

We are Cuprum

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## Dear Readers,

We are pleased to present Grupo Cuprum's 2024 Sustainability Report, in which we share the progress, challenges, and achievements that have been achieved this year. In the context of constant economic, technological, and political change, our adaptability, constructive culture, and commitment to sustainability have been key to strengthening Cuprum's leadership in the aluminum industry in our country and across North America. This report reflects our conviction that business growth must go hand in hand with generating value for our customers, employees, suppliers, shareholders, and communities, while also recognizing the urgent need to protect our planet in the face of climate change.

2024 was a year that challenged us to reinvent ourselves, remain agile, and find new ways to create value in an environment that demanded quick responses and bold strategies. We faced economic fluctuations, including a volatile exchange rate, significant shifts in global aluminum prices, and historically high interest rates. Moreover, global dynamics and market conditions posed additional challenges impacting key automotive and industrial sectors. However, at Cuprum, we have shown that with strategic vision and innovation, every challenge can become an opportunity.

Throughout the year, we actively represented the aluminum industry in Mexico, leading critical processes and achieving positive threats to our main raw material. This responsiveness helped strengthen the region's competitiveness and reaffirmed our position as a trusted partner in the North American market.

Our market diversification was key to facing the uncertainty. Although the automotive sector experienced a slowdown, we consolidated operations at our new plant, operating under high efficiency and quality standards. At the same time, we expanded our network of stores across Mexico, offering high value-added aluminum solutions for the construction industry and other industrial segments.

# We have the most technologically advanced aluminum extrusion plant in America.

In 2024, we took a major step forward in our environmental commitment through our decarbonization project, which includes emissions reduction, increased use of clean energy, and optimization of production processes. We continued our transition to an energy portfolio aligned with our sustainability goals, reaching 55% of energy consumption from renewable sources, and we remain committed to implementing innovative solutions to further minimize our environmental impact.

Our goal for 2025 is that 75% of the energy used in our operations will come from clean sources.



**Letter to The Stakeholders** 





On the social front, we reinforced our commitment to developing our employees and communities. The industry continues to face major challenges around talent attraction and turnover. But at Cuprum, we have responded with concrete actions to ensure a competitive and attractive work environment. We implemented enhancements to our benefits to strengthen the overall well-being of our team and encourage long-term commitment to the company.

Our team, made up of almost 7,000 employees, is the heart of Cuprum. We continue to invest in their growth and well-being, convinced that a strong organizational culture is key to our company's sustainable success.

This year also marked the closing of a key chapter in our cultural strategy. The results of our work environment and culture survey reflected significant progress toward a constructive culture, with improvements in all indicators measured. This strengthens our work environment and allows us to operate with greater agility, resilience, and commitment, ensuring every team member contributes to Cuprum's growth and innovation.

Looking ahead to 2025, we envision a horizon full of opportunities. While the global landscape remains complex and uncertain, we are confident that our strategies, based on innovation, talent development, and sustainability, will allow to not only maintain our position but also expand into new business areas and markets. We will be working alongside Boston Consulting Group (BCG) using their methodology to co-create our long-term strategic plan for 2030, with the participation of our Board of Directors.

We combine growth and stability with a deep social commitment. Our success is reflected in our financial results and in the positive impact we have on our employees, customers, suppliers, shareholders, and communities.

We look to the future with clarity and determination. We know that challenges will continue to arise, but we also have the strategy, talent, and vision to turn those challenges into opportunities. We are grateful to our employees for their dedication, to our shareholders, customers, and suppliers for their trust, and the communities for allowing us to be part of their development.

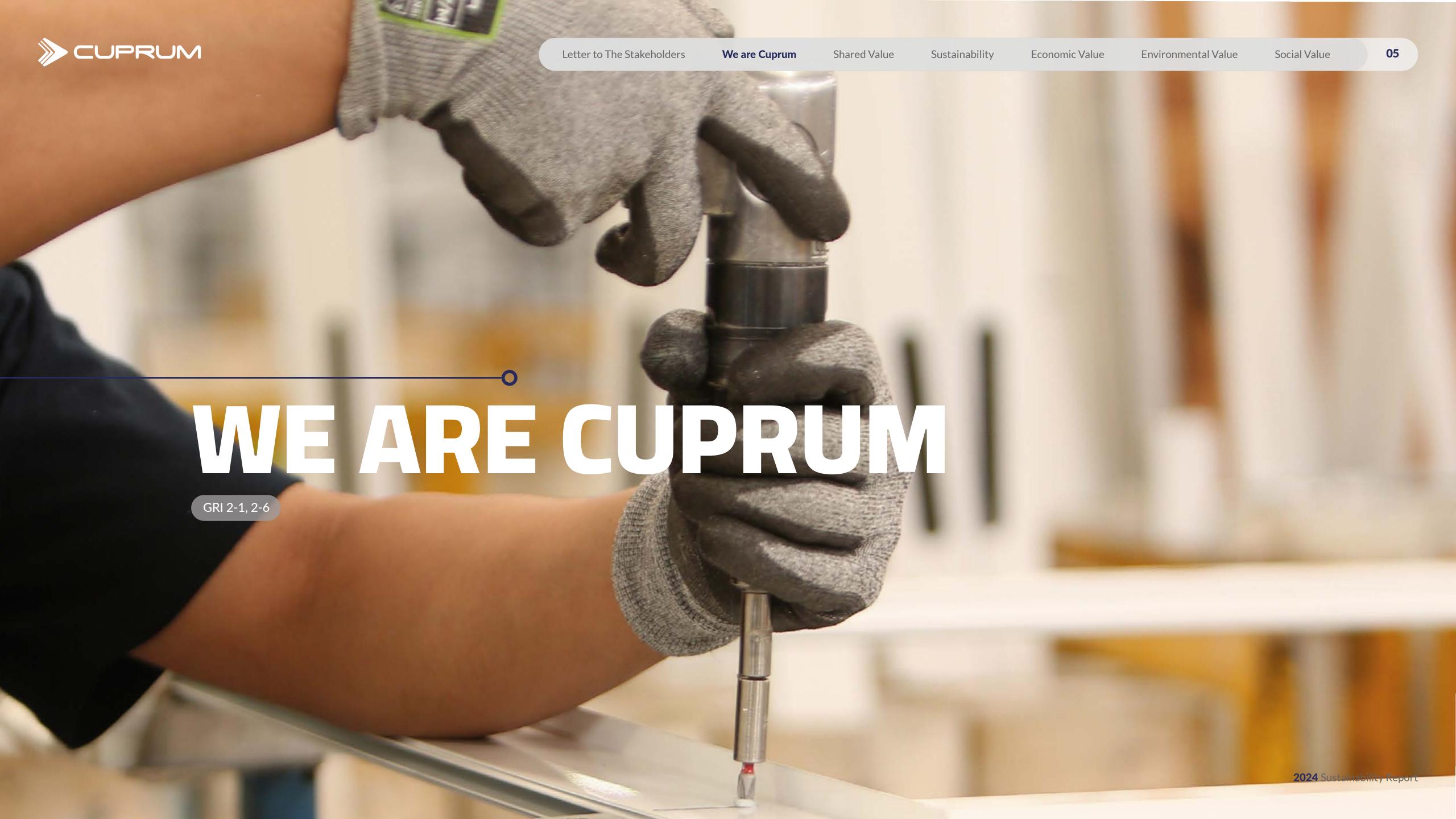
We are ready for what lies ahead and confident that the future offers us a path of growth and evolution.

Sincerely,

**Eugenio Clariond Rangel** 

Executive Chairman of the Board

Arnulfo Enrique Múzquiz Cantú



Sustainability

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# **Higher Purpose**

Reach the unreachable to create happiness, safety, and wellness.



To be the industry leader providing aluminum solutions in the markets we participate in.





Shared Value

#### I Do The Right Thing

We are Cuprum

#### **INTEGRITY**

Letter to The Stakeholders

It is a personal choice and commitment to think, speak, and act based on the company's principles and values.

## I Value and Consider Others!

#### **RESPECT**

Recognizing one's own value and the value of others, considering dignity and compliance with rules.

#### Goodbye Ego

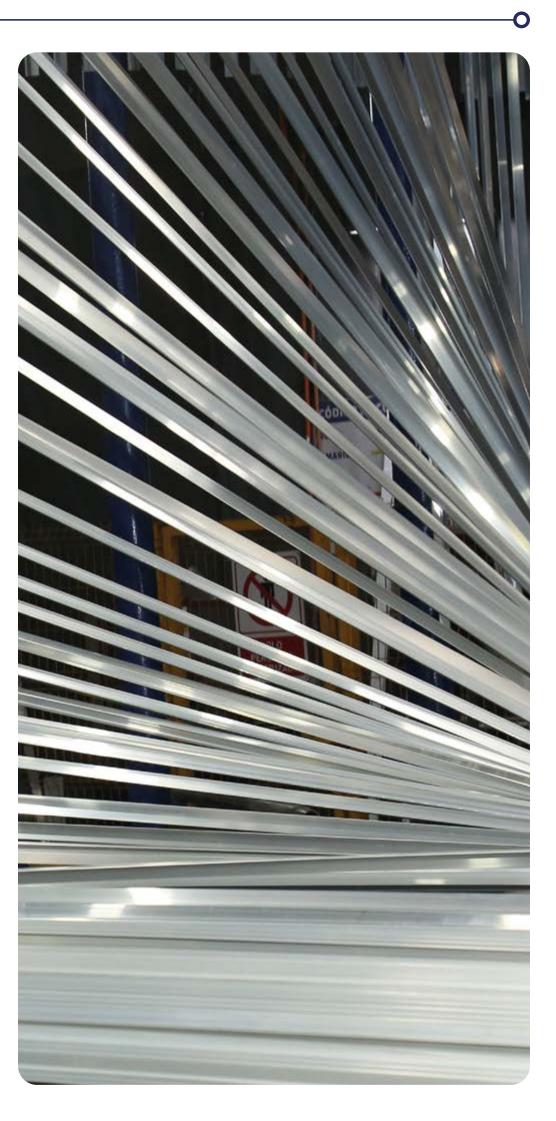
#### **HUMILITY**

Acknowledging one's own strengths and weaknesses, leveraging them to act for the common good.

#### Own It!

#### **UNCONDITIONAL RESPONSIBILITY**

Commitment of an employee or organization to be accountable for their actions and take responsibility for the results in a transparent manner.



We acquired Canada's two leading

ladder manufacturers, Lite and

Featherlite, and integrated them into

a single streamlined operation.

Inauguration of the

100<sup>th</sup> Cuprum store.

2023

## CUPRUM

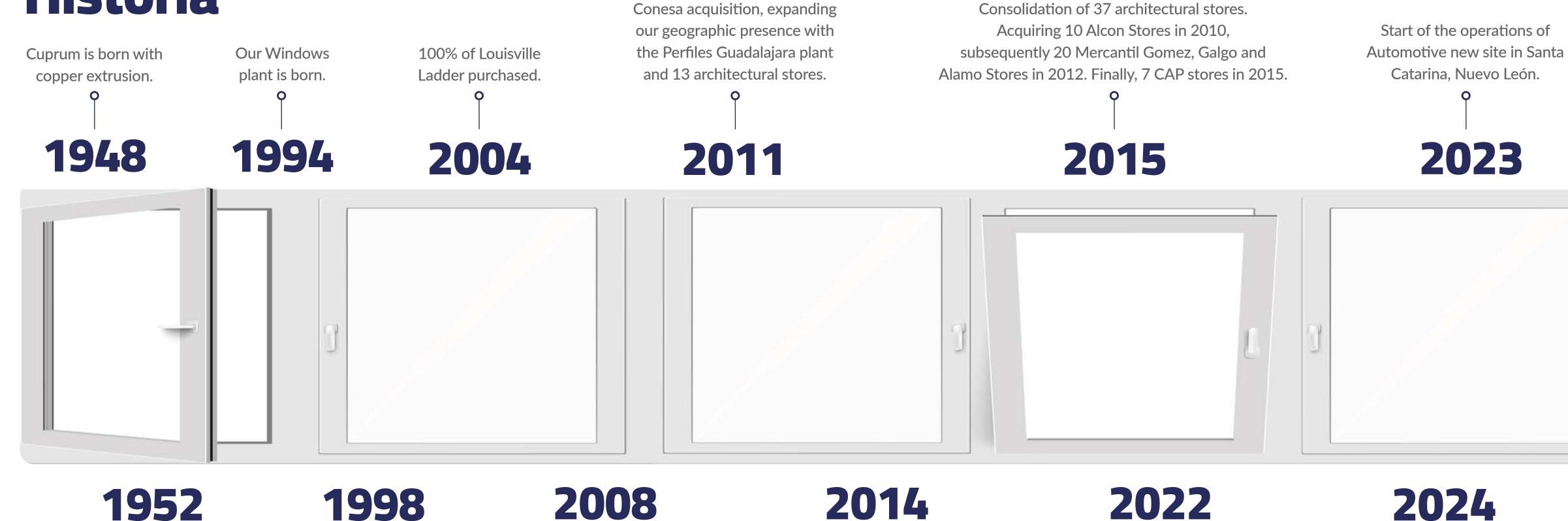
# Historia

We start

manufacturing ladders.

Alcomex is purchased,

now Profiles plant.



We acquired

Metales Diaz.

Letter to The Stakeholders

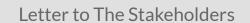
2024 Sustainability Report

Opening of the most technological

Windows Showroom.

Acquisition of Alugama with 15

stores and 3 distribution centers.



We are Cuprum

#### Social Value

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# Highlