste we generate as required by law. In the case of our products, food waste generated during cooking is used as animal feed, and oil is collected and sold as a by-product for other industrial processes. For our packaging material, we recycle each cardboard box used in the transportation of our products an average of 4.5 times before sending it for recycling. We follow a similar approach with pallets, recovering the wood to rebuild them and extend their useful life. In addition, packaging and plastic film waste is destined for recycling processes.

Energy efficiency at BYDSA

Aware that energy efficiency is key to reducing our environmental impact, we use only higher-efficiency natural gas in our production processes. In 2023, we replaced our main boiler at the Monterrey Plant with a more efficient one of a more suitable size for our operations, which will reduce the consumption of natural gas in our production process. To further increase our efficiency, we reinforced preventive maintenance throughout our operations.

Electromobility: commitment to reducing our carbon footprint

Our sustainability program continued to advance last year, as we increased the number of electric vehicles in our

distribution fleet to 80.* The shift to electric vehicles is more than an upgrade of our fleet: it is a statement of our intention to lead by example in the transition to low-carbon mobility. Every kilometer driven by these green vehicles avoids greenhouse gas emissions in our logistics activities, aligns our operations with our sustainability values, and demonstrates that using cleaner technologies is both possible and beneficial. At BYDSA, we are adapting the way we transport our products, while demonstrating that operational efficiency and care for the planet can go hand in hand.

For a greener planet

In Sierra de Lobos region of Guanajuato, a place of vast natural beauty and vital ecological importance, BYDSA embarked on an initiative to protect and revitalize the environment.

In collaboration with the Guanajuato Ministry of Environment and Land Management, we launched an environmental remediation project that marked a new chapter in our sustainability mission. The team, comprised of BYDSA volunteers, local residents and authorities, engaged in work such as invigorating pruning and forest restoration, as well as installing perimeter fencing to protect four hectares of land.

These collective efforts, focused on improving the health of endemic trees and promoting the regeneration of native species, gave a vital assist to maintenance of the region's aquifers. At the end of the project, a commemorative plaque was unveiled to mark the lasting legacy in the community of La Ceja, San Felipe. This project reaffirms our commitment to the environment and strengthens our ties with the community, and it proved that together we can make a significant difference.

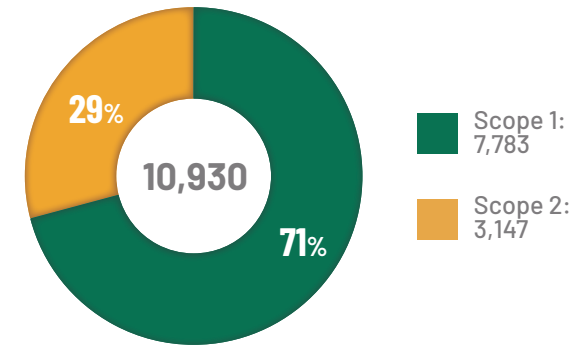


80
electric vehicles
included in our
distribution fleet.*

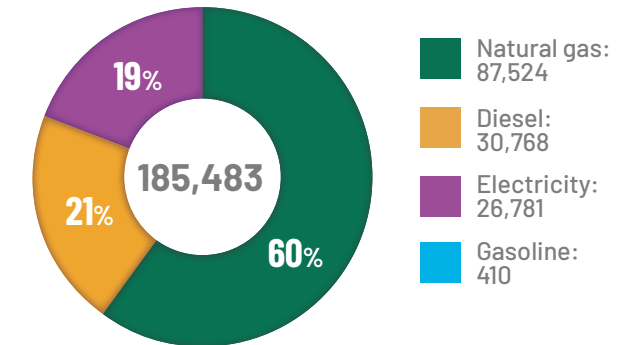
100% of the electricity consumed in our Guadalupe, Nuevo León branch comes from solar sources.

*By the end of the first quarter of 2024.

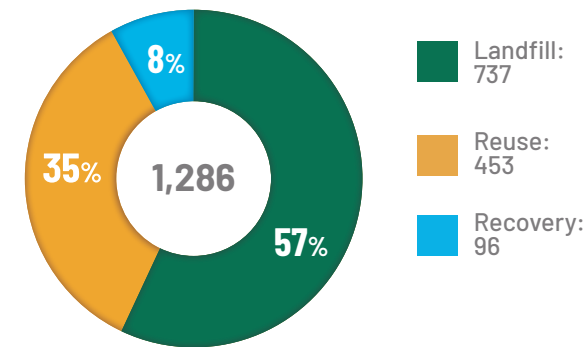
GHG emissions, BYDSA
Metric tons of CO₂e



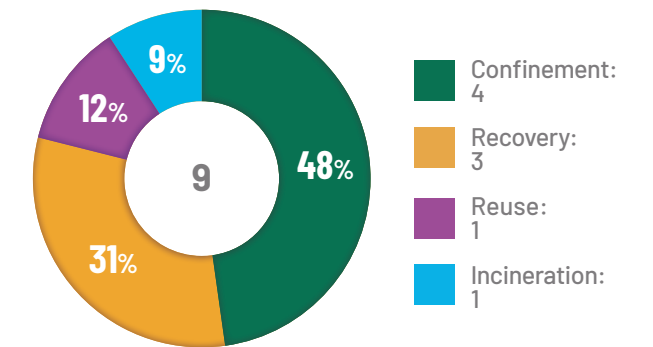
Energy consumption, BYDSA
gigajoules



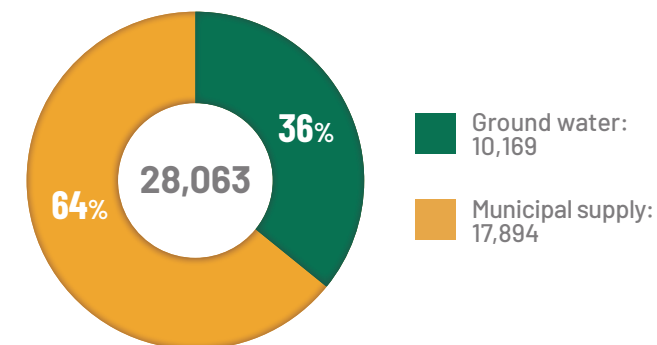
Destination of non-hazardous waste, BYDSA
metric tons



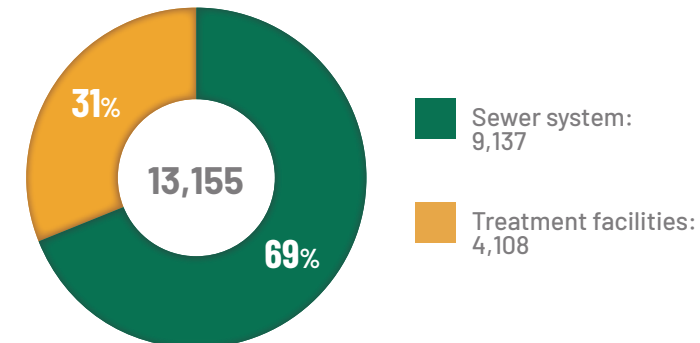
Destination of hazardous waste, BYDSA
metric tons



Water withdrawal by source, BYDSA
cubic meters



Water discharges by destination, BYDSA
cubic meters



Materials used, BYDSA (metric tons)

Material	Weight
Renewable	
Wood	3,139
Cardboard	5,728
Non-renewable	
Flours and condiments	16,486
Oils	6,804
Cardboard	4,140
Packaging (film)	1,642
High and low density polypropylene	55

Our People

Health and safety first

BYDSA's Health and Safety Management System demonstrates our focus on establishing a safe and healthy work environment. Because we want to embed a strong occupational health and safety culture in all our areas of operation, we commemorate International Occupational Safety and Health Day each year. In 2023, our Safe Week activities included awareness talks, activities, and contests to reinforce the importance of safety at work. We concluded with a blood drive and a contest that tested our employees' health and safety knowledge. BYDSA's Health and Safety department recognized the staff of the raw materials and warehouse areas for reaching different records in the number of days without incidents.

Leadership and efficiency development

At BYDSA, we are committed to continuously improving our operating processes.

In 2023, we held a National Branch Management Meeting to share the company's best practices. In various sessions, energizers presented initiatives that improve human resources, information technology, internal audit and logistics activities.

We also held our first National Sales Convention, attended by 250 energizers from all our branches, including managers, supervisors, salespeople and promoters. Participants were able to enjoy conferences and workshops given by experts, as well as practical activities to reinforce the sales process.

We know that the success of our continuous improvement processes depends on the passion and skills of our leaders. Our "Energizing BYDSA Leaders" program provides advanced tools for the effective management of teams and for meeting goals. In 2023, 84 middle managers participated in the program.

Also during the year we held a program called "Focus," which consisted of a series of workshops on optimizing management and achieving our strategic goals for 2025 through the total alignment methodology.

We recognize the achievements of our energizers

In 2023, we awarded 132 recognitions to energizers in the maintenance, production and warehouse areas, who have demonstrated outstanding performance aligned with BYDSA's values. Actions like these reinforce our teams' sense of belonging and motivates them to continue working hard to achieve our organizational goals.

We seek the well-being of our energizers and their families

We are firmly committed to the comprehensive wellbeing of our employees and their families. We designed programs and activities that encourage togetherness and well-being for all BYDSA's family members. For example, we award annual prizes to the children of energizers who have obtained an outstanding grade point average.

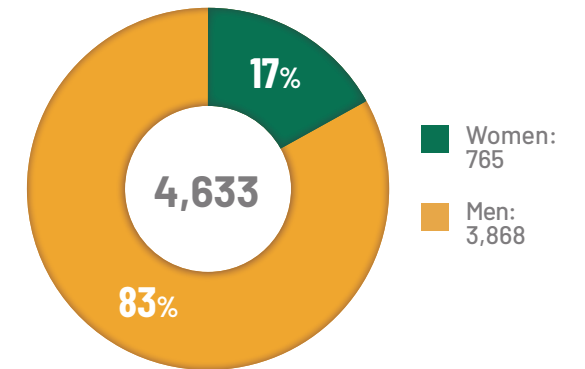


+23,000
hours of training
offered to employees.

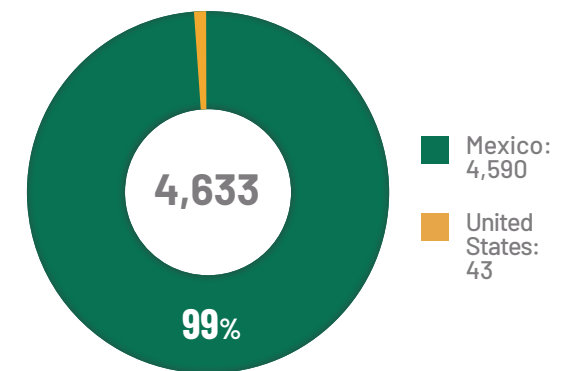
We recognize our women energizers

We value and recognize the fundamental role of the women who work at BYDSA. To mark International Women's Day, we organized a conference entitled "Working Women: Yesterday, Today and Tomorrow." In this session, experts in medicine discussed with employees the evolution of women in the workplace and their challenges. The aim of the conference was to raise awareness of the significant contribution made by women, both in the professional and family environment.

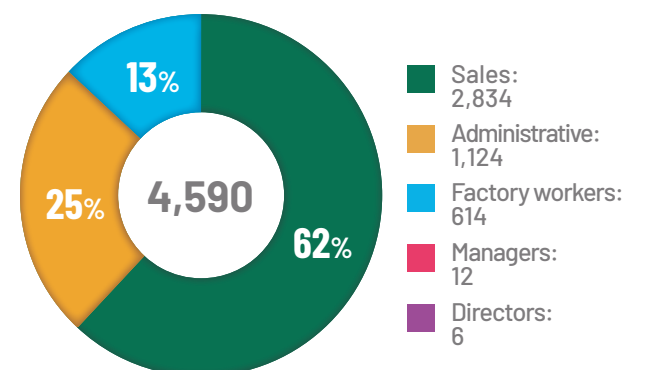
BYDSA employees by gender



BYDSA employees by country



BYDSA employees by job responsibility*



*Data on Mexican operations

Community

We understand the importance of maintaining close relations with our neighboring communities and developing a culture of active social responsibility. We strive to be good neighbors by working to improve the local environment and strengthen our communities. By involving our employees as volunteers, we foster a team spirit and commitment that transcends the company's daily operations.



We expanded our presence in Mexico and the United States.

Among the main volunteer actions in 2023 are:

Activity	Scope
Cause-related sales	We organized a cause-related sales campaign with our employees to benefit the civil association Esperanza al Débil A.C.
Blood drive	We carried out a blood drive among employees
Anti-cancer donation	We made a donation of recyclable bottle caps and groceries to the Alianza Anticáncer Infantil A.B.P. association, which allowed us to benefit 33 children and adolescents fighting cancer.
Donation for Children's Day	We made a donation to celebrate Children's Day together with the community of Pinal de Amoles, bringing together three communities in the Sierra de Lobos region.
Donation for DIF Capullos	We donated of snacks for the Children's Day celebration at the Capullos Center.
Donation for our children	We donated basic necessities and toys to the children of Casa Hogar Sociedad Protectora de la Niñez Desvalida.



We promote diversity and inclusion in all our processes.

366

volunteer participations

720

hours of volunteering

4,406

people benefited

4%

of BYDSA energizers volunteered



Driving the greatness of nanomaterials

At Nanoqem, we develop solutions based on nanomaterials and advanced materials to power industrial applications. Our efforts are focused on improving processes and product attributes. This progress is achieved through our dedication to innovation and our collaboration with experts in the design, manufacture and commercialization of sustainable solutions. With our experience and expertise, we offer products that stand out in the marketplace, ensuring a positive and sustainable impact.



Coatings that enhance surfaces and provide them with new and improved properties, such as covering, repelling and protecting.



Specialized germicides for paints and other aqueous coatings to destroy bacteria, fungi and algae.

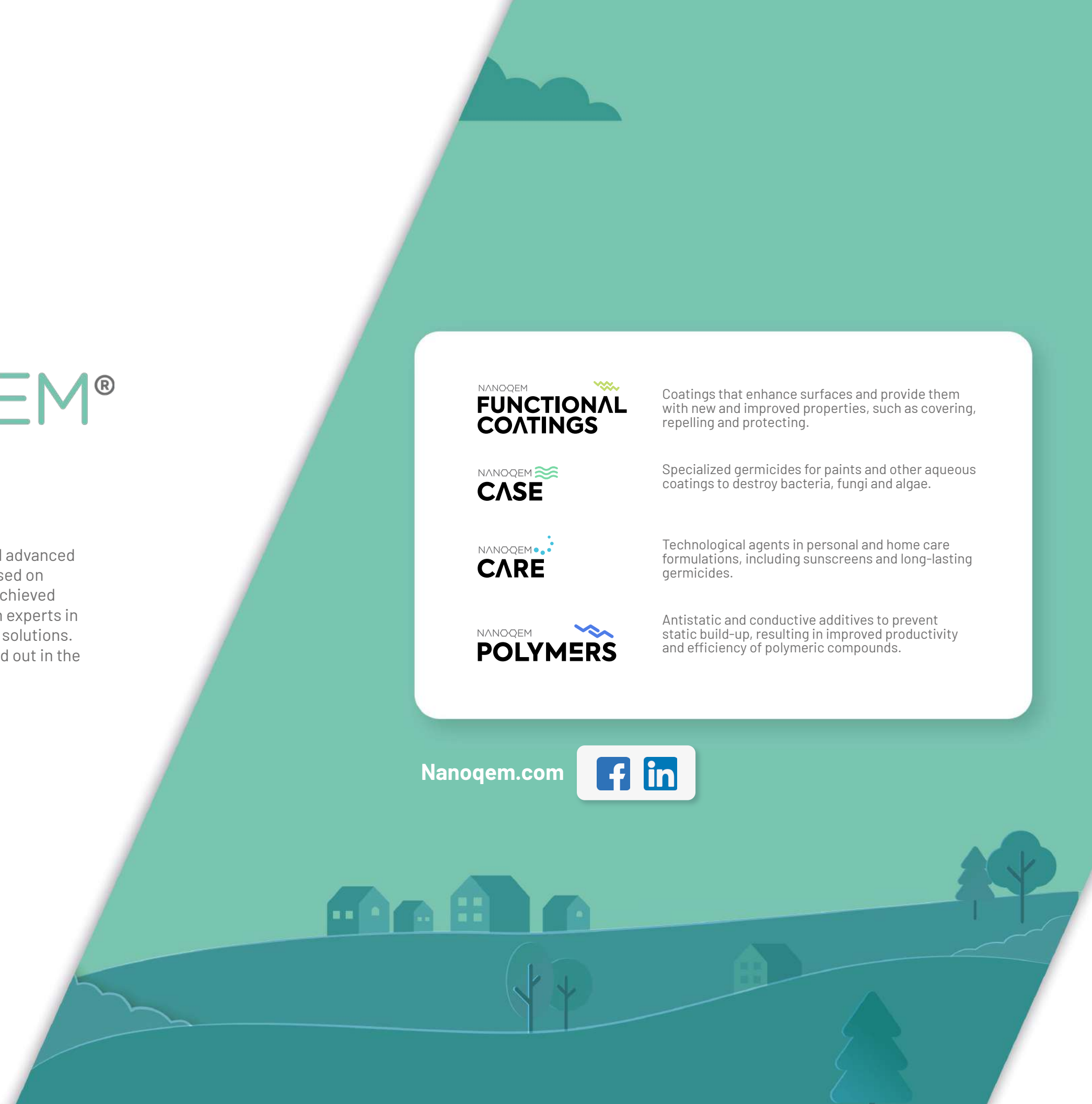


Technological agents in personal and home care formulations, including sunscreens and long-lasting germicides.



Antistatic and conductive additives to prevent static build-up, resulting in improved productivity and efficiency of polymeric compounds.

Nanoqem.com



2023: a year of progress and recognition for Nanoqem

Zanilast+: from the laboratory to public health in the community

In response to the COVID pandemic, Nanoqem created the Zanilast+ line of disinfectants, which uses Zanux2 nanotechnology. Zanilast+ is valued for its far-reaching efficacy that contributes to safer environments. In 2023, Nanoqem donated more than 5,000 units of Zanilast+ Go to organizations such as Red Cross, Comedor de los Pobres and Sana en Casa to improve sanitary safety in ambulances, medical facilities and homes.

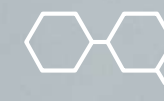
Baxiqem: preserving products with technology

At Nanoqem, we are leading innovation with the launch of Baxiqem, an advanced solution for the coatings, adhesives, sealants and elastomers industry. This inorganic additive, based on zinc oxide, has superior germicidal capacity to control the growth of bacteria, fungi and algae on various surfaces. Designed to be incorporated at any stage of production, Baxiqem preserves product integrity and prevents odor and texture alteration. Its effectiveness at different pH and temperatures, together with its biodegradability and safety, make it an essential tool for extending shelf life and improving product attributes.

We unite science and society

Determined to be part of the future and to foster scientific knowledge, Nanoqem was present at leading industry in during 2023. At Expo Cosmética, held in Mexico City, we interacted with leaders in the beauty and personal care industry. During this event, we presented our innovative solutions and established key connections with cosmetics manufacturers. We also participated in Nanotech 2023, an event organized by Tecnológico de Monterrey, where we shared advances in nanotechnology with academics and students, extending our influence in the field of applied science. Also during the year, we were recognized by the government of Nuevo León with the innovation award for "Development of a New High Impact Innovative Product or Service." This award reinforces our commitment to innovation and industry development.



 **Nanoqem**
was created in 2009

Where we're headed

We are currently working on research and development of pigments and additives for paints, coatings and polymers that have the ability to reflect heat. This innovation allows for significant savings in energy consumption in both homes and industry.

In addition to this line of development, we are creating mechanical property modifiers for plastics and polymers that reduce the consumption of these materials in applications such as water containers and food packaging. Our approach to innovation is not only to create more efficient products, but also to reduce our carbon footprint.



200
Solutions



13
patents



Sales
in 7 countries



1
Plant



39
Employees



64% Men



36% Women

We boost industrial processes with cutting-edge products.

Voltway[®]

Electromobility Solutions

We make the transition to electromobility possible

Voltway develops comprehensive solutions for charging infrastructure. We don't just supply chargers for electric vehicles; we are with our customers every step of the way, from start to finish of an e-mobility project, our highly qualified team makes sure the equipment is properly installed and performs as it should, giving customers more peace of mind throughout the process.



Voltway customers

- ▶ Fleets
- ▶ Electric buses
- ▶ Residential
- ▶ Shopping centers
- ▶ Parking areas
- ▶ Electric stations
- ▶ Companies
- ▶ Public charging
- ▶ Concessions
- ▶ Hotels

[voltwayemobility.com](https://www.voltwayemobility.com)



Electromobility solutions

Strategic partnership between Voltway and Viakable

In 2023 we began to pursue synergies with Viakon, a brand owned by our sister company Viakable, as part of our strategy to extend the benefits of e-mobility in Mexico. These two Xignux companies are working together to drive the evolution of the Mexican electromobility market through a robust portfolio of charging infrastructure solutions.

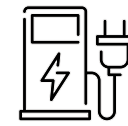
Leading the way to electromobility

In 2023, we led the electromobility transition in Mexico, actively participating in key industry events. We were present at the first America's Mobility of the Future event, where we presented our charging infrastructure solutions and emphasized the crucial role of electric charging stations for the future of sustainable mobility. At the International Energy Symposium and Electric Expo 2023, we reinforced our commitment to green mobility by showcasing how our chargers and technologies support the shift to cleaner and more efficient transportation. These events also encouraged new ties between government, academia and industry as we work together to overcome the industry's challenges and move towards a more sustainable future.

Voltway offers a comprehensive solution for electric vehicle charging

1  Design and manufacturing	2  Consulting
3  Legal Aspects	4  Installation
5  Energy management	6  Charging points
7  Monitoring	8  Service and maintenance

Voltway's impact in 2023:



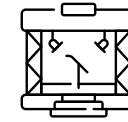
300
Chargers installed



9
"Electroline" charging station projects



18
Training sessions



4
Forums and specialized events in which we participated



20
Panels and conferences featuring our experts



ETHICS, INTEGRITY AND CORPORATE GOVERNANCE

Environment | Society | **GOVERNANCE**



We foster a culture of ethics and integrity

Comprehensive ethics system in Xignux companies

For Xignux, trust is the cornerstone of our business success. We are committed to managing our operations ethically and abiding by all laws, regulations and standards of excellence, while ensuring respect for human rights at all times.

Xignux's comprehensive ethics system is founded on three pillars: the Xignux Code of Ethics, the whistleblower hotline and the Ethics Committees that are formed at both at the corporate level and at each of the Xignux companies. Together, these three elements support the ethical conduct that underpins the legacy and continued success of Xignux, and they enable all of us to identify, prevent, and when necessary, sanction inappropriate conduct. They encourage open communication by providing clear mechanisms for handling complaints and denunciations. As a result, our comprehensive ethics system ensures integrity and accountability in all our operations, which strengthens stakeholders' trust in our organization.

Xignux Code of Ethics

The Xignux Code of Ethics concentrates our values and guides all our employees and leaders on the conduct we expect of them in their daily interactions with each other and in their relations with customers, financial institutions, suppliers, competitors, shareholders, communities and, in general, all stakeholders with whom we interact.

The Code of Ethics establishes the fundamental principles that should govern our actions and decisions on a wide range of issues, including:

- **Interpersonal relations.**
- **Relations with customers, suppliers and competitors.**
- **Relations with authorities and community.**
- **Conflicts of interest.**
- **Handling of information.**
- **Gifts and hospitality.**
- **Asset protection.**
- **Environment and ecology.**
- **Occupational health and safety.**

The Xignux Code of Ethics is publicly available and easily accessible to our stakeholders at <https://www.xignux.com/codigo-de-etica/>.



The Xignux Code of Ethics is available to all our stakeholders.



Download our Code of Ethics here

Continuous commitment to the Xignux Code of Ethics

At Xignux we continually reaffirm commitment to the Code of Ethics throughout the organization. Every two years we distribute the Code of Ethics to all employees, who sign their consent and adoption of its principles. In addition, each new employee signs the Code when they join the company, thus ensuring their commitment from the start of their employment relationship.

The Code of Ethics also provides for channels to report conduct that is out of keeping with our standards, either on the part of the person filing the report or others, as well as to clear up questions about its application. This procedure is an essential for maintaining commitment to the ethical framework throughout our entire organization.

The preparation and regular updating of the Code of Ethics is the responsibility of the Corporate Internal Audit area, which distributes it through the Ethics Committees of each company and the Xignux Ethics Committee. Each company's Ethics Committees conveys the document to employees through the Human Resources area, and this area collects all employees' signatures attesting to them received it.

In the event that any potentially inappropriate conduct is reported, the Corporate Internal Audit area analyzes, documents and issues its opinion on the case, then issues a situation report that is forwarded to the relevant Ethics Committees in each company and to the Xignux Ethics Committee. During this process, the Ethics Committees keeps the case in strictest confidentiality.



Our leaders remain committed to the organization's ethical framework.

Training and communication on ethics and integrity

We provide various types of training to our people on topics related to the Code of Ethics, integrity and Xignux values. One example is the Xignux Knowledge Center (CCX), a digital platform that offers educational material on topics relevant to their jobs and personal advancement. It also provides ethics courses that are part of the Xignux onboarding process.

CCX courses include:

- **Xignux Mission and Values.**
- **Xignux Code of Ethics.**
- **Xignux Whistleblower Hotline.**
- **Prevention of workplace harassment in the company.**
- **Inclusive work culture.**
- **Conflicts of interest.**
- **Right to equality and non-discrimination.**

In addition, each Xignux company plays its part in strengthening our culture of integrity. For example:

- At Viakable, the Code of Ethics and educational material on prevention of workplace violence were shared via email and WhatsApp. The company also made several posts on social media about to the Code of Ethics and values.
- Prolec carried out an "Energize with Ethics" campaign at its sites in Mexico, the United States and Brazil. This campaign facilitated access to and knowledge of the Code of Ethics through various internal communication media and

reminded employees of the values and behaviors that we share as energizers.

- Qualtia stepped up communication about the whistleblower hotline so that employees were aware of it and could use it. It also conducted a communication campaign about Xignux values and behaviors, which included testimonial videos, face-to-face activations and posters in the workplace.
- BYDSA carried out a campaign to publicize Xignux values among all employees through internal communication media, through e-mail, face-to-face training and informational posters.
- Corporativo Xignux launched a campaign to promote a culture of legality in alliance with the Hagámoslo Bien (Let's Do It Right) initiative. This activity, called "A Summer to Do It Right", invited the employees of Xignux companies to engage their children in games that encouraged them to think about integrity. In addition, the children received school supplies with phrases about the importance of always doing the right thing.

2,608 employees from Mexico, the United States and Brazil took courses at the Xignux Knowledge Center focused on ethics and integrity during 2023. worthy of tr.

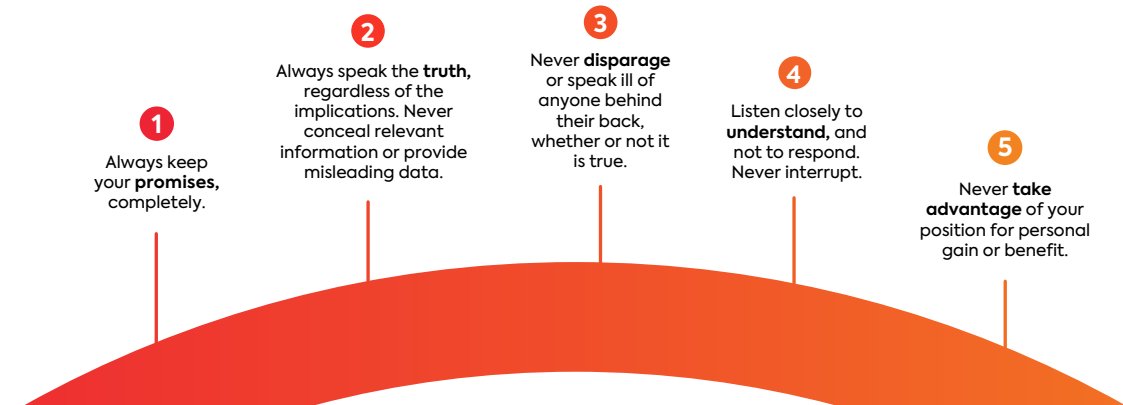


We are trustworthy and seek excellence in everything we do.

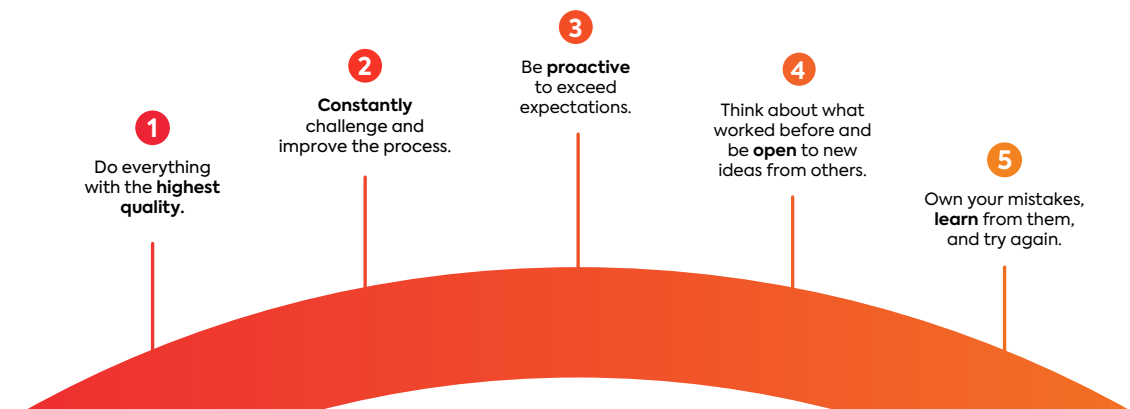
Xignux values



Be trustworthy



Seek excellence










Whistleblower hotline

We foster a culture where employees can openly communicate their concerns about possible breaches of the Code of Ethics without fear of reprisal. This is essential to maintaining a productive work environment according to established ethical standards.

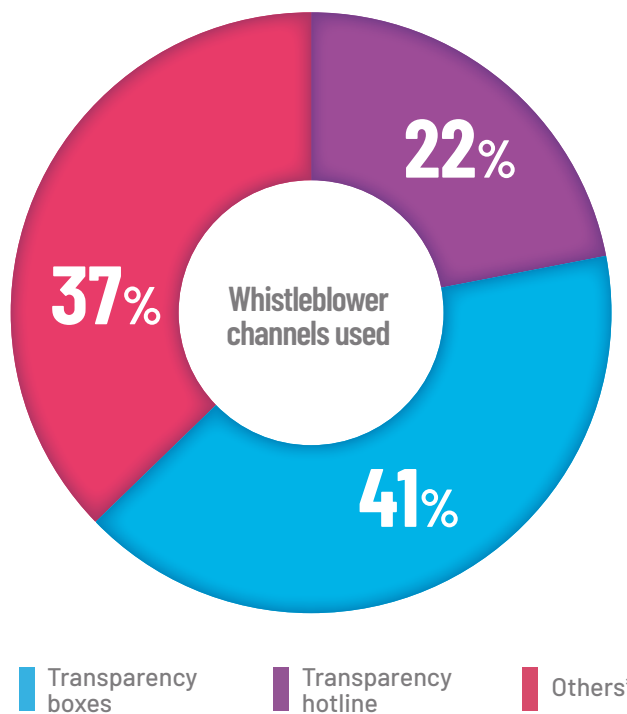
Our Code of Ethics is integrated into an ethics management system based on processes and tools, to create spaces of trust among our employees and stakeholders in general. At Xignux, each one of us has an obligation to speak up about any situation that may represent a breach of our Code of Ethics. We have several channels where such matters can be reported confidentially, managed by an external firm that ensures both confidentiality and the protection of the reporting party. Everyone who works at Xignux must cooperate in the pertinent investigations.

Xignux whistleblower Channels

-  **Website:**
<https://concern.ethicsglobal.com/>
-  **Email:**
reporte@ethicsglobal.com
-  **Transparency hotline:**
800-04-38422 | 55-6266-7171
-  **Immediate supervisor**
Head of Internal Audit or Human Resources of each company.
-  **Intranet**
for employees
-  **Transparency boxes**
at every facility
-  **Ethics Committees**
at every company and at the corporate level



We encourage people to speak out against unethical conduct in all workplaces.



*Others: website, intranet, Ethics Committee, e-mail or immediate superior

Ethics Committees

Cases received through the whistleblower hotline are handled promptly, professionally and confidentially. The Ethics Committee at each Xignux company is responsible for receiving, managing, investigating and resolving complaints submitted through the various channels available. The members of the Ethics Committees are leaders within Xignux, with a track record of impeccable integrity. In addition to handling whistleblower reports, they also manage general ethics-related aspects of each company.

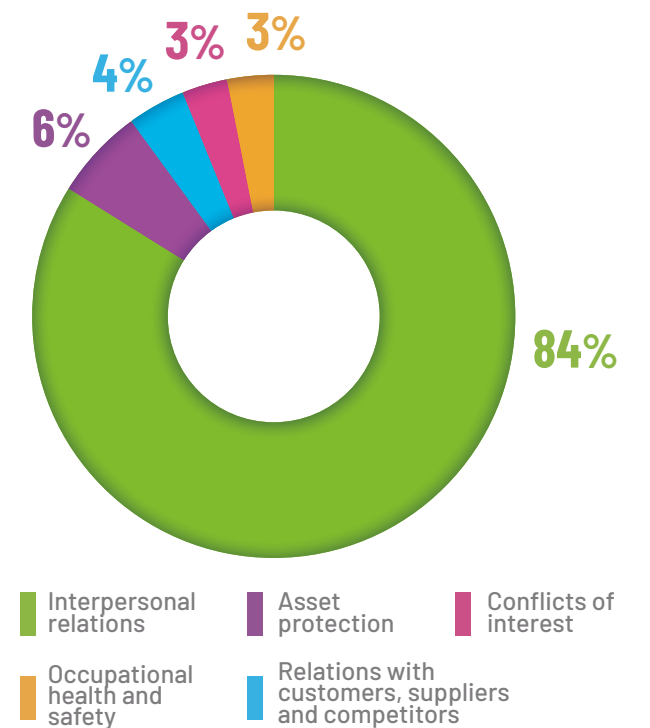
In 2023, our Ethics Committees received and dealt with 525 complaints, all of which were resolved during the year. Significantly, due to the continued reinforcement of a culture of transparency and open communication throughout our operations, the number of complaints received in 2023, as well as employee dismissals for ethics and integrity reasons, reached record levels. This demonstrates the effectiveness of our efforts to make employees feel increasingly empowered and confident to voice their concerns and promote an atmosphere where transparency and integrity are the pillars of our corporate culture.

For any violation of our Code of Ethics, the Ethics Committees implement a system of escalating sanctions that reflect the seriousness of the breach. This system ranges from reprimands to suspensions and dismissals and, in extreme cases, bringing charges before the appropriate authorities. Our approach ensures impartial justice in a fair and safe working environment, in accordance with the law and with respect for human rights.

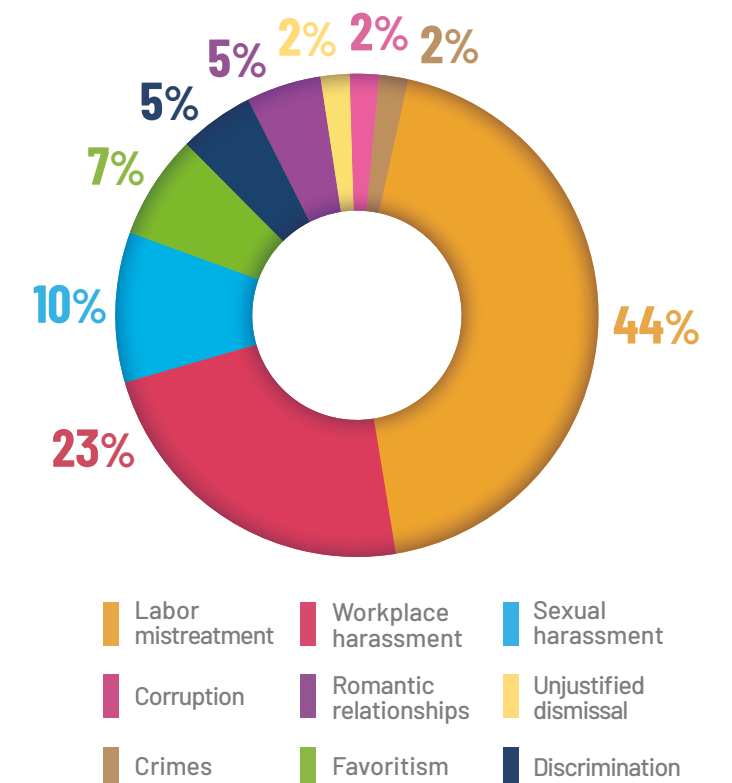
In 2023, the ethics and integrity control system resulted in the dismissal of 106 employees in connection with ethics-related complaints, and another 28 as a result of internal audit findings. There were no incidents related to child labor, violations of the rights of indigenous communities or forced labor in connection with our operations.



Reports of Code of Ethics violations



Reports in interpersonal relations category



Our commitment to respect for human rights

At Xignux we recognize that human rights are universal values worthy of protection. For this reason, we continuously carry out actions of oversight, prevention and response to situations that arise in the course of business, to spot any risk associated with our operations and avoid possible violations.

This commitment is also expressed in our Code of Ethics, which is conveyed to all our employees from the first day they join the company. As part of this commitment, through our Human Rights Policy, we prohibit both child labor and forced labor, as well as any discriminatory action and violation of labor rights. In addition, we seek to ensure that suppliers doing business with us apply practices, policies and programs that contribute to the respect of human rights.

Since 2021, we have been signing members of the United Nations Global Compact, and we have publicly pledged to incorporate its 10 Principles into our corporate policies:

Principle 1: We support and respect the protection of internationally proclaimed human rights within our sphere of influence.

Principle 2: We make sure that we are not complicit in human rights abuses.

Principle 3: We uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: We support the elimination of all forms of forced and compulsory labor.

Principle 5: We support the effective abolition of child labor.

Principle 6: We support the elimination of discrimination in respect of employment and occupation.

Principle 7: We maintain a precautionary approach to environmental challenges.

Principle 8: We undertake initiatives to promote greater environmental responsibility.

Principle 9: We encourage the development and diffusion of environmentally friendly technologies.

Principle 10: We work against corruption in all its forms, including extortion and bribery.



For more information, visit: <https://www.pactomundial.org.mx/diez-principios-del-pacto-mundial/pacto-mundial/>

In 2023, we published our new Human Rights Policy, which reinforces our commitment to upholding, respecting and actively promoting human rights within and outside our organization.

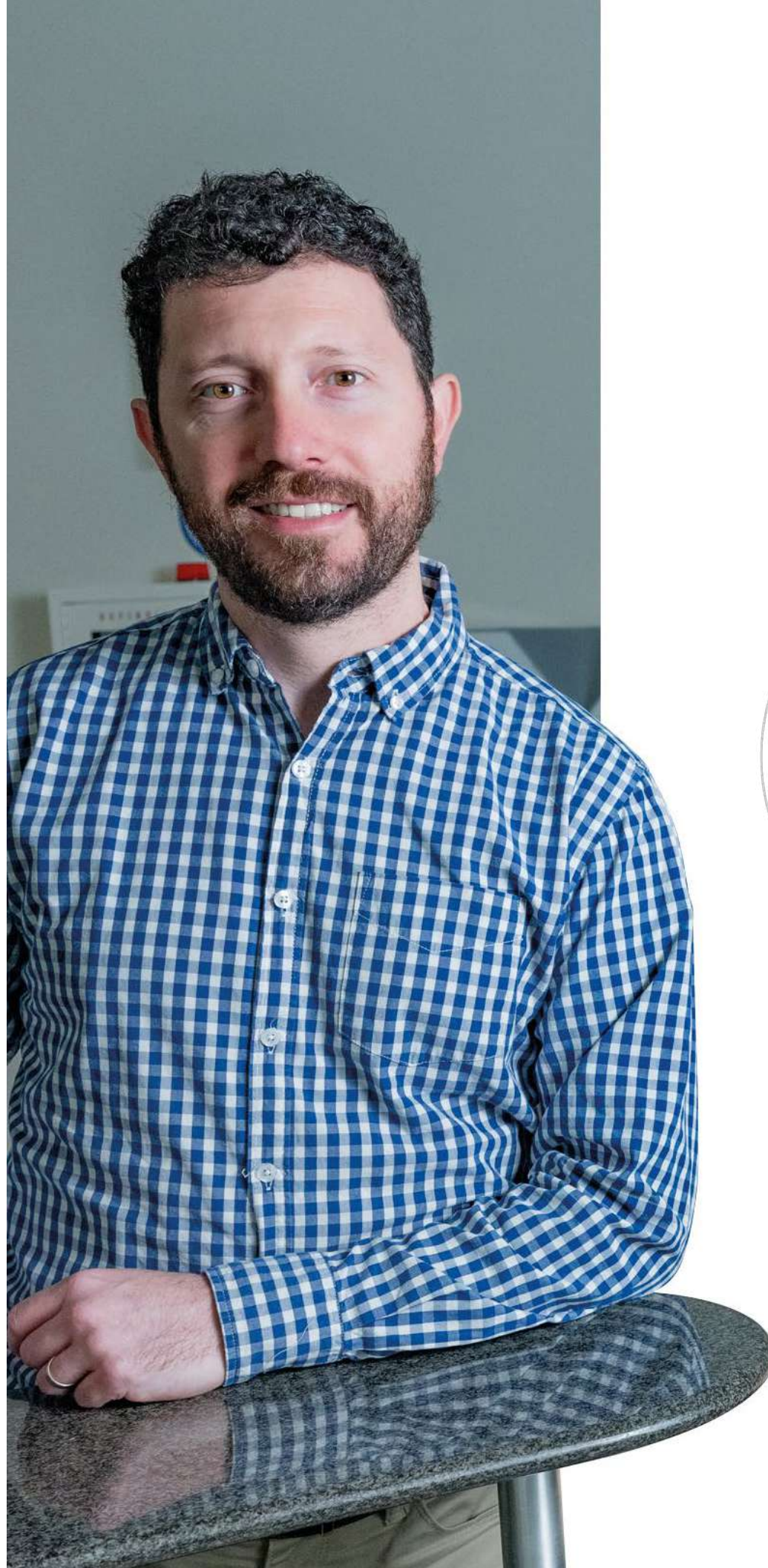
Corporate Governance

Alignment with the highest corporate governance standards

We are committed to making business decisions in a spirit of integrity and transparency toward our stakeholders. In this process, we abide strictly by all applicable laws and regulations, and adhere to the highest ethical standards and best corporate governance practices.

Our Board of Directors assumes the fundamental task of overseeing the company's operations and ensuring that the principles of good governance and corporate responsibility are followed. In parallel, our management team is responsible for effectively managing the Xignux companies, ensuring the implementation of the Board's directives, and maintaining a commitment to excellence and transparency in all our activities.

Board of Directors	
Chairman	Eugenio Garza Herrera
Secretary	Oscar de J. Martínez Treviño
Board members	Alejandro J. Garza Herrera
	Gabriel J. Garza Herrera
	Juan Ignacio Garza Herrera
	Andrés E. Garza Herrera
	Ana Cristina Garza Herrera
	Humberto J. Garza Domínguez
Independent board members	Francisco J. Garza Zambrano
	Federico Toussaint Elosúa
	Mario M. Laborín Gómez
	Jaime Zabudovsky Kuper
	Eugenio Clariond Rangel



Our executive team*



*As of the close of 2023.

OUR PEOPLE

Environment | **SOCIETY** | Governance



The source of our energy

Who we are

Xignux is a community of more than 30,000 employees who combine their talent and skills to meet the needs and exceed the expectations of the markets in which we participate. Our commitment to our values and our willingness to join forces distinguish and energize our companies in the countries and cultures in which we operate.

Xignux's commitments: development, safety and diversity for all.

Xignux's commitments to our employees are: to provide them with the training and skills they need to achieve excellence in their daily work, to guarantee a safe and healthy work environment, to create a culture of equal opportunity that celebrates our characteristic diversity, and to create conditions in which they and their families can thrive and prosper.

Our employees are the source of energy that drives us to overcome challenges, seize opportunities, and forge our future. That's why call them our "energizers".



+30,000

employees joining their talents and skills



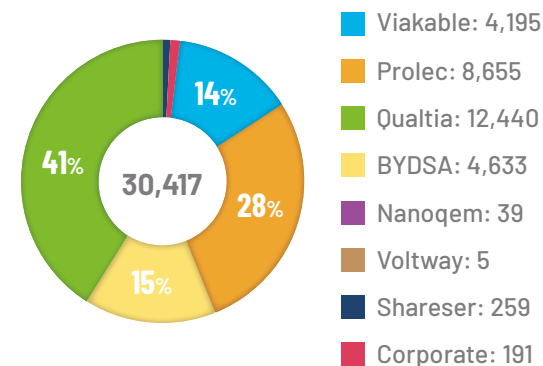
+1,480,000

hours of training

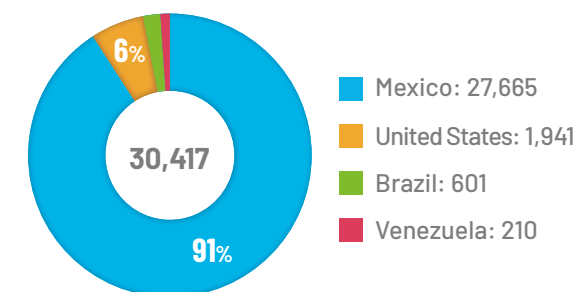
Profile of our energizers

30,417 Xignux employees

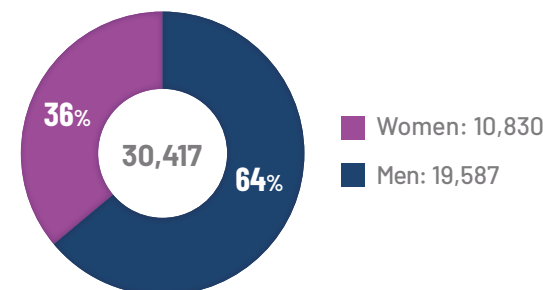
Employees by company



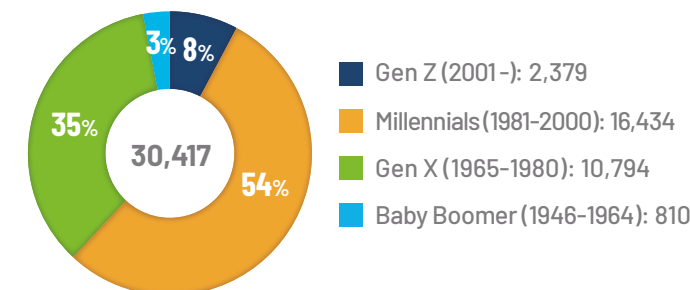
Employees by country



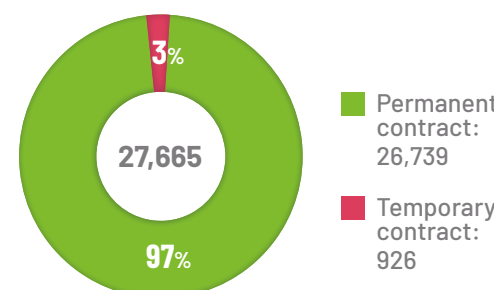
Employees by gender



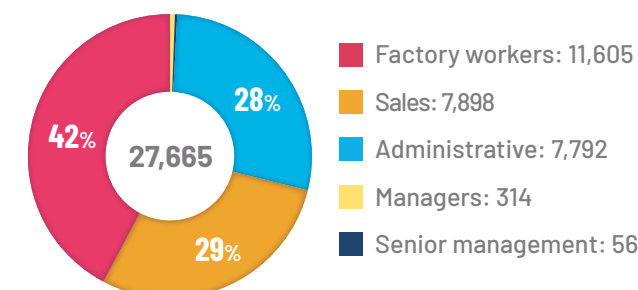
Employees by generation



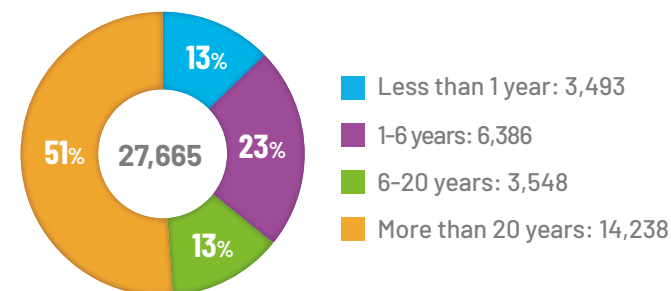
Employees by contract type*



Employees by job level*



Employees by seniority in the company*



*Data on employees in Mexico.

Xignux culture

A model that defines us

Xignux culture is closely tied to the concept of quality in our daily activities. This was formalized in 1993 with the Total Quality Control program, which evolved in 2012 with the creation of the Xignux Work Culture (CTX, by its initials in Spanish). In 2022, we revamped the CTX model, both the way we visualize it graphically and its components, to incorporate new aspects and improvements that keep us current and relevant in a constantly changing environment.

This culture is defined by a series of attitudes, beliefs and daily practice that give direction, meaning and stability to our day-of-day operations. It also fosters a climate of innovation, evolution and adaptability, aspects that distinguish and make our organization unique.

With the revamped CTX Model, we ensure that our work culture is continuously developed and strengthened through three fundamental pillars, which constitute our identity and guide all Xignux employees around the world:

1. Living our values
2. Energizing people
3. Driving our businesses



At the CTX forum, we shared best practices for strengthening our organization.



Xignux Work Culture Forum

The CTX Forum, an event dedicated to Xignux Work Culture, serves to highlight and share best practices related to each of the pillars of the CTX Model.

The eighth CTX Forum brought together around 650 leaders in person and another 200 by remote media, from Mexico, Colombia, the United States and Brazil. The event served as the epicenter of a dynamic exchange of knowledge and innovative ideas.

Our Director of Corporate Development opened the Forum and highlighted the new CTX Model. He also announced our focus for the year 2023: "We Drive Our Businesses," one of the fundamental pillars of the model which addresses critical aspects such as strategy and focus, the TPS and the digital transformation of the company. Speakers at the forum shared stories and best practices in each of these areas, with an emphasis on process optimization, technological innovation and social responsibility. In addition, renowned speakers enriched the forum with fresh perspectives on effective leadership and organizational culture.

This event not only reaffirmed our commitment to excellence and continuous improvement, but also fostered collaboration among the participating teams. The exchange of best practices during the CTX Forum fosters our energizers' creativity, strengthens our business strategies and consolidates the effectiveness and dynamism of our culture.

The closing remarks by our CEO Juan Ignacio Garza Herrera, were a call to stay focused and firmly convinced of our collective ability to overcome challenges and realize our ambitions, with an emphasis on talent and dedication as the foundation for our future success.

Total Productivity: Commitment to quality and continuous improvement

After two decades of successful implementation of the Toyota Production System (TPS) in our companies, we renamed this initiative the Total Productivity System. In doing so, we have adapted this system as our own, recognizing its efficiency in optimizing processes and eliminating waste, and the holistic approach it takes to operational and administrative functions. With this change we are aiming to form a deeper connection with each of our energizers and to emphasize productivity in the daily activities of everyone who works at Xignux companies.

In 2022, we began the expansion of the new TPS culture to all areas of our company, with a particular focus on strengthening the problem-solving skills of our leadership and management teams. With this transformation, we seek to maintain excellence, innovation and efficiency in every aspect of our work, directing all efforts towards the common goal of growth and sustainability.



A work culture infused with excellence, innovation and efficiency.

Xignux Digital Transformation

The Xignux Digital Transformation initiative focuses on the strategic introduction of advanced digital technologies to innovate and optimize business processes, organizational culture and customer experience. It enables us to continuously adapt to the changing demands of our customers and the market and thus ensure our long-term competitiveness and relevance.

In this spirit, we organized five Xignux Digital Transformation forums in 2023, touching on topics such as generative artificial intelligence, robots in industry, digital twins and extended reality. These meetings sought to foster synergies and establish governance frameworks to accelerate digital transformation in Xignux. Specialists in these topics joined leaders from different areas to share advances and explore improvements in processes and practices, the result of which were joint strategies for priority projects and a renewed commitment to technological success through innovation and collaboration.

These forums, driven by the Digital Transformation area of Xignux, aim to share knowledge and experiences within the organization to generate added value and promote a culture of continuous innovation. They are an integral part of our Change Management plan, designed to ensure that digital transformation is effectively integrated into all areas of the company, redefining how we work and how we deliver value to our customers and stakeholders.

The holistic approach to digital transformation enables us not only to face today's challenges, but also to lead the future in our industries, demonstrating Xignux's ability to innovate and adapt its business models in the face of new challenges and opportunities.



Training and development of our people

Impulso al conocimiento

Continuous training is a fundamental strategy for ensuring the personal and professional development of our energizers. Each Xignux company is committed to enriching and nurturing the advancement of its employees and providing them with access to learning resources that keep them constantly evolving. At the group level, we created a virtual university, known

as the Xignux Knowledge Center, to strengthen the skills of our energizers and inculcate the Xignux Work Culture. In 2023, more than 8,000 energizers took advantage of this tool to improve their skills. In addition, Xignux has 50 agreements with educational institutions, which offer discounts and preferred rates to employees and their families.



We develop and strengthen leadership and management skills in our young talent.

Leadership for the future

The Xignux Leadership Program (PLX, by its initials in Spanish) is designed to build and enhance leadership and management skills in young talent, through TPS and digital transformation tools, so they can then be applied to Xignux's strategic projects in different areas, companies and locations.

In 2023, participants successfully completed 45 projects in Monterrey, Queretaro, Mexico City, Durango, Canoas, Dallas, Goldsboro, Shreveport and Waukesha. Notable projects include:

- 60% reduction in PVC overconsumption at a Viakable business unit.
- 25% increase in capacity at Prolec Brasil's transformer tank factory.
- Safe Quality Food (SQF) certification at Qualtia's Iztapalapa plant, one of the most rigorous in the food industry.
- Implementation of a digital management system with telemetry to improve fuel use and safety in BYDSA's fleet.



Continuous feedback drives the development of our organization.

Mentoring: enriching collaborative experience

The accumulated experience of our employees is an invaluable asset. Through our continuous development program for mentors, currently in its sixth generation, we focus on enriching their techniques and providing them with innovative tools to apply in mentoring sessions. In 2023, we will expand this program, together with PLX, to the United States and Brazil.

Retirement workshops

We have several programs for employees approaching retirement, where they receive specialized advice on designing plans for a fulfilling retirement. These initiatives, called "Active Retirement" and "Retirement Preparation Workshops," help energizers prepare for the transition to a new stage of life, combining personal, professional, financial, marital, and family perspectives. In 2023, nearly 400 employees from all Xignux companies participated.



We provided preparation workshops for our colleagues who are about to retire.

Xignux Comprehensive Training Institute

IFIX (by its initials in Spanish) celebrated its sixth anniversary in 2023, having become a fundamental pillar in the development of our energizers and their families. This year, more than 21,000 people participated in conferences, workshops and a variety of other activities. We focus on strengthening personal, family, social and work development through educational experiences designed to make a positive difference in participants' lives.

IFIX remains at the forefront in its the learning and development opportunities it offers, with an extensive portfolio of training programs in two main modalities: employee training and family training. Each program has been carefully developed to respond to the current needs of our energizers and their families, enabling them to grow and provide them with the tools to face contemporary challenges.



21,000
people trained with family programs.



701
people connected to our virtual conferences.



2,957
members in the ANSPAC program.



16,328
people visited IFIX.



14,851
replays of our talks on social networks.



IFIX offers learning and development experiences for employees and their families.

Performance evaluation and feedback

We listen to improve

The Staff Satisfaction Diagnostic survey is a key tool for understanding the work experience of our energizers. It represents the first step in establishing a constructive dialogue between the employee and the company, so that we can align detected improvement opportunities with concrete action.

In 2023, we conducted 24,364 of these surveys, gathering valuable opinions and ideas from our team. This information is essential to continue advancing in our commitment to promote a work environment that contributes positively to the quality of life of everyone in our organization.

Feedback Time

Through three annual feedback sessions, managers and employees meet one-on-one to discuss strengths and areas for improvement identified in the performance of their responsibilities. The meetings also serve to explore strategies focused on optimizing performance and fostering continuous professional development.

360° Evaluation

This tool measures the mastery of institutional competencies - skills, knowledge and behaviors - that characterize Xignux leaders, to align them with our business strategy. It includes feedback from peers, employees, customers, bosses and a self-assessment.

Performance evaluations by job category and gender

Level	Number of employees	
	Women	Men
Executives and leaders	230	772
Administrative	673	1,801
Unionized	2,699	7,278
Total	3,602	9,851



TIEMPO DE
FEEDBACK



81 points

in the 2023 satisfaction survey, with more than 80% of our energizers responding.

Homage to Loyalty

Every year, each Xignux company holds an event to recognize employees who have been with them for five, ten, 15, 20, 25, 30, 35, and 40 years. In 2023 we celebrated more than 3,000 loyal energizers, and we also had a special ceremony for those who have been with us for 25 years or more: a way of paying well-deserved homage for the value they have so consistently delivered over the years.

Reconocimientos a la lealtad en 2023



241 employees



54 employees



81 employees



14 employees



Health, safety and well-being

Health and Safety Management System

Through our Safety and Hygiene Management System (SASH), we effectively and comprehensively manage working conditions and potential health and safety risks. Furthermore, all of our collective bargaining agreements require the formation of health and safety committees.

Workplace accidents*: 368

Lost days*: 6,206

General illnesses*: 3,347

Orienta PAE

Our Employee Assistance Program (Orienta PAE) offers free, confidential consultations and counseling in the areas of emotional, medical, nutritional, legal, family economics and education. In 2023, we provided 6,529 consultations and counseling services through Orienta PAE. In addition, all of our energizers have access to an extensive selection of courses on current topics of interest, including health and hygiene, personal relationships, work environment and pet care.

Energyn

Energyn is our chatbot designed to assist our energizers in the services offered by our Human Resources department. This system allows easy access to crucial information such as vacation requests, Crece account details, Flex Fund, insurance, balances, work letters and other benefits, at any time and without time restrictions.

Comprehensive service for energizers

In 2023, we opened the Xignux Work Orientation Center and the Emotional Wellness Center, two spaces created to strengthen our employees' experience and promote optimal areas for a healthy work environment. These initiatives support our commitment to the holistic well-being of our employees, offering support and resources dedicated to mental health, a fundamental priority for our organization.

Transforming Lives

At Xignux, we are fully aware that we are part of a broad community of solidarity and we never hesitate to offer our support to our colleagues. Thanks to the commitment and generosity of our volunteers, as well as the funds raised through the Transformando Vidas program, in 2023 we raised funds to support energizers who, for various circumstances, need financial assistance to face challenges. For example, through Transformando Vidas, Qualtia employees made donations to support their colleagues affected by Hurricane Otis in Guerrero.



Viakable's new Safety Dojo takes our safety training to the next level.



* 2023 results for the following operations: Viakable Monterrey, Viakable San Luis Potosi, Magnekon, CdN, Vialutek, Prolec, Qualtia Monterrey, Qualtia Querétaro, Qualtia Tepetzotlán, Qualtia Agrícola, Qualtia Comercial, Qualtia Anáhuac, Qualtia RTE Ecatepec, Qualtia CEDIS Tepetzotlán, BYDSA León, BYDSA Kalos and Multipak Durango.

Financial health

Crece Sistema Patrimonial AC

The company savings and loan fund Crece was established with the mission of helping our energizers build up their equity through financial services at competitive rates.

For more than 23 years, the fund has contributed to the financial well-being of our employees and their families through high-yield investments and low-cost loans on better-than-market terms. In 2023 alone, loans to Crece members generated benefits of around 183 million pesos, compared to interest on a traditional bank loan. The benefits, compared to what is available from micro-finance lenders, are equivalent to more than 550 million pesos a year.

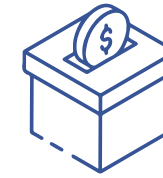


Financial literacy

In addition to the benefits of the Crece savings and loan, we offer our energizers a comprehensive financial literacy program that helps them acquire knowledge, habits and tools for good income management and savings.

Another program, Xiflex Benefits, offers employees greater flexibility in their choice of benefits, so they can choose solutions that best fit their needs, interests and life stages. For example, they can optimize their compensation by choosing insurance, dental and vision plans, personal accident coverage, minor medical expenses, and other services.

Finally, our Fondo Flex Patrimonial is a long-term savings scheme created to help energizers prepare financially for retirement.



28,010

energizers are members of the Crece savings and loan fund, including both active and retired employees, as of the close of 2023.



12,374

members obtained loans at preferred rates and free of VAT, origination fees, and administrative costs.



2,539

members increased their income through the cash flow loan, which is deposited on the same day they get their paycheck.



61%

of our savers keep their savings as a term investment for December, on which they receive the highest return Crece has to offer.



Diversity and Inclusion

Xignux Diversity and Inclusion Committee

The Xignux Diversity and Inclusion Committee plays a crucial role in ensuring that our Diversity and Inclusion Policy is reflected in every one of day-to-day activities.

To continue reinforcing our culture of inclusion, we held the webinar entitled "The Lenses Through Which I See", where we explored the topic of bias. In this event, we discussed the different types of bias, how we can identify them, how they affect the work environment, and the actions we can take to build a more inclusive culture. Through this effort, we ensure a diverse and inclusive work environment in all our operating centers.



Boosting female talent

In 2023, we celebrated the graduation of the third class of our Women's Leadership Program, with the participation of 50 female energizers. This initiative is designed to empower our female talent, focusing on the development of soft skills that will help women attain positions at all levels of the organization. This year, we are supported by Bolsa Rosa, a job bank aimed at professional women, to bring knowledge and useful tips for professional growth to our female colleagues.

In addition, in collaboration with UN Women, we recently conducted our assessment of our performance under the UN Women Women's Empowerment Principles (WEP). Based on the results, as well as McKinsey's Women Matter assessment, our Diversity and Inclusion Committee established a work plan with lines of action designed to strengthen gender equity in the organization.




Xignux companies foster a culture in which diversity is valued and inclusion is promoted.

Opening paths for inclusion of people with disabilities

The "Integra" program is our institutional initiative to promote labor inclusion by offering employment and development opportunities to people with disabilities. By the end of 2023, we had 55 employees with various disabilities.

We have also joined the Executive Board of Movimiento Congruencia, a coalition of companies committed to the inclusion of people with disabilities in the workplace. Our Human Resources teams received training on inclusive recruitment; in addition, all Xignux companies actively participated in the Movimiento Congruencia's "Conecta" job fair for people with disabilities.



55
energizers with disabilities are members of the Xignux team.



In 2023, we were awarded the "Company Committed to the Labor Inclusion of People with Disabilities," distinction from the Mexican Business Council and Éntrale.

We energize our employees' families

Alliance with ANSPAC

Family is the driving force that keeps us moving forward with our feet firmly on the ground. For this reason, Xignux prioritizes activities that promote family harmony and coexistence.

Through our partnership with ANSPAC, we benefit the families of our employees through courses and workshops on personal development for spouses and immediate family members.

This alliance is key to personal and family development, providing energizers, their families and communities with access to activities focused on improving their well-being. In 2023, 2,800 families participated.

Xignux headquarters has earned the biannual **Family-Responsible Company** certification, granted by the Másfamilia Foundation, which demonstrates our commitment to the **balance between personal, family and professional life**.



Xignux headquarters received the Family Responsible Company certification from Fundación Másfamilia.

Xignux Explorers Academy

In partnership with Cerro Grande Natura, our partner in environmental education, we provide a learning space for the children of Xignux energizers, which teaches the history of the Earth through science. The Explorers Academy enriches their knowledge of the planet with educational activities and prepares the little adventurers to take an active part in mitigating environmental problems through essential tools and knowledge for the future.

The program includes field trips to learn about the wonders of ecosystems and how we can care for them. For example, during a visit to La Huasteca, more than 40 Xignux families immersed themselves in the study of rocks and geological processes, guided by experts. This enriching experience inspired young people to value and defend nature, strengthening their commitment to a sustainable future.



The Xignux Explorers Academy brings environmental education to the children of our energizers.

COMMUNITY

Environment | **SOCIETY** | Governance



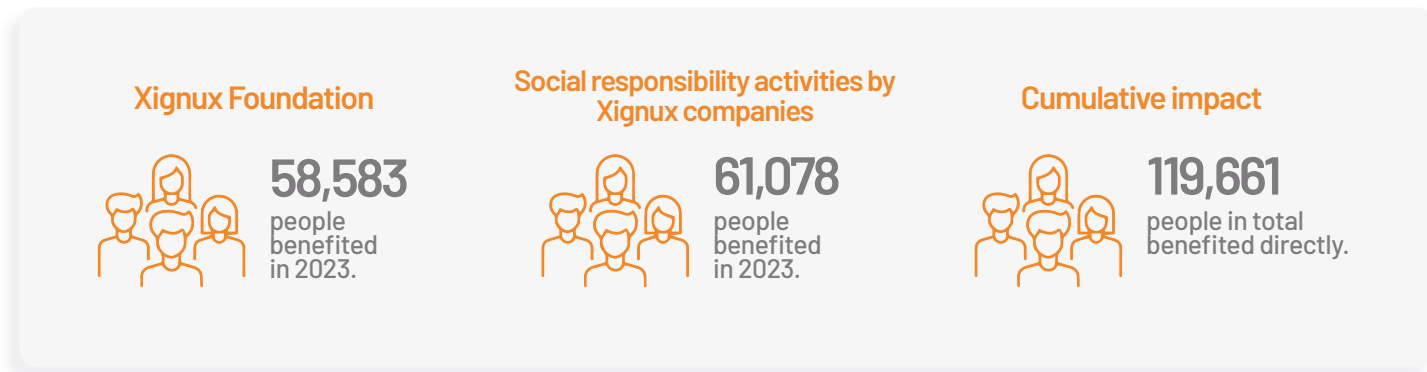
Collective energy for a better quality of life

Over the past 67 years of energizing communities, Xignux has gained the firm conviction that the best way to improve the lives of people and families is to assume that every member of our companies is part of a community.

We are mindful of the needs of our families and our neighbors, and of the social organizations around us, and forge alliances to work together to improve quality of life for those who need it most.



To energize communities, we organized our initiatives into two spheres of action:



Xignux volunteers are a force of change in the communities where we are present.

Committed to the UN Global Compact

For those of us who work at Xignux, being part of the United Nations Global Compact is a sign of our genuine commitment to respecting and defending human rights, social inclusion and the environment.

Red SumaRSE Nuevo León

We are active members of the SumaRSE Nuevo León Network, a business alliance with more than 10 years of history, in which we have joined forces to invest in high social impact projects. Currently, the organization is working together with the University of Monterrey in its Kimakul program, which trains and encourages women entrepreneurs to develop their businesses in a formal and sustainable manner. Among the beneficiaries of this initiative are female heads of household in the Constituyentes de Querétaro neighborhood, near our plants in Nuevo León.

A Socially Responsible Company

In 2023, Xignux companies once again received the Socially Responsible Enterprise (SRE) distinction for their good practices in the areas of ethics, quality of life, community development and environmental responsibility. This recognition, granted by the Mexican Center for Philanthropy (Cemefi), one of the most important organizations in Latin America in matters of Corporate Social Responsibility, is a sign of the commitment and dedication of all energizers to the development of a more sustainable organization.

In 2023, Viakable, Prolec, Qualtia and Xignux Corporativo received the SRE award during the Latin American Meeting of Socially Responsible Companies, held in Mexico City.



Xignux companies earned the Socially Responsible Enterprise distinction.



We are part of the SumaRSE Nuevo León Network, an alliance of companies committed to sustainable development.



Xignux Foundation is our company's social support, investment and networking arm. Its purpose is to seek out ways to build social value in collaboration with allied organizations, to bring opportunities for comprehensive development to those who need it most.

By joining forces, the Xignux Foundation functions as a catalyst to promote a more humane society with greater well-being for all.

The Xignux Foundation focuses its efforts on four Priority Areas for Social Investment (APIS):

<p>ENERGY</p>	<p>We invest in research for sustainable solutions that facilitate access to renewable and clean sources of energy.</p>	<p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>
<p>NUTRITION</p>	<p>We focus on projects that provide food security, such as programs to combat malnutrition.</p>	<p>2 ZERO HUNGER</p>	<p>3 GOOD HEALTH AND WELL-BEING</p>
<p>EDUCATION</p>	<p>We channel resources in the areas of citizen training, research and development, as well as educational quality.</p>	<p>4 QUALITY EDUCATION</p>	
<p>COMMUNITY DEVELOPMENT</p>	<p>We support programs that enable people to have a decent life, through learning and improving valuable economic skills.</p>	<p>1 NO POVERTY</p>	<p>10 REDUCED INEQUALITIES</p>

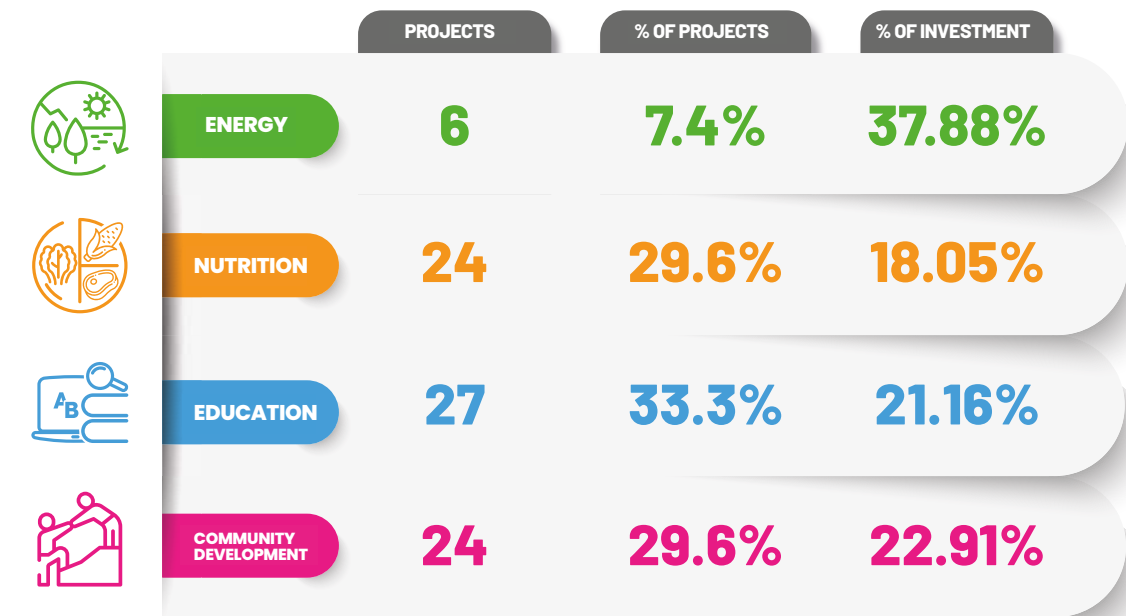
Xignux Foundation's Mission

To contribute strategically and in a lasting way to the sustainable development of our communities, by forming alliances and investing in initiatives of high impact and social value.

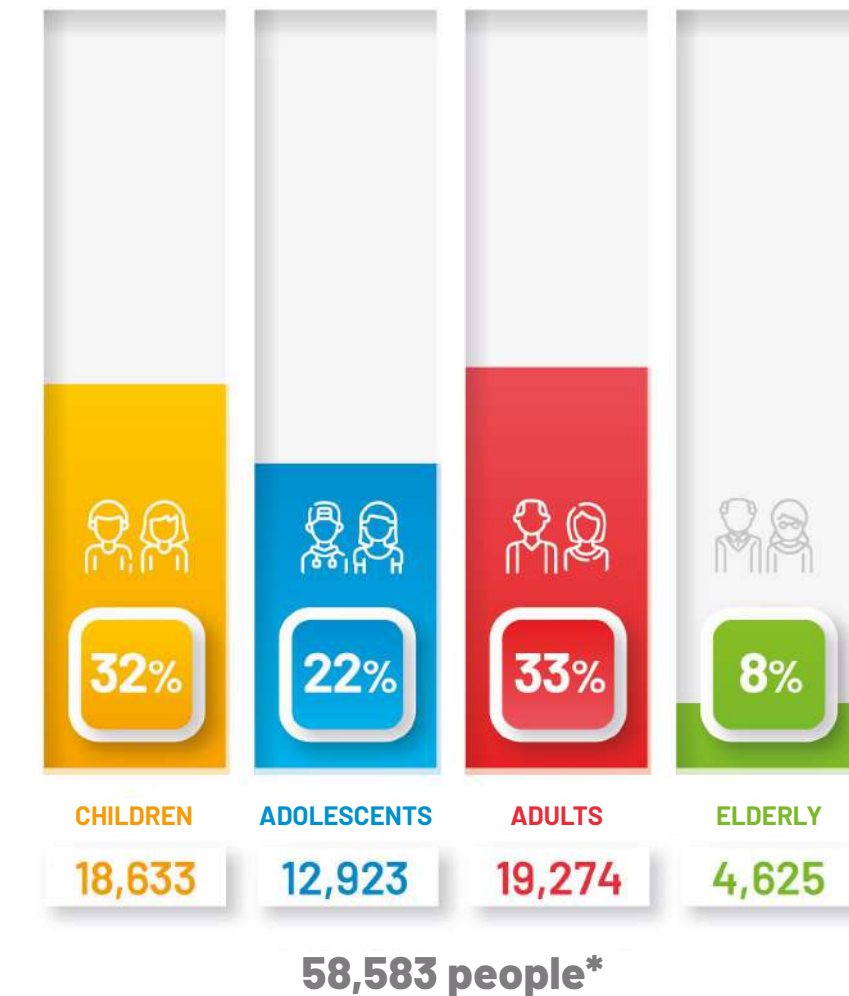


We bring energy to Mexican communities living in energy poverty.

Xignux Foundation investment by priority area in 2023



People benefited by Xignux Foundation in 2023



*The total does not coincide with the sum of the figure in the graph because some organizations have projects that do not allow for a breakdown of the population served.

Energy for All

Our mission to energize life and society to build a better world includes a firm commitment to reducing energy poverty.

The "Energy for All" program combines the work of Xignux, the Xignux Foundation and our allies Iluméxico and ConcentrARTE, in bringing electricity to communities that do not have access to it.

"Energy for All" works through a sustainable model that brings solar power systems to communities in energy poverty; it provides a comprehensive service of distribution, supply and last-mile care, with affordable rates and payment points, as well as technology for monitoring the systems.

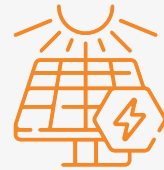
The program favors community participation and seeks the active involvement of participating families. With Iluméxico's support, "Energy for All" employs and trains local youth to maintain the electricity generation systems through a long-term service model. The project thus creates an income for other participants, promotes shared responsibility for the infrastructure installed, and ensures low electrical rates for residents.

The power generation systems used by "Energy for All" are designed to meet three main objectives:

- Offer a long-term solution, with the flexibility to grow over time.
- Have sufficient capacity to connect various devices.
- Comply with current regulations.



129
people benefited



40
solar energy systems installed



13.2 kW
of clean energy installed



12
metric tons of CO₂ avoided

Long-term vision

The UN defines energy poverty as lack of access to the electrical grid, either because of insufficient economic resources to connect, or it simply is not available where they are. This situation leads millions of people to depend on the burning of solid biomass to meet their energy needs, a multidimensional problem that directly affects their quality of life, with consequences ranging from health problems to economic exclusion.

This reality is the driving force that motivates us to use our creativity to bring clean energy to families and communities living in energy poverty.

Through the "Energy for All" program, we can help Mexican families escape energy poverty and, at the same time, contribute directly to achieving the UN's Sustainable Development Goal 7, which promotes access to affordable, clean energy.

The process behind "Energy for All" prioritizes community engagement.

We assign volunteer brigades with our allies to identify families living in energy poverty and draw up a list of candidate households.

Xignux volunteers assist the communities in adopting the new technology. With the help of ConcentrARTE, we held science, painting and music workshops and created a commemorative mural.

Iluméxico installs the solar energy systems. We held a switch-on event in the beneficiary homes, in which everyone involved, including the Xignux volunteers, participated.

To maintain the systems, we train and hire local personnel, who are also responsible for repairs. Local recharge agents are also recruited and generate income.

The systems are continuously monitored remotely and beneficiaries receive assistance for any service they require.



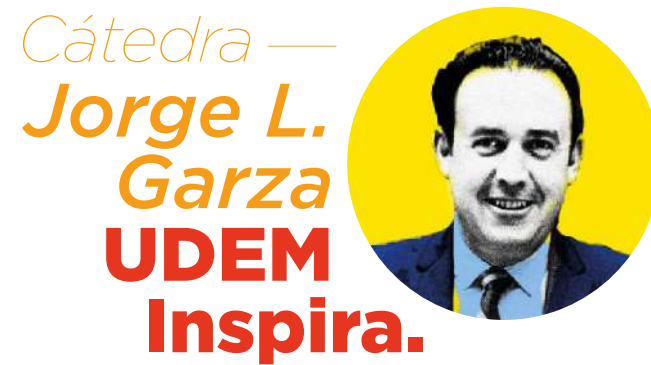
We work with the beneficiary communities to assist them in adopting the new technology.



Jorge L. Garza lecture series

With the theme of “Enterprising to transform,” the Jorge L. Garza UDEM Lecture series was organized for the third time in 2023. A total of 88 students attended the entrepreneurial fair, workshops, panels, mentoring, networking spaces and lectures given by Mexican industry leaders.

We received 385 student projects with a social responsibility focus from students at Universidad de Monterrey (UEM) and other institutions. The winners were given seed capital to start their projects and a scholarship at the UDEM’s Entrepreneurial hub incubator, which included mentoring sessions with an advisor.



Winning projects in the 2023 Jorge L. Garza Lecture series

Enterprising	<ul style="list-style-type: none"> Huella Purépecha: Exploring new ways to position Michoacan’s traditional mezcal, while introducing a circular economy model to address the issues of sustainable production by using waste maguey leaves as cattle feed and fertilizer. Winner: Sebastián Acosta García, from the Industrial and Systems Engineering program at UDEM 	
Creating	<ul style="list-style-type: none"> Miwo: Promoting lessons about emotional intelligence at home, by means of a didactic game that encourages and facilitates parents’ involvement in their children’s education. Winners: Valeria Salinas, Camila Gonzáles, María Cantú and Ximena Viades, EXA UDEM graphic design students, and Alejandra Sandoval, U-ERRE psychology student. 	
Idea	<ul style="list-style-type: none"> Pirrin Industries: A vending machine that dispenses basic cleaning supplies, encouraging the reuse and recycling of existing containers. Winners: Franco Fierro, Santiago Rodríguez, Eugenio Gómez, Roberto Rodríguez and Sebastián López, from Prepa UDEM San Pedro. 	



The Rómulo Garza prize recognizes outstanding research at the Tecnológico de Monterrey

Rómulo Garza Prize

Named for one of the great promoters of scientific and academic research for improving well-being in Mexico, this prize has been given for the past 48 years.

Created by Xignux and Tecnológico de Monterrey, this year the prize received 144 entries from people who seek solutions to the most pressing issues of humanity. The ceremony to present the and prizes in five categories was held as part of the 80th anniversary celebrations at Tec de Monterrey.

2023 Rómulo Garza Prize winners

Insignia	Alex Elías Zúñiga, recognized for his 35-year research career, more than 40 graduate theses directed and more than 100 articles in indexed journals.	
Entrepreneurship	Grissel Trujillo de Santiago and Mario Moisés Álvarez conducted a 3D printing project of polymeric materials, called Chaotic Printing.	
Scientific articles	Juan Antonio Torres-Martínez, Abrahan Mora, Nancy Ornelas-Soto and Jürgen Mahlkecht, for their study tracking various sources and transformation processes of nitrate and sulfate pollution in Monterrey.	
Preparatory level	Iris Giselle Balderas, for her experiment with students to measure their level of understanding, exposure time and level of difficulty in learning content, using a mathematical model.	
Professional level	Jairo Enrique Ramírez and Arely Anguiano, for a project that facilitates communication for the hearing impaired, taking into account facial features and body position.	
Postgraduate level	Melissa Eugenia Diago Mosquera, for their three-dimensional indoor modeling project, which is faster and more practical than traditional methods.	

Gamer with a cause: gaming tournament for nutrition

For the second year in a row, Xignux and the Xignux Foundation, in alliance with the Tecnológico de Monterrey, the Universidad de Monterrey, the Universidad Autónoma de Nuevo León and the Universidad Regiomontana, invited the university gaming community and the Xignux companies to participate in the Xignux Tournament: Gamer with a cause. This innovative event combines passion for video games with social commitment, and allows participants to transform their skills into community support.

The tournament, organized in collaboration with Liga ACE Esports, was attended by 114 gamers, representing 14 civil society organizations that work in the area of nutrition, aligned

with the Sustainable Development Goals of Zero Hunger and Health and Wellness.

With the support of the Xignux Foundation, prizes were awarded to the winning gamers and significant donations were given to the associations represented by the first-place winners in the categories of university students and Xignux employees, respectively.

This event not only highlights friendly competition and talent within the gaming community, it also reinforces Xignux's commitment to social responsibility and support for projects that have a positive impact on the community.



We supported public nutrition projects through the "Gamer with a Cause" video game tournament.

"Caty's World": we inspire future generations.

In 2022, "El Mundo de Caty" was born, a pioneering initiative created by the Xignux Foundation to provide children with quality educational information to enrich their lives. This web series, which has garnered international success, including an award at the NZ Web Fest in New Zealand and multiple nominations at prestigious festivals, continued its mission in 2023 with the seventh capsule, launched on World Creativity and Innovation Day.

The latest adventure, "Caty Wants to be a Scientist," introduces young people to inspiring stories of famous women scientists, in line with the series' commitment to promoting creativity, innovation and gender equality in science. This installment is a further step in our work to raise awareness of important issues, such as disability, environmental care, nutrition and mental health.

"Caty's World" has proven to be a valuable resource for fostering curiosity, respect, and empathy in children, encouraging them to dream of a better and more inclusive future. The series has been recognized for its educational content, as well as for being a platform for sharing essential values and knowledge, with a positive impact on the community.

We are excited for future episodes and the valuable lessons we will continue to share with children, allowing us to reinforce our vision of a world where education is accessible to all.



"El Mundo de Caty" by Xignux Foundation brings high-quality educational material to children of all ages.

Energizer volunteers

Our volunteer work, driven by the commitment and energy of all our energizers, has a significant impact on our employees and their families, as well as on our communities. This commitment is expressed in the identification and promotion of high-impact projects that reinforce our growth as a socially responsible company.

At Xignux, we are constantly seeking opportunities to support the community and the environment, which is clearly reflected in our results.



12,444
volunteer participations
+38% vs. 2022



24,627
volunteer hours
+36% vs. 2022



14,985
trees planted

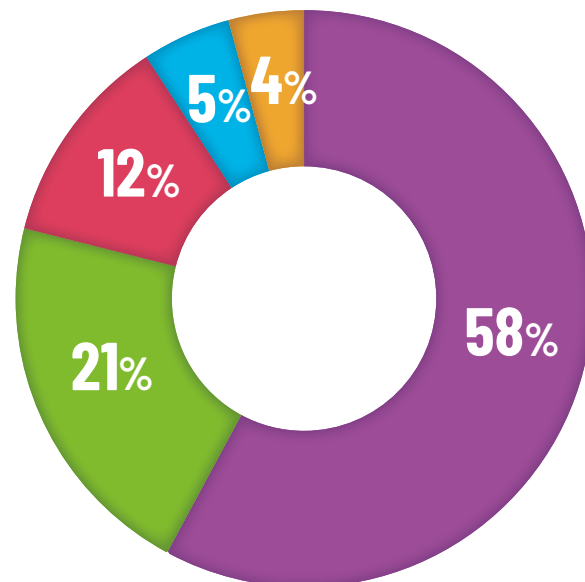


20%
of our energizers participated in volunteer activities
+6 percentage points vs. 2022



61,078
people benefited through corporate social responsibility activities

Beneficiaries of Xignux's social responsibility activities by type



- Civil society organizations
- Environmental organizations
- Non-organizational beneficiaries
- Health institutions
- Schools



Volunteering is a basic part of our sustainability strategy.

PLANET

ENVIRONMENT | Society | Governance

7 AFFORDABLE AND CLEAN ENERGY



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



Xignux environmental strategy

A comprehensive vision

Protecting and caring for the environment goes to the heart of Xignux's business philosophy. We are convinced that our success and sustainability are inextricably linked. By taking concrete actions both within and beyond our operations, we become part of the solution to global environmental challenges and promote a sustainable future.



Our environmental vision encompasses three main lines of action:

Developing products and solutions that contribute to the transition to a low-carbon economy.

Within our portfolio, we offer products and solutions specifically designed to contribute to a lower-carbon future. Our cables and transformers are key to the efficient distribution of renewable energy, which supports the global transition to clean sources. In addition, our electric vehicle infrastructure solutions are part of the transition to sustainable forms of transportation.

Going beyond environmental compliance to minimize or eliminate the impact of our operations.

We are committed to operating efficiently and reducing or eliminating the environmental impact of our activities. We do so by continuously improving our processes, optimizing the use of resources, and leveraging new production technologies. We strive to be a role model in the industries in which we participate and prove that operational excellence includes protecting the planet.

Actively engaging our communities to promote a positive environmental impact.

We assume our responsibility as agents of change in the communities where we operate. We work with our employees to develop and implement projects that directly benefit the environment. Through local reforestation and biodiversity conservation initiatives and environmental education programs, we encourage a culture of sustainability that extends beyond the boundaries of our operations.



We incorporate circular economy processes in our operations.

Electromobility solutions: driving the transition to low-carbon mobility

Strategic collaboration between Viakable and Voltway

We launched an alliance between Voltway and Viakon, a Viakable brand, as part of our strategy to extend the benefits of electromobility in Mexico. This partnership seeks to contribute to the evolution of the Mexican electromobility market through a robust portfolio of charging infrastructure solutions.

At Xignux, we are leading the way towards electromobility.

We know that the path to electromobility requires not only new technologies, but also the determination of all stakeholders to build a cleaner and more sustainable future.

In addition to providing innovative products and solutions, we use our voice to promote the transition to electromobility in the marketplace. In 2023, we will be present at key industry events, demonstrating our leadership in the emerging field of sustainable mobility in Mexico.

At the first edition of America's Mobility of the Future event, we shared our charging infrastructure solutions and highlighted the crucial role of electric charging stations in the future of electromobility. The panel on the challenges of energy infrastructure allowed us to highlight the importance of cooperation between government, academe and industry to overcome the industry's challenges and work toward a future of sustainable mobility.

During an International Energy Symposium organized by the National Chamber of Electrical Manufacturing, we spoke on the alliance between Viakon and Voltway and stressed our commitment to offering comprehensive solutions for sustainable mobility. At this event, attendees learned how our cables and technologies facilitate the transition to greener mobility options and favor sustainable development.

In addition, at the Electric Expo 2023, we demonstrated the synergy and innovation behind our brands by showcasing products such as Viakon cables and Prolec transformers, as well as Voltway chargers.



We are at the forefront of the transition to sustainable mobility.

Responsible management in our operations

In line with international best practices

At Xignux, we believe that managing operations responsibly and in harmony with the environment is crucial to our long-term success. We have environmental management systems that are aligned with international best practices, including the ISO 14001 standard. In total, we have eight Viakable and Prolec operations certified by this standard, while Viakable's Multipak Durango plant has Clean Industry certification for its voluntary participation in the Mexican government's National Environmental Audit Program.

The implementation of robust environmental management systems allows us to adopt a structured approach to identifying, monitoring and mitigating the environmental impact of our activities, thus ensuring efficient resource management. We are also motivated by innovation and the continuous search for sustainable solutions and technologies to integrate into our processes.

We are also aware that responsible environmental management is essential for meeting our stakeholders' expectations.

Through actions to reduce the consumption of natural resources, address the effects of climate change and manage the correct handling and disposal of our waste, each year we advance further in our contribution to the United Nations 2030 Agenda, through the Sustainable Development Goals that are a priority for Xignux.

Certifications

Xignux company	Plant	ISO 14001
Viakable	CMSA MTY	●
	CMSA SLP	●
	CMSA EI Carmen	●
	Magnekon	●
	Multipak Durango	
Prolec	ICV	●
	Prolec GE	●
	Celeco	●
	Canoas Brasil	●



We invest in strategic reforestation initiatives.

Our foundation: fostering a culture of environmental responsibility

We commemorate Earth Week

Year after year, during Earth Week, we take the opportunity to highlight our commitment to protecting the environment.

In 2023, our efforts focused on natural resource stewardship and the conservation of biodiversity, with an emphasis on oceans and water. Activities included three conferences for our employees and their families, given by experts who addressed the challenges and opportunities of helping to protect these vital ecosystems. We also held a sale of cause-based products to support conservation of sea turtles, a species essential to maintaining healthy oceans and threatened by climate change and human activity. Our energizers had the opportunity to purchase handcrafted turtles, specially made for the occasion, with proceeds going to support efforts to protect turtles and their habitat. Participation in the various activities was encouraged with ecological prizes, designed to recognize and motivate environmental action and commitment. We also invited the children of our energizers to participate in the "Children Painting the Sea" drawing contest. Besides to encouraging creativity, this initiative fostered environmental awareness among young people.

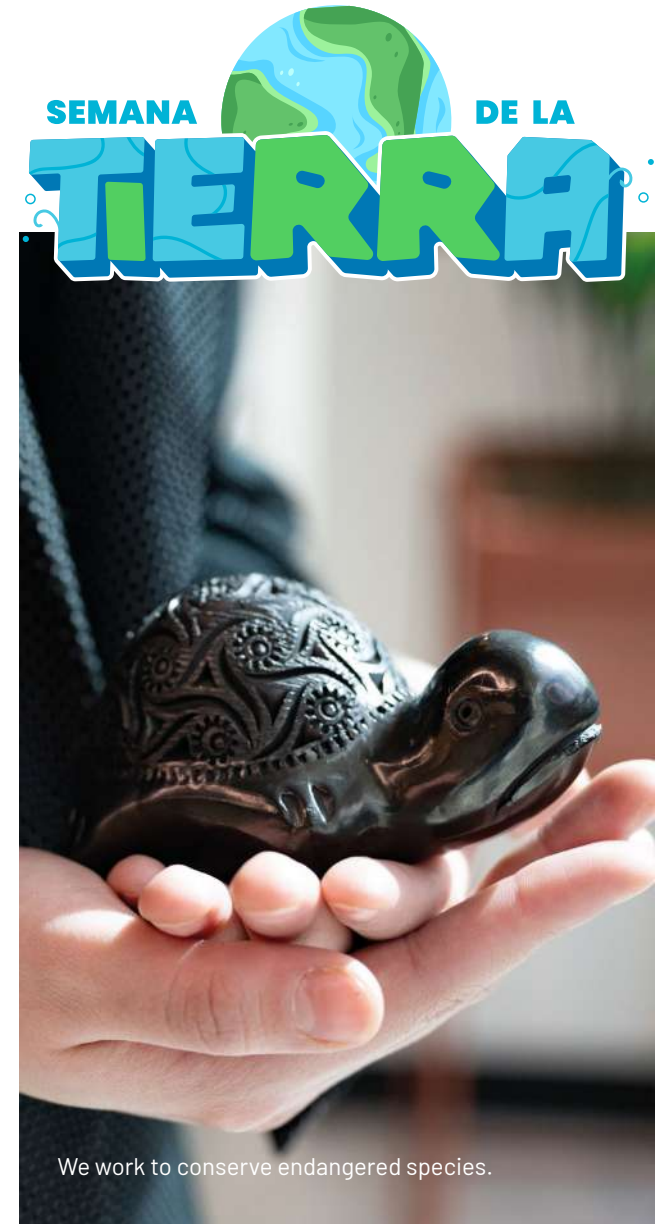
Our commemoration of Earth Week 2023 not only served as a platform for education and action, but also reflected our determination to make a difference for the planet.

The active response of our energizers demonstrates the culture of sustainability that we promote and continually reinforce at Xignux.

Focus on sustainability at the Xignux Work Culture Forum

The Xignux Work Culture Forum (CTX Forum) is one way we make sure employees know that every one of them can be instrumental in improving our results, including our environmental performance. By empowering our teams to identify, propose and implement sustainable innovations, we increase efficiency and cut costs, while fostering a culture that values and prioritizes respect for the environment in our operations.

At the 8th CTX Forum, a multidisciplinary team from Qualtia worked on solutions to reduce waste and promote a circular economy at the Querétaro Plant, through two projects:



We work to conserve endangered species.



Packaging with recycled material

By making packaging out of recovered and recycled resources, byproducts or waste, we can consume less virgin material.



Circular supply

A plan to optimize water use in secondary operating processes by using renewable energies and fully recyclable or bio-based inputs.

Energy and emissions

Our carbon footprint is part of our responsibility as a company in the fight against climate change. Proper management of energy and fuel consumption is a fundamental pillar of our sustainability strategy.

We are continually working to optimize facilities and processes to improve our energy efficiency. In this quest, we have introduced new technologies, replaced equipment with more efficient options, and trained our energizers in energy conservation practices. We are also exploring ways to reduce fossil fuel consumption and adopt cleaner energy sources, including possible investments in renewable energy projects.



Driving sustainable mobility in our logistics operations

Xignux intends to lead by example on the path to electromobility. We currently have 83 electric vehicles in our distribution fleet, a clear sign of our commitment to clean mobility and a way to reduce the carbon footprint associated with our logistics operations.

Our dedication to electromobility goes beyond the innovative solutions we offer the market and our vocal support for the transition to more environmentally friendly transportation systems. By incorporating electric vehicles into our fleet, we are driving the shift toward more sustainable practices in our industry.



80 electric distribution units in BYDSA's logistics network*.

* As of the end of the first quarter of 2024.

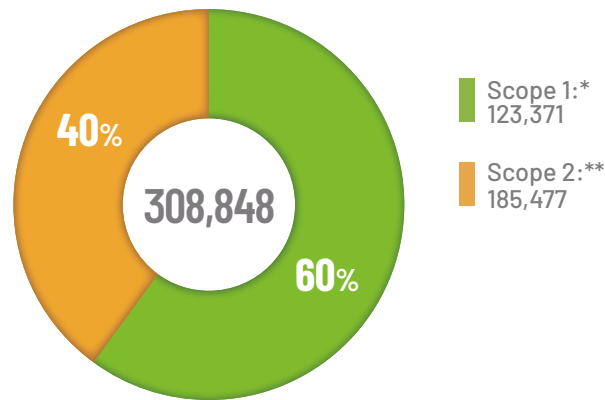


3 electric distribution units in Qualtia's logistics network.

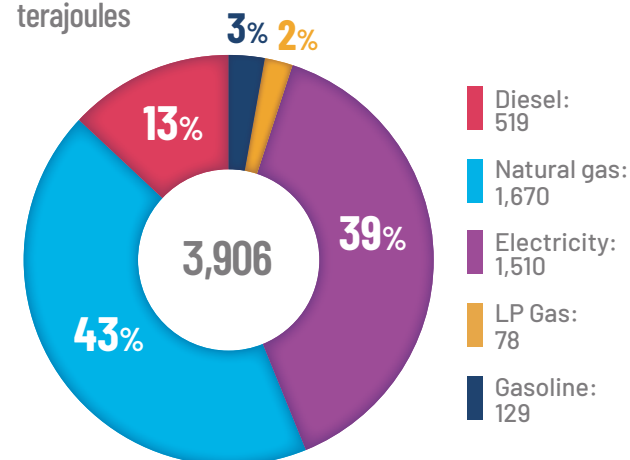
Efforts to reduce our carbon footprint go hand in hand with our commitment to the United Nations SDGs, particularly SDG 13, Climate Action.



Greenhouse gas (GHG) emissions metric tons of CO₂e



Energy Consumption terajoules



*Scope 1 refers to direct greenhouse gas (GHG) emissions originating from sources owned or controlled by an organization.

**Scope 2 refers to indirect GHG emissions resulting from the generation of electricity, heating, cooling and steam that the organization purchases and consumes.



Our electric distribution fleet is growing.

Materials, waste and recycling

At Xignux, we carry out a wide range of waste recovery and recycling activities at our operations and administrative facilities. These range from material reuse programs to recycling initiatives, all for the purpose of minimizing our environmental impact and promoting a circular economy.

For example, we manage waste to ensure its incorporation into the value chain, either through reuse, recycling, or composting, which minimizes landfill disposal. We also promote a culture of saving and conservation among our employees, providing them with the tools and knowledge to actively participate in reducing resource consumption. This includes the adoption of sustainable practices both in the workplace and in daily life.

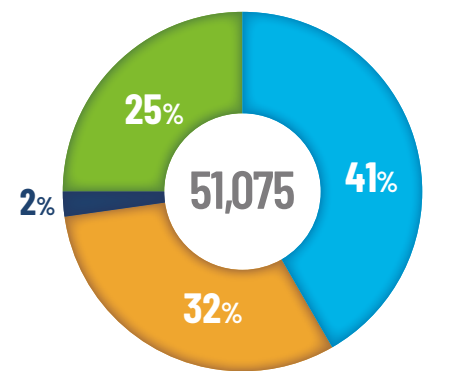
Efforts focused on making responsible use of materials are consistent with our commitment to the UN SDGs, particularly SDG 12, Responsible Production and Consumption.



75%

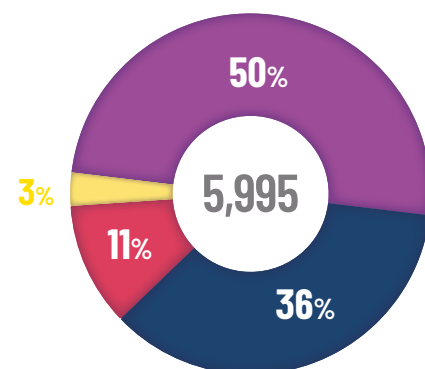
of the non-hazardous waste generated in our operations was recovered through some form of reuse in 2023.

Destination of non-hazardous waste metric tons



Landfill: 12,987
Composting: 887
Recovery: 21,037
Reuse: 16,164

Destination of hazardous waste metric tons



Recovery: 3,007
Confinement: 2,167
Reuse: 664
Incineration: 157

Materials used (metric tons)

Company	Renewable	Total weight	Non-renewable	Total weight
Viakable	Wood *	35,129*	Copper Aluminum PVC and XLPE High- and low-density polyethylene Steel Glazes	142,682 83,623 44,773 11,785 3,805 3,511
Prolec	Wood Cardboard	4,781 11,479	Steel Oil Aluminum Copper Organic solvents Plastics	125,448 48,442 13,654 6,930 228 15
Qualtia	Wood Cardboard	4,117 1,710	Pastas Meat products Flours and condiments High- and low-density polyethylene Plastics Oil Others	121,538 11,183 7,426 3,802 2,248 1,123 1,103
BYDSA	Wood Cardboard	3,139 5,728	Flours and condiments Oil Cardboard Packaging (plastic film) High- and low-density polyethylene	16,486 6,804 4,140 1,642 55

*Pie de tabla

Efficient water management

Water stewardship is a fundamental aspect of our sustainability strategy. Water is a vital resource, both for our operations and for the communities with which we interact, so we are intent upon efficiently using and managing it. This includes investing in wastewater treatment technologies to return wastewater to the environment as required by law.

We also stress the value of water among our energizers and the community, by adopting practices that contribute to its recovery and conservation. For example, Xignux companies actively participate in reforestation initiatives, which help to protect biodiversity, promote climate resilience and help preserve the natural water cycle.

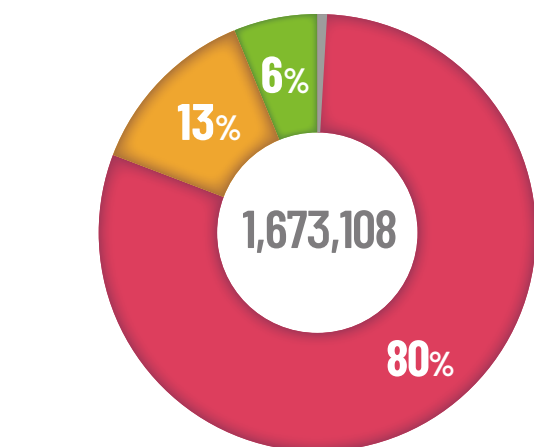
Efforts to make our water consumption more efficient are aligned with our commitment to the United Nations SDGs, particularly SDG 6, Clean water and sanitation.



19,821

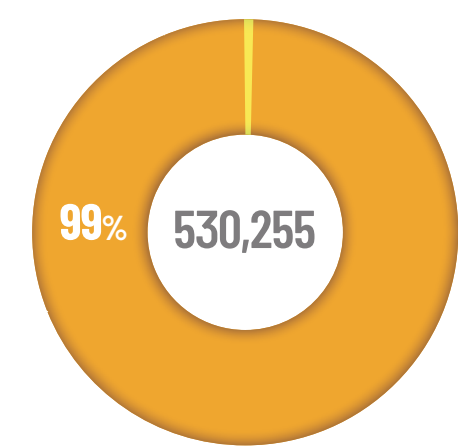
cubic meters of water reused in 2023 in secondary processes like maintenance and watering of green areas.

Water withdrawals by source in 2023 cubic meters



Ground water: 1,346,100
Municipal: 220,651
Other: 102,629

Water discharges by destination in 2023 cubic meters



Sewer systems: 530,255
Water treatment: 3,728

Alliance for the conservation of the Chipinque nature preserve

Commitment to counteracting the climate crisis

In 2023, we continued our partnership with Parque Ecológico Chipinque A.B.P. in Nuevo León through two programs. By protecting and supporting conservation of this natural area, we reaffirm our commitment to the environment and contribute to the well-being of the community and the health of our planet.

This forest is a climate is considered a climate haven because to its location and characteristics, so our efforts not only support carbon sequestration and maintain biodiversity, but also contribute to a better quality of life for future generations. The importance of this preserve lies in the ecosystem services it provides to the Monterrey Metropolitan Area, where thousands of our energizers live and work. This forest helps improve air quality and water capture in the ecosystem, and acts as a climate haven for various species.

Citizen science in action

The "Citizen Science for Climate Change Monitoring in Biodiversity" program promotes protection of the Chipinque ecosystem through community engagement, scientific progress and cooperation between different sectors. A community of "citizen scientists" has been created to record data on species sensitive to climate change and, at the same time, raise awareness about its effects on our biodiversity. Xignux volunteers are active members of this corps, and enter their observations on the Naturalista platform, a citizen science social network with information on plants, animals, fungi and microorganisms. The hope is that the data collected can enrich scientific knowledge about Chipinque's biodiversity and strengthen its sustainable management.

During the year, we organized four workshops and guided tours in collaboration with the Chipinque Nature Reserve team. These activities enriched our energizers' knowledge of the nature preserve's biodiversity and highlighted the value of ecological conservation. At each event, we stressed the value of everyone's participation and how collective actions can have a significant impact on the environment.



Seeds of Hope: strategic reforestation

As part of our work with Chipinque, we also supported environmental conservation through the Semillas de Esperanza reforestation campaign.

Thanks to the intervention of energizer volunteers from all Xignux companies, in 2023 we planted 200 pine trees of native species, for a total of 600 since the beginning of our partnership with Chipinque. These reforestation actions focus on native species to ensure the strengthening of the forest ecosystem. Afterwards, each tree is cared for by a professional team, which guarantees the sustainability of these reforestations according to science-based principles. Through these efforts, we seek to contribute to the preservation of this vital forest for the Monterrey Metropolitan Area, while encouraging a more conscious community, committed to protecting the environment.

Volunteers at the Chipinque Nature Reserve contribute to:

- The strategic reforestation of degraded areas.
- Supporting the forest to continue providing ecosystem services.
- Pursuit of the Sustainable Development Goals.
- Encouraging a culture of conservation.



600
pine trees planted in
Chipinque since 2021.



130
volunteers, including
employees and their
families, have participated in
reforestation at Chipinque.



We support conservation of Parque Ecológico Chipinque A.B.P. in Nuevo León.

Xignux and its energizers support conservation of the monarch butterfly

At Xignux, we have participated in a monarch butterfly conservation project since 2022. This effort, led by CPKC Mexico and Rotary Club International, has the common goal of protecting the environment and safeguarding the migratory path of the monarch butterfly from Canada to Mexico, currently imperiled by illegal logging, climate change and the excessive use of fertilizers.

With the support of specialist organizations such as Profauna and Focen in Michoacán, we helped reforest the "El Rosario" monarch butterfly sanctuary by planting more than 100,000 pine and oyamel trees.

Our contributions included a donation of USD10,000 in 2022, through voluntary contributions from our energizers and a corporate contribution, and an additional donation of USD10,000 in 2023 from Viakable. This project reflects our commitment to the conservation of endangered species and particularly to the protection of pollinators.



We joined in the conservation of the monarch butterfly through the reforestation of the sanctuary in Michoacán.

For a greener planet

Reforestation activities are an essential pillar of our sustainability strategy and key path to revitalizing the natural environment.

By planting trees, we contribute to the recovery of damaged ecosystems, carbon sequestration, biodiversity protection, better air quality, and water conservation. In addition, by restoring degraded natural areas, we reinforce ecological awareness among our energizers and the community, involving them in the development of a more sustainable world.



We plant trees in the communities where we are present. Michoacán.

Xignux Challenge 2023: encouraging young people to help the environment

At Xignux, we are convinced that promoting care for the environment among younger generations is fundamental to building a sustainable future.

In the Xignux Challenge, organized by the Xignux Foundation and the Tecnológico de Monterrey, we challenge students to come up with solutions to improve air quality, combat climate change and promote the development of a circular economy in order to use resources more efficiently.

In 2023, more than 800 students from twelve Tecnológico de Monterrey campuses came together for an intense day of 24 hours of innovation. We selected 72 students from eight different campuses, who presented projects focused on sustainable solutions aligned with the UN Sustainable Development Goals.

Among the 20 finalist teams, the winner in the advanced projects category was a proposal to foster a circular economy through a construction method that reuses non-recyclable waste.

In the category of initiatives under development, one team submitted its proposal for an app to promote carpooling in companies, thus reducing traffic and pollution. In our desire to support these entrepreneurs to take the next step in their ideas, both teams received a cash prize for the development and implementation of their projects.

Also, in commemoration of International Day of Clean Air for Blue Skies, we welcomed the winners of the Xignux Challenge 2022 to our offices, who shared the progress of their initiative to use biodegradable waste to power electric bicycles, thus avoiding landfill disposal and helping to mitigate the pollution generated by fossil fuels.

800

students participated in Xignux Challenge 2023.

12

campus at Tecnológico de Monterrey.



To learn more about the Xignux Foundation's initiatives in favor of education, visit <https://fundacionsignux.org/>.

Xignux (consolidated)

Performance details

GRI	Environmental (Planet)	2021	2022	2023
301-1	Materials used			
	Non-renewable materials (metric tons)			
	Copper	167,489	146,574	149,612
	Aluminum	66,101	105,255	97,277
	PVC and XLPE	40,467	35,933	44,773
	High- and low-density polyethylene	16,578	16,998	15,642
	Steel	82,670	83,496	129,253
	Glazes	5,063	3,512	3,511
	Oil	220,128	361,761	56,369
	Organic solvents	ND	14,136	228
	Plastics	1,922	2,530	2,263
	Pastas	155,670	138,338	121,538
	Meat products	9,860	3,143	11,183
	Flours and condiments	21,592	21,444	23,912
	Cardboard	3,806	3,846	4,140
	Packaging (film)	ND	ND	1,642
	Others ²	1,478	433	1,103
	Renewable materials (metric tons)			
	Wood (thousands of board feet)	12,645	32,027	35,129
	Wood	342,195	393,971	12,038
	Cardboard	8,886	10,054	18,917

¹ Includes bone, plastic wrapping and lubricants

Xignux (consolidated)

GRI	Environmental (Planet)	2021	2022	2023
302-1	Energy consumption within the organization			
	Energy consumption from fuel (GJ)	1,995,358	2,353,294	2,397,308
	Natural gas	1,520,177	1,550,542	1,670,198
	LP Gas	23,574	73,072	78,413
	Gasoline	34,885	38,011	129,401
	Diesel	416,722	691,669	519,296
	Electricity consumption³			
	kWh	397,976,306	348,088,991	412,022,077
	GJ	1,432,714	1,252,340	1,510,060
303-3	Water withdrawals ⁴			
	Total water withdrawals (m³)	1,577,624	1,507,572	1,673,108
	Ground water	1,339,822	1,333,844	1,346,100
	Surface water	0	0	0
	Municipal water	161,042	78,170	220,651
	Outside wastewater	20,280	5,612	3,728
	Rainwater	0	0	0
	Other public or private suppliers	56,480	89,946	102,629
	Water reused (m³)	136,396	149,015	19,821
303-4	Water discharges			
	Total water discharged (m³)	0	0	530,255
	Subsurface	ND	ND	0
	Surface	ND	ND	0
	Sewage	ND	ND	526,237
	Treatment facilities	ND	ND	4,018
	Ground water	ND	ND	0

Xignux (consolidated)

GRI	Environmental (Planet)	2021	2022	2023
303-5	Water consumption			
	Total water consumption (m³)	1,577,624	1,507,572	1,142,853
305-1	Direct GHG emissions – Scope 1 ⁵			
	GHG emissions – Scope 1 (tCO₂e)	126,328	128,400	123,371
305-2	Indirect GHG emissions – scope 2 ⁴			
	GHG emissions – scope 2 (tCO₂e)	170,947	155,614	185,477
306	Waste			
	Hazardous waste (metric tons)⁶	132,850	5,505	5,995
	Reuse	54	1,165	664
	Composting	0	0	0
	Recovery	119,736	2,531	3,007
	Incineration	187	76	157
	Confinement/deep well injection	12,512	1,733	2,167
	Landfill	361	0	0
	Non-hazardous waste (metric tons)⁵	79,453	25,971	51,075
	Reuse	1,954	13,007	16,164
	Composting	0	9	887
	Recovery	12,092	0	21,037
	Incineration	0	0	0
	Confinement/deep well injection	0	0	0
	Landfill	65,407	12,956	12,987

¹ NA = Not available

² Includes bone, plastic wrapping and lubricants

³ 2022 figures were recalculated to reflect the startup of Qualtia's cogeneration plant in Tepetzotlán, which was not considered in the previous report.

⁴ Ground and surface water from 2022 were reclassified and recalculated

Xignux (consolidated)

GRI	Social (Our People)	2021	2022	2023
2-7	Employees ^{7, 8}			
	Employees by country	29,381	29,026	30,417
	Mexico	25,956	26,379	27,665
	Brazil	ND	ND	601
	United States	ND	ND	1,941
	Venezuela	ND	ND	210
	Employees by gender ⁹			
	Men	16,371	16,347	19,587
	% men	63.1%	62.0%	64.4%
	Women	9,585	10,032	10,830
	% women	36.9%	38.0%	35.6%
	Employees by type of contract and gender ¹⁰			
	Permanent contract	24,661	25,181	26,739
	Men	15,492	15,502	16,611
	% men	62.8%	61.6%	62.1%
	Women	9,169	9,679	10,128
	% women	37.2%	38.4%	37.9%
	Temporary contract	1,295	1,198	926
	Men	879	845	608
	% men	67.9%	70.5%	65.7%
	Women	416	353	318
	% women	32.1%	29.5%	34.3%

Xignux (consolidate

GRI	Social (Our People)	2021	2022	2023
	Employees by age range ¹⁰			
	Under 20 years	1.8%	2.4%	2.3%
	21-25 years	11.2%	10.9%	10.9%
	26-30 years	13.8%	13.6%	14.0%
	31-40 years	28.1%	27.4%	27.3%
	41-55 years	38.4%	38.6%	37.9%
	Over 55 years	6.5%	7.1%	7.7%
	Employees by generation ⁹			
	Baby Boomers (1946-1964)	3.6%	2.6%	2.7%
	Gen X (1965-1980)	38.4%	38.6%	35.5%
	Millennials (1981-2000)	54.4%	53.0%	54.0%
	Gen Z (2001 -)	3.5%	5.9%	7.8%
	Employees with disabilities	54	54	55
401-1	Hiring of new employees			
	New hires			8,133
	New hires by gender (data for Mexico)			
	Men	ND	ND	4,506
	% men	ND	ND	55.4%
	Women	ND	ND	3,627
	% women	ND	ND	44.6%

⁵ Scope 1 and 2 emissions for 2022 were recalculated due to an update of the heating powers of the fuels used, as well as an update of emission factors for electrical energy at sites in Mexico, the United States, Brazil and Venezuela.

⁶ Figures on hazardous and non-hazardous waste in 2022 were recalculated.

Xignux (consolidated)

GRI	Social (Our People)	2021	2022	2023
401-1	New hires by age range			
	Colaboradores por rango de edad			
	Under 30 years	ND	ND	49.0%
	31-35 years	ND	ND	15.2%
	36-40 years	ND	ND	11.5%
	41-45 years	ND	ND	9.4%
	46-50 years	ND	ND	7.7%
	51-55 years	ND	ND	5.0%
	56-60 years	ND	ND	2.1%
	61-65 years	ND	ND	0.1%
	Over 65 years	ND	ND	0.01%
	New hires by generation			
	Baby Boomers (1946-1964)	ND	ND	0.4%
	Gen X (1965-1980)	ND	ND	19.3%
	Millennials (1981-2000)	ND	ND	61.7%
	Gen Z (2001 -)	ND	ND	18.6%
401-1	Personnel turnover			
	Turnover rate ^{10, 11}			
	18-30 years	36.4%	39.6%	35.5%
	31-50 years	20.3%	24.4%	21.8%
	Over 51	15.7%	18.2%	16.4%
	Total	24.2%	27.4%	24.8%

Xignux (consolidated)

GRI	Social (Our People)	2021	2022	2023
403	Health and safety ¹²			
	Occupational accidents			368
	Days lost			6,206
	General ill health			3,347
404-1	Hours employee training ¹³			
	Hours of training	393,968	1,164,935	1,482,137
	Men	225,107	751,587	932,388
	Women	168,861	413,348	549,749
404-3	Employee performance evaluations ¹³			
	Number of performance evaluations	16,809	16,080	13,453
	Men	13,152	12,853	9,851
	Women	3,657	3,227	3,602

⁷ Data from 2021 include information on employees of operations at: Viakable, Prolec, Qualtia, BYDSA, Voltrak, Voltway, Nanoqem, Shareser and corporate headquarters.

⁸ Data from 2022 and 2023 include information on employees of operations at: Viakable, Prolec, Qualtia, BYDSA, Voltway, Nanoqem, Shareser and corporate headquarters.

⁹ Data from 2021 and 2022 include information on employees in operations in México. Data from 2023 include information on employees in operations in México, Brazil, the United States and Venezuela.

¹⁰ Data from 2021, 2022 and 2023 include information on employees in operations in Mexico.

Xignux (consolidated)

GRI	Social (Community)	2021	2022	2023
413	Local communities			
	Volunteer program ¹⁴			
	Direct beneficiaries	25,852	67,431	61,078
	Volunteer participations from Xignux companies	8,061	9,038	12,444
	Volunteer hours	13,878	18,048	24,627
	Trees planted	829	9,361	14,985

GRI	Ethics and values	2021	2022	2023
	Management system			
	Code of Ethics reports resolved	100%	100%	100%
	Newly hired employees who signed the Code of Ethics	100%	100%	100%
	Employee dismissals due to ethics and integrity controls	119	84	134

¹¹ Data for 2021, 2022 and 2023 include information on operations at: Viakable, Prolec, Qualtia, BYDSA, Nanoqem and corporate headquarters.

Viakable

GRI	Environmental (Planet)	2021	2022	2023
301-1	Materials used			
	Materiales no renovables (ton)			
	Copper	161,527	140,553	142,682
	Aluminum	55,537	94,586	83,623
	PVC and XLPE	40,467	35,933	44,773
	High- and low-density polyethylene	11,992	13,186	11,785
	Steel	ND	ND	3,805
	Glazes	5,063	3,512	3,511
	Renewable materials (metric tons)			
	Wood	12,645	32,027	35,129
302-1	Energy consumption within the organization			
	Energy consumption from fuel (GJ)	547,911	640,587	646,964
	Natural gas	540,362	590,958	591,589
	LP Gas	6,874	44,459	46,232
	Gasoline	366	1,845	5,450
	Diesel	309	3,325	3,693
	Electricity consumption			
	kWh	256,866,957	191,253,890	199,361,029
	GJ	924,721	688,514	717,700

GRI	Environmental (Planet)	2021	2022	2023
303-3 Water withdrawals				
	Total water withdrawals (m³)	383,127	318,412	391,752
	Ground water	ND	251,255	223,124
	Surface water	ND	0	0
	Municipal water	ND	61,545	164,900
	Outside wastewater	ND	5,612	3,728
	Rainwater	ND	0	0
	Other public or private suppliers	ND	0	0
	Water reused (m3)	671	1,386	973
303-4 Water discharges				
	Total water discharged (m³)	0	0	126,075
	Subsurface	ND	ND	0
	Surface	ND	ND	0
	Sewage	ND	ND	126,075
	Treatment facilities	ND	ND	0
	Ground water	ND	ND	0
303-5 Water consumption				
	Total water consumption (m³)	383,127	318,412	265,677
305-1 Direct GHG emissions – Scope 1 ¹				
	GHG emissions – Scope 1 (tCO₂e)	32,535	38,301	38,742
305-2 Indirect GHG emissions – scope 2 ¹				
	GHG emissions – scope 2 (tCO₂e)	93,955	81,593	87,353

GRI	Environmental (Planet)	2021	2022	2023
306 Waste				
	Hazardous waste (metric tons) ²	ND	4,729	5,089
	Reuse	ND	934	650
	Composting	ND	0	0
	Recovery	ND	2,271	2,489
	Incineration	ND	34	63
	Confinement/deep well injection	ND	1,490	1,887
	Landfill	ND	0	0
	Non-hazardous waste (metric tons) ⁵	ND	16,335	19,346
	Reuse	ND	12,999	15,562
	Composting	ND	0	0
	Recovery	ND	0	0
	Incineration	ND	0	0
	Confinement/deep well injection	ND	0	0
	Landfill	ND	3,337	3,784

¹ Scope 1 and 2 emissions for 2022 were recalculated due to an update of the heating powers of the fuels used, as well as an update of emission factors for electrical energy at sites in Mexico, the United States, Brazil and Venezuela.

² Figures on hazardous and non-hazardous waste in 2022 were recalculated.

Viakable

GRI	Social (Our People)	2021	2022	2023
2-7	Employees			
	Employees by country	5,017	4,130	4,195
	Mexico	3,411	3,601	3,784
	United States	ND	ND	201
	Venezuela	ND	ND	210
Employees by gender ³				
	Men	2,955	3,109	3,227
	% men	86.6%	86.3%	85.3%
	Women	456	492	557
	% women	13.4%	13.7%	14.7%
Employees by type of contract and gender ⁴				
	Permanent contract	3,071	3,310	3,589
	Men	2,685	2,866	3,059
	% men	87.4%	86.6%	85.2%
	Women	386	444	530
	% women	12.6%	13.4%	14.8%
	Temporary contract	340	291	195
	Men	270	243	168
	% men	79.4%	83.5%	86.2%
	Women	70	48	27
	% women	20.6%	16.5%	13.8%

Viakable

GRI	Social (Our People)	2021	2022	2023
	Employees by age range ³			
	Under 20 years	1.9%	2.6%	1.9%
	21-25 years	10.5%	11.9%	11.4%
	26-30 years	13.9%	13.9%	15.2%
	31-40 years	27.2%	26.2%	25.7%
	41-55 years	39.2%	38.5%	38.0%
	Over 55 years	7.3%	6.9%	7.8%
	Employees by generation ³			
	Baby Boomers (1946-1964)	4.4%	2.8%	1.9%
	Gen X (1965-1980)	39.8%	37.7%	36.7%
	Millennials (1981-2000)	52.4%	52.6%	53.3%
	Gen Z (2001 -)	3.4%	6.9%	8.1%
	Employees with disabilities	28	23	22
401-1	Hours employee training			
	Hours of training	66,705	38,499	66,606
	Men	58,537	33,307	56,610
	Women	8,168	5,192	9,996
404-3	Employee performance evaluations ¹²			
	Number of performance evaluations	5,343	2,855	3,533
	Men	4,770	2,447	2,972
	Women	573	408	561

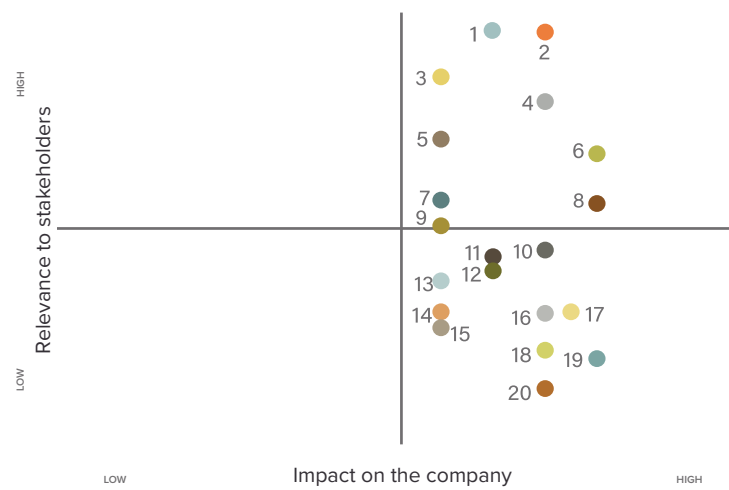
³ Includes information on employees in México.

Viakable

GRI	Social (Community)	2021	2022	2023
413	Local communities			
	Volunteer program			
	Direct beneficiaries	7,347	17,136	15,494
	Volunteer participations from Xignux companies	3,849	3,459	5,054
	Volunteer hours	6,532	6,591	11,420
	Trees planted	555	3,590	14,012

Label	Topic
1	Employee health and safety
2	Ethics, anti-corruption and values
3	Energy efficiency
4	Climate change
5	Emissions reduction
6	Product quality
7	Respect and promotion of human rights
8	Water and wastewater management
9	Special waste management
10	Commitment to the community
11	Use of renewable energies
12	End-of-life product recovery
13	Diversity
14	Ensure raw material sourcing from socially and environmentally responsible suppliers
15	Recycling of materials in production
16	Environmental and social risk management
17	Integrating social and environmental aspects in supplier evaluation
18	Employee education and training
19	Generate environmental awareness among employees and consumers
20	Product design containing eco-efficient components

Viakable materiality matrix



Prolec

GRI	Environmental (Planet)	2021	2022	2023
301-1	Materials used			
	Non-renewable materials (metric tons)			
	Steel	82,670	83,496	125,448
	Oil	212,956	354,057	48,442
	Aluminum	10,564	10,669	13,654
	Copper	5,962	6,021	6,930
	Organic solvents	ND	14,136	228
	Plastics	15	16	15
	Renewable materials (metric tons)			
	Wood	336,276	388,648	4,781
	Cardboard	580	1,983	11,479
302-1	Energy consumption within the organization			
	Energy consumption from fuel (GJ)	320,619	572,973	721,617
	Natural gas	307,828	291,576	378,534
	LP Gas	11,135	22,876	32,181
	Gasoline	0	0	0
	Diesel	1,656	258,521	310,902
	Electricity consumption			
	kWh	58,651,067	61,494,525	107,568,489
	GJ	211,144	221,380	387,247

GRI	Ambiental (Planeta)	2021	2022	2023
303-3	Water withdrawals			
	Total water withdrawals (m³)	137,723	107,337	166,298
	Ground water	ND	107,337	128,441
	Surface water	ND	0	0
	Municipal water	ND	0	37,857
	Outside wastewater	ND	0	0
	Rainwater	ND	0	0
	Other public or private suppliers	ND	0	0
	Water reused (m³)	15,725	14,483	0
303-4	Water discharges			
	Total water discharged (m³)	0	0	0
	Subsurface	ND	ND	0
	Surface	ND	ND	0
	Sewage	ND	ND	0
	Treatment facilities	ND	ND	0
	Ground water	ND	ND	0
303-5	Water consumption			
	Total water consumption (m³)	137,723	107,337	166,298
305-1	Direct GHG emissions – Scope 1 ¹			
	GHG emissions – Scope 1 (tCO₂e)	20,071	15,616	21,055
305-2	Indirect GHG emissions – scope 2 ¹			
	GHG emissions – scope 2 (tCO₂e)	29,019	29,096	45,990

GRI	Ambiental (Planeta)	2021	2022	2023
306	Waste			
	Hazardous waste (metric tons)	ND	726	817
	Reuse	ND	231	13
	Composting	ND	0	0
	Recovery	ND	258	516
	Incineration	ND	0	15
	Confinement/deep well injection	ND	237	273
	Landfill	ND	0	0
	Non-hazardous waste (metric tons)⁵	ND	2,567	24,930
	Reuse	ND	0	0
	Composting	ND	9	3
	Recovery	ND	0	20,933
	Incineration	ND	0	0
	Confinement/deep well injection	ND	0	0
	Landfill	ND	2,558	3,994

¹ Scope 1 and 2 emissions for 2022 were recalculated due to an update of the heating powers of the fuels used, as well as an update of emission factors for electrical energy at sites in Mexico, the United States, Brazil and Venezuela.

Prolec

GRI	Social (Our People)	2021	2022	2023
2-7	Employees			
	Employees by country	7,601	7,983	8,655
	Mexico	5,817	5,910	6,357
	Brazil	ND	ND	601
	United States	ND	ND	1,697
	Employees by gender²			
	Men	4,558	4,467	4,639
	% men	78.4%	75.6%	73.0%
	Women	1,259	1,443	1,718
	% women	21.6%	24.4%	27.0%
	Employees by type of contract and gender²			
	Permanent contract	5,647	5,810	6,289
	Men	4,431	4,397	4,591
	% men	78.5%	75.7%	73.0%
	Women	1,216	1,413	1,698
	% women	21.5%	24.3%	27.0%
	Temporary contract	170	100	68
	Men	127	70	48
	% men	74.7%	70.0%	70.6%
	Women	43	30	20
	% women	25.3%	30.0%	29.4%

Prolec

GRI	Social (Our People)	2021	2022	2023
	Employees by age range²			
	Under 20 years	1.3%	2.2%	2.4%
	21-25 years	15.2%	13.9%	14.2%
	26-30 years	15.9%	16.4%	16.8%
	31-40 years	26.1%	25.8%	26.3%
	41-55 years	35.8%	35.9%	34.6%
	Over 55 years	5.6%	5.7%	5.7%
	Employees by generation			
	Baby Boomers (1946-1964)	2.9%	1.8%	0.7%
	Gen X (1965-1980)	35.5%	34.5%	32.2%
	Millennials (1981-2000)	58.4%	57.4%	57.1%
	Gen Z (2001 -)	3.2%	6.3%	10.0%
	Employees with disabilities	5	10	13
401-1	Hours employee training			
	Hours of training	40,249	844,286	1,071,817
	Men	30,508	572,844	709,128
	Women	9,741	271,442	362,689
404-3	Employee performance evaluations			
	Number of performance evaluations	9,652	10,529	7,393
	Men	7,519	9,025	5,541
	Women	2,133	1,504	1,852

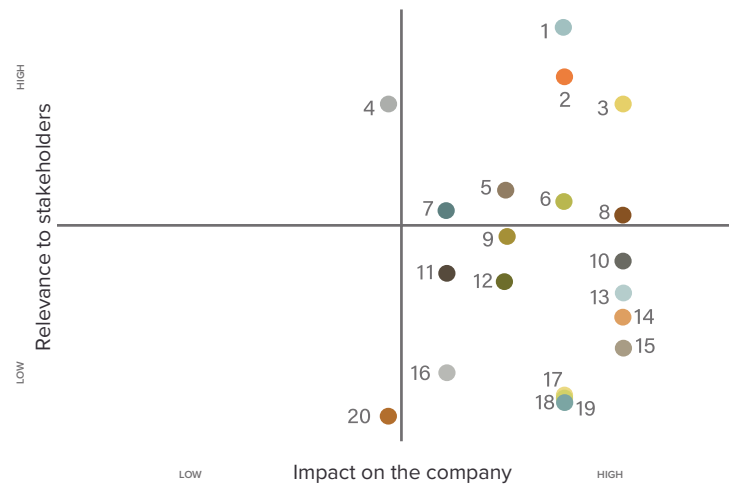
² Includes information on employees in México.

Prolec

GRI	Social (Community)	2021	2022	2023
413	Local communities			
	Volunteer program			
	Direct beneficiaries	2,933	6,967	15,249
	Volunteer participations from Xignux companies	1,901	1,117	2,269
	Volunteer hours	1,430	923	2,148
	Trees planted	0	1,005	9

Label	Topic
1	Employee health and safety
2	Environmental and social risk management
3	Emissions reduction
4	Special handling waste
5	Ensure that raw materials are sourced from socially and environmentally responsible suppliers.
6	Respect and promotion of human rights
7	Water and wastewater management
8	Energy efficiency
9	Employee education and training
10	Ethics, anti-corruption and values
11	Integrating social and environmental aspects in supplier evaluation
12	Recycling of materials in production
13	Climate change
14	Community engagement
15	Product quality
16	Generate environmental awareness among employees and consumers
17	Use of renewable energies
18	Product design containing eco-efficient components
19	Diversity
20	Product recovery at the end of its useful life

Prolec GE materiality matrix



Qualtia

GRI	Environmental (Planet)	2021	2022	2023
301-1	Materials used			
	Non-renewable materials (metric tons)			
	Pastas	155,670	138,338	121,538
	Meat products	9,860	3,143	11,183
	Flours and condiments	8,437	8,212	7,426
	High- and low-density polyethylene	3,211	3,759	3,802
	Plastics	1,907	2,514	2,248
	Oil	1,287	1,406	1,123
	Others ¹	1,478	433	1,103
	Renewable materials (metric tons)			
	Wood	2,814	2,192	4,117
	Cardboard	2,168	1,705	1,710
302-1	Energy consumption within the organization			
	Energy consumption from fuel (GJ)	1,034,685	1,028,037	910,025
	Natural gas	598,017	585,069	612,551
	LP Gas	5,565	5,737	0
	Gasoline	34,483	35,518	123,540
	Diesel	396,620	401,713	173,933
	Electricity consumption ²			
	kWh	74,580,681	87,901,423	105,092,559
	GJ	268,490	316,445	378,333

¹ Includes bone, plastic wrapping and lubricants

² 2022 figures were recalculated to reflect the startup of Qualtia's cogeneration plant in Tepetzotlán, which was not considered in the previous report.

GRI	Environmental (Planet)	2021	2022	2023
303-3 Water withdrawals³				
	Total water withdrawals (m³)	1,027,634	1,050,413	1,086,993
	Ground water	ND	965,737	984,366
	Surface water	ND	0	0
	Municipal water	ND	0	0
	Outside wastewater	ND	0	0
	Rainwater	ND	0	0
	Other public or private suppliers	ND	84,676	102,627
	Water reused (m³)	120,000	133,146	18,848
303-4 Water discharges				
	Total water discharged (m³)	0	0	391,025
	Subsurface	ND	ND	0
	Surface	ND	ND	0
	Sewage	ND	ND	391,025
	Treatment facilities	ND	ND	0
	Ground water	ND	ND	0
303-5 Water consumption				
	Total water consumption (m³)	1,027,634	1,050,413	695,967
305-1 Direct GHG emissions – Scope 1				
	GHG emissions – Scope 1 (tCO₂e)	61,673	67,328	55,791
305-2 Indirect GHG emissions – scope 2				
	GHG emissions – scope 2 (tCO₂e)	44,351	42,005	48,987

GRI	Environmental (Planet)	2021	2022	2023
306 Waste				
	Hazardous waste (metric tons)	ND	41	80
	Reuse	ND	0	0
	Composting	ND	0	0
	Recovery	ND	0	0
	Incineration	ND	41	78
	Confinement/deep well injection	ND	0	3
	Landfill	ND	0	0
	Non-hazardous waste (metric tons)	ND	6,675	5,512
	Reuse	ND	8	148
	Composting	ND	0	884
	Recovery	ND	0	8
	Incineration	ND	0	0
	Confinement/deep well injection	ND	0	0
	Landfill	ND	6,667	4,472

¹ Includes bone, plastic wrapping and lubricants

² 2022 figures were recalculated to reflect the startup of Qualtia's cogeneration plant in Tepetzotlán, which was not considered in the previous report.

³ Ground and surface water from 2022 were reclassified and recalculated.

GRI	Social (Our People)	2021	2022	2023
2-7	Employees			
	Employees by country	12,151	12,561	12,440
	Mexico	12,151	12,561	12,440
	Employees by gender ⁴			
	Men	5,018	5,229	5,208
	% men	41.3%	41.6%	41.9%
	Women	7,133	7,332	7,232
	% women	58.7%	58.4%	58.1%
	Employees by type of contract and gender ⁴			
	Permanent contract	11,533	11,865	11,872
	Men	4,682	4,801	4,904
	% men	40.6%	40.5%	41.3%
	Women	6,851	7,064	6,968
	% women	59.4%	59.5%	58.7%
	Temporary contract	618	696	568
	Men	336	428	304
	% men	54.4%	61.5%	53.5%
	Women	282	268	264
	% women	45.6%	38.5%	46.5%

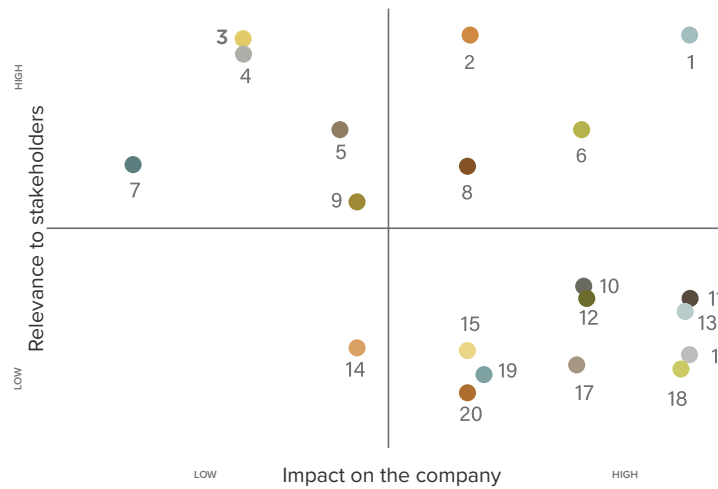
GRI	Social (Our People)	2021	2022	2023
	Employees by age range ⁴			
	Under 20 years	2.2%	2.9%	2.6%
	21-25 years	10.3%	9.8%	9.6%
	26-30 years	12.4%	12.1%	12.1%
	31-40 years	28.1%	26.9%	26.6%
	41-55 years	40.3%	40.3%	40.0%
	Over 55 years	6.7%	8.0%	9.1%
	Employees by generation			
	Baby Boomers (1946-1964)	3.7%	2.9%	2.2%
	Gen X (1965-1980)	40.3%	39.5%	38.6%
	Millennials (1981-2000)	51.9%	51.3%	51.4%
	Gen Z (2001 -)	4.1%	6.3%	7.9%
	Employees with disabilities	14	16	15
401-1	Hours employee training			
	Hours of training	245,445	266,266	312,052
	Men	108,976	138,097	147,506
	Women	136,469	128,169	164,546
404-3	Employee performance evaluations			
	Number of performance evaluations	517	1,669	1,514
	Men	341	885	958
	Women	176	784	556

⁴ Includes information on employees in México.

GRI	Social (Community)	2021	2022	2023
413	Local communities			
	Volunteer program			
	Direct beneficiaries	10,610	21,830	14,787
	Volunteer participations from Xignux companies	1,607	3,654	4,306
	Volunteer hours	3,932	7,483	8,659
	Trees planted	39	1,098	730

Label	Topic
1	Water and wastewater management
2	Ensure that raw materials are sourced from socially and environmentally responsible suppliers.
3	Energy efficiency
4	Emissions reduction
5	Product quality
6	Employee health and safety
7	Special handling waste (oil and other raw materials)
8	Nutritional content of the product
9	Integrating social and environmental aspects in supplier evaluation
10	Ethics, anti-corruption and values
11	Consumer well-being
12	Changing food consumption trends
13	Community engagement
14	Proper fleet management (fuel consumption)
15	Sustainable agriculture (raw material for snacks)
16	Respect and promotion of human rights
17	Product labeling
18	Climate change
19	Diversity
20	Biodegradable packaging

Qualtia materiality matrix



GRI	Environmental (Planet)	2021	2022	2023
301-1	Materials used			
	Non-renewable materials (metric tons)			
	Flours and condiments	13,155	13,232	16,486
	Oil	5,885	6,298	6,804
	Cardboard	3,806	3,846	4,140
	Packaging (film)	ND	ND	1,642
	High- and low-density polyethylene	1,375	53	55
	Renewable materials (metric tons)			
	Wood (thousands of board feet)	3,105	3,131	3,139
	Wood	6,138	6,366	5,728
	Cardboard			
302-1	Energy consumption within the organization			
	Energy consumption from fuel (GJ)	92,143	111,697	118,702
	Natural gas	73,970	82,939	87,524
	LP Gas	0	0	0
	Gasoline	36	648	410
	Diesel	18,137	28,110	30,768
	Electricity consumption			
	kWh	7,512,475	7,222,555	7,439,153
	GJ	27,045	26,001	26,781

GRI	Environmental (Planet)	2021	2022	2023
303-3	Water withdrawals			
	Total water withdrawals (m³)	27,261	31,410	28,066
	Ground water	ND	9,515	10,169
	Surface water	ND	0	0
	Municipal water	ND	16,625	17,894
	Outside wastewater	ND	0	0
	Rainwater	ND	0	0
	Other public or private suppliers	ND	5,270	3
	Water reused (m³)	0	0	0
303-4	Water discharges			
	Total water discharged (m³)	0	0	13,155
	Subsurface	ND	ND	0
	Surface	ND	ND	0
	Sewage	ND	ND	9,137
	Treatment facilities	ND	ND	4,018
	Ground water	ND	ND	0
303-5	Water consumption			
	Total water consumption (m³)	27,261	31,410	14,911
305-1	Direct GHG emissions – Scope 1			
	GHG emissions – Scope 1 (tCO₂e)	11,359	7,155	7,784
305-2	Indirect GHG emissions – scope 2			
	GHG emissions – scope 2 (tco2e)	3,430	2,920	3,147

GRI	Environmental (Planet)	2021	2022	2023
306	Waste			
	Hazardous waste (metric tons)¹	ND	9	9
	Reuse	ND	0	1
	Composting	ND	0	0
	Recovery	ND	2	3
	Incineration	ND	1	1
	Confinement/deep well injection	ND	6	4
	Landfill	ND	0	0
	Non-hazardous waste (metric tons)¹	ND	394	1,286
	Reuse	ND	0	453
	Composting	ND	0	0
	Recovery	ND	0	96
	Incineration	ND	0	0
	Confinement/deep well injection	ND	0	0
	Landfill	ND	394	737

¹ Figures on hazardous and non-hazardous waste in 2022 were recalculated.

GRI	Social (Nuestra Gente)	2021	2022	2023
2-7	Employees			
	Employees by country	3,569	3,897	4,633
	Mexico	3,534	3,852	4,590
	United States	ND	ND	43
Employees by gender ²				
	Men	3,016	3,246	3,839
	% men	85.3%	84.3%	83.6%
	Women	518	606	751
	% women	14.7%	15.7%	16.4%
Employees by type of contract and gender ²				
	Permanent contract	3,367	3,741	4,495
	Men	2,870	3,142	3,751
	% men	85.2%	84.0%	83.4%
	Women	497	599	744
	% women	14.8%	16.0%	16.6%
	Temporary contract	167	111	95
	Men	146	104	88
	% men	87.4%	93.7%	92.6%
	Women	21	7	7
	% women	12.6%	6.3%	7.4%

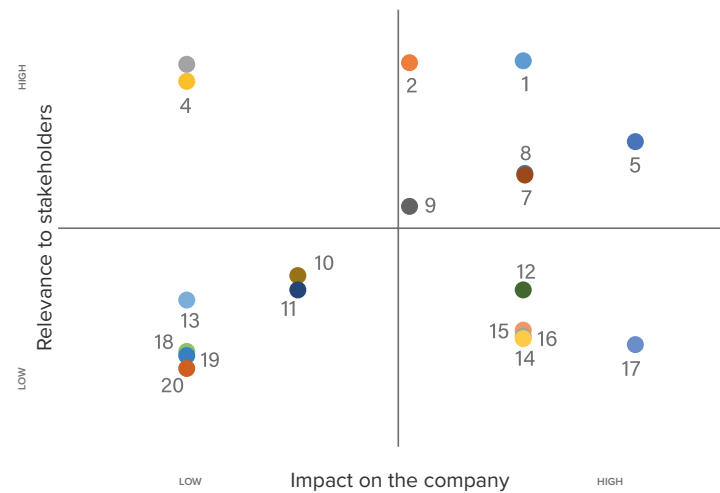
GRI	Social (Nuestra Gente)	2021	2022	2023
	Employees by age range²			
	Under 20 years	1.5%	1.0%	1.7%
	21-25 years	9.8%	9.9%	9.9%
	26-30 years	15.0%	14.3%	14.3%
	31-40 years	31.6%	32.2%	31.2%
	41-55 years	36.8%	36.6%	36.4%
	Over 55 years	5.3%	5.9%	6.5%
	Employees by generation²			
	Baby Boomers (1946-1964)	2.9%	2.2%	1.5%
	Gen X (1965-1980)	35.9%	34.6%	32.7%
	Millennials (1981-2000)	58.3%	59.1%	58.9%
	Gen Z (2001 -)	2.9%	4.1%	6.8%
	Employees with disabilities	4	2	2
401-1	Hours employee training			
	Hours of training	19,025	8,250	23,232
	Men	10,023	2,907	14,448
	Women	9,002	5,343	8,784
404-3	Employee performance evaluations			
	Number of performance evaluations	1,000	881	844
	Men	409	396	265
	Women	591	485	579

² Includes information on employees in México.

GRI	Social (Community)	2021	2022	2023
413	Local communities			
	Volunteer program			
	Direct beneficiaries	1,435	5,669	4,406
	Volunteer participations from Xignux companies	304	349	366
	Volunteer hours	484	1,160	720
	Trees planted	30	181	12

Label	Topic
1	Water and wastewater management
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3	Energy efficiency
4	Emissions reduction
5	Product quality
6	Employee health and safety
7	Special handling waste (oil and other raw materials)
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13	Community engagement
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15	Sustainable agriculture (raw material for snacks)
16	Respect and promotion of human rights
17	Product labeling
18	Climate change
19	Diversity
20	Biodegradable packaging

BYDSA materiality matrix



GRI AND SASB CONTENT INDEX

Xignux has reported the information listed in this GRI content index for the reporting period from January 1 to December 31, 2023, with reference to the GRI Standards.

GRI 1: Foundation 2021

GRI Standard	Content	Location	Sustainable Development Goal (SDG)	Global Compact	SASB Food	SASB Energy	
GRI 2: General Disclosures 2021	2-1 Organizational details	Xignux, S.A. de C.V. Av. Pedro Ramírez Vázquez 200-2 Col. Valle Oriente, San Pedro Garza García, N. L., C.P. 66278 México P. 7					
	2-2 Entities included in the organization's sustainability reporting	p. 168					
	2-3 Reporting period, frequency and contact point	p. 168					
	2-4 Restatements of information	See notes in the "Performance details" section					
	2-5 External assurance	This year's report has not been subject to external assurance					
	2-6 Activities, value chain and other business relationships	p. 12, 19, 29, 39, 49, 59, 63				FB-PF-000.A (p. 2) FB-PF-000.B (p. 41,51)	RT-EE-000.A (p. 2)
	2-7 Employees	p. 82, 129		SDG 8. Decent Work and Economic Growth			RT-EE-000.B
	2-9 Governance structure and composition	p. 77					
	2-10 Nomination and selection of the highest governance body	p. 77					
	2-11 Chair of the highest governance body	p. 77					
	2-12 Role of the highest governance body in overseeing the management of impacts	p. 77					
	2-13 Delegation of responsibility for managing impacts	p. 77					
	2-14 Role of the highest governance body in sustainability reporting	p. 77					
	2-15 Conflicts of interest	p. 69, 71					

Estándar GRI	Contenido	Ubicación	ODS (Objetivos de Desarrollo Sostenible)	Pacto Mundial	SASB Alimentos	SASB Energía
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	p. 73, 77				
	2-17 Collective knowledge of the highest governance body	p. 77				
	2-18 Evaluation of the performance of the highest governance body	p. 77				
	2-19 Remuneration policies	p. 77				
	2-20 Process to determine remuneration	p. 77				
	2-21 Annual total compensation ratio	Information not available for this reporting period				
	2-22 Statement on sustainable development strategy	p. 5				
	2-23 Policy commitments	p. 69, 75				RT-EE-510a.1
	2-24 Embedding policy commitments	p. 69, 71				
	2-25 Processes to remediate negative impacts	p. 14, 16, 73				
2-26 Mechanisms for seeking advice and raising concerns	p. 73					
2-28 Membership associations	p. 17					
2-29 Approach to stakeholder engagement	p. 16					
GRI 3 Material topics 2021	3-1 Process to determine material topics	p. 14-16				
	3-2 List of material topics	p. 15				
	3-3 Management of material topics	p. 14				

Estándar GRI	Contenido	Ubicación	ODS (Objetivos de Desarrollo Sostenible)	Pacto Mundial	SASB Alimentos	SASB Energía
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	p. 11	SDG 2. Zero Hunger SDG 5. Gender equality SDG 7. Affordable and Clean Energy SDG 8. Decent Work and Economic Growth SDG 9. Industry, Innovation and Infrastructure			
	201-4 Financial assistance received from government	We received no assistance from any government agency in 2023.				
GRI 202: Presencia en el mercado 2016	202-2 Proportion of senior management hired from the local community	All our senior management are Mexican.				
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	p. 99-104	SDG 2. Zero Hunger SDG 5. Gender Equality SDG 7. Affordable and Clean Energy SDG 9. Industry, Innovation and Infrastructure SDG 11. Sustainable Cities and Communities			
	203-2 Significant indirect economic impacts	p. 99-109				
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	p. 70-71	SDG 16. Peace and Justice Strong Institutions	Principle 10		
	205-3 Confirmed incidents of corruption and actions taken	p. 74	SDG 16. Peace and Justice Strong Institutions	Principle 10		

Estándar GRI	Contenido	Ubicación	ODS (Objetivos de Desarrollo Sostenible)	Pacto Mundial	SASB Alimentos	SASB Energía
GRI 301: Materials 2016	301-1 Materials used by weight or volume	p. 119, 126	SDG 12. Responsible Consumption and Production	Principles 7, 8 and 9	FB-PF-410a.1	
	301-2 Recycled input materials used	p. 119, 126	SDG 12. Responsible Consumption and Production	Principles 7, 8 and 9		
	301-3 Reclaimed products and their packaging materials	p. 119, 126	SDG 12. Responsible Consumption and Production	Principles 7, 8 and 9	FB-PF-410a.1	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	p. 117, 127	SDG 7. Affordable and Clean Energy SDG 8. Decent Work and Economic Growth	Principles 7, 8 and 9	FB-PF-130a.1	RT-EE-130a.1
	302-4 Reduction of energy consumption	p. 117, 127	SDG 12. Responsible Consumption and Production SDG 13. Climate Action	Principles 7, 8 and 9		
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	p. 120	SDG 6. Clean Water and Sanitation	Principles 7, 8 and 9		
	303-2 Management of water discharge-related impacts	p. 120	SDG 6. Clean Water and Sanitation	Principles 7, 8 and 9	FB-PF-140a.3	
	303-3 Water withdrawal	p. 120, 127	SDG 6. Clean Water and Sanitation	Principles 7, 8 and 9	FB-PF-140a.1	
	303-4 Water discharges	p. 120, 127	SDG 6. Clean Water and Sanitation	Principles 7, 8 and 9		
	303-5 Water consumption	p. 120, 127	SDG 6. Clean Water and Sanitation	Principles 7, 8 and 9		
GRI 304: Biodiversity 2016	304-3 Habitats protected or restored	p. 121, 123	SDG 6. Clean Water and Sanitation	Principles 7, 8 and 9		
GRI 305: Emissions 2016	305-1 Direct (scope 1) GHG emissions	p. 117, 128		Principles 7, 8 and 9		
	305-2 Energy indirect (scope 2) GHG emissions	p. 117, 128	SDG 12. Responsible Consumption and Production SDG 13. Climate Action SDG 15. Life on Land	Principles 7, 8 and 9		
	305-5 Reduction of GHG emissions	P. 128		Principles 7, 8 and 9		

Estándar GRI	Contenido	Ubicación	ODS (Objetivos de Desarrollo Sostenible)	Pacto Mundial	SASB Alimentos	SASB Energía
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	p. 119	SDG 12. Responsible Consumption and Production	Principles 7, 8 and 9		
	306-2 Management of significant waste-related impacts	p. 119	SDG 12. Responsible Consumption and Production	Principles 7, 8 and 9		
	306-3 Waste generated	p. 119, 128	SDG 12. Responsible Consumption and Production	Principles 7, 8 and 9		RT-EE-150a.1
	306-4 Waste diverted from disposal	p. 119, 128	SDG 12. Responsible Consumption and Production	Principles 7, 8 and 9		
	306-5 Waste directed to disposal	p. 119, 128	SDG 12. Responsible Consumption and Production	Principles 7, 8 and 9		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	p. 130-131	SDG 5. Gender Equality SDG 8. Decent Work and Economic Growth	Principles 7, 8 y 9		
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 45. There are no differences between the benefits provided to full-time and part-time employees	SDG 5. Gender Equality SDG 8. Decent Work and Economic Growth	Principles 7, 8 y 9		
GRI 402: Labor/Management relations 2016	402-1 Minimum notice periods regarding operational changes	At Prolec, three weeks. At Qualtia and Viakable, two weeks.	SDG 8. Decent Work and Economic Growth			
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	p. 26, 36, 45, 55, 93				
	403-2 Hazard identification, risk assessment and incident investigation	p. 26, 36, 45, 55, 93	SDG 3. Good Health and Well-being SDG 8. Decent Work and Economic Growth			
	403-3 Occupational health services	p. 26, 36, 45, 55, 93				
	403-4 Worker participation, consultation and communication on occupational health and safety	p. 26, 36, 45, 55, 93				

Estándar GRI	Contenido	Ubicación	ODS (Objetivos de Desarrollo Sostenible)	Pacto Mundial	SASB Alimentos	SASB Energía
GRI 403: Occupational health and safety 2018	403-6 Promotion of the health of the worker	p. 26, 36, 45, 55, 93				
	403-7 Prevention and mitigation of occupational health and safety impacts linked to commercial relations	p. 26, 36, 45, 55, 93	SDG 3. Good Health and Well-being SDG 8. Decent Work and Economic Growth			
	403-8 Workers covered by an occupational health and safety management system	p. 26, 36, 45, 55, 93				
	403-9 Work-related injuries	p. 132				
	403-10 Work-related ill health	p. 132				
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	p. 132				
	404-2 Programs for upgrading employee skills and transition assistance programs	p. 87-90	SDG 4. Quality Education SDG 5. Gender Equality SDG 8. Decent Work and Economic Growth			
	404-3 Percentage of employees receiving regular performance and career development reviews	p. 132				
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	p. 77	SDG 5. Gender Equality	Principle 1		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	p. 74	SDG 10. Reduced Inequality SDG 16. Peace and Justice Strong Institutions	Principles 1 and 6		

Estándar GRI	Contenido	Ubicación	ODS (Objetivos de Desarrollo Sostenible)	Pacto Mundial	SASB Alimentos	SASB Energía
GRI 407: Freedom of association and collective bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	We have not detected any risks of this type.	SDG 8. Decent Work and Economic Growth	Principles 1 and 3		
GRI 408: Child labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	We have not detected any risks of this type.	SDG 8. Decent Work and Economic Growth	Principles 1 and 5		
GRI 409: Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	We have not detected any risks of this type.	SDG 8. Decent Work and Economic Growth	Principles 1 and 2		
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	In 2023 there were no instances of violation of the human rights of indigenous groups.	SDG 10. Reduced Inequality SDG 16. Peace and Justice Strong Institutions	Principle 1		
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	p. 99-110	SDG 17. Partnerships to Achieve the Goals			
	413-2 Operations with significant actual and potential negative impacts on local communities	No operations have been identified with significant real or potential impacts on local communities during the year of the report.				
GRI 416: Salud y seguridad de los clientes 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	We have had no incidents of non-compliance concerning the health and safety impacts of products and services.				RT-EE-250a.2

Estándar GRI	Contenido	Ubicación	ODS (Objetivos de Desarrollo Sostenible)	Pacto Mundial	SASB Alimentos	SASB Energía
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	No reported incidents of non-compliance with the applicable labeling laws				
	417-3 Incidents of non-compliance concerning marketing communications	No reported incidents of non-compliance with the applicable marketing laws			FB-PF-270a.3. FB-PF-270a.4	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	No reported incidents of non-compliance with the applicable data protection laws.				

About this report

In keeping with the principles of accountability and transparency in all of our actions, this is our Social Responsibility and Sustainable Development Report for the past year. In it, we inform our stakeholders and the general public of the actions Xignux has taken in the areas of economic, social and environmental performance.

The scope of this report encompasses all of the operations of the companies Viakable, Prolec, Qualtia, BYDSA, Nanoqem, Voltway and Xignux Corporativo (the parent company), from January 1 to December, 2023. Our reporting cycle is annual, and in the last five years we have followed the standards of the Global Reporting Initiative (GRI). Our measurement methods are also based on GRI recommendations. We have included our contributions to the UN 2030 Agenda and Sustainable Development Goals as well.

In determining materiality and developing this report, this year we engaged an independent expert in the field; we did not obtain external assurance on the report.

Acknowledgements

This document is the result of the combined efforts of the employees and senior management of every one of Xignux's companies. Without their experience and their hard work year in and year out, we would not be able to share this Xignux Social Responsibility and Sustainable Development Report.

We are grateful for your preference and your trust in our products, which we will continue to offer with the highest quality.

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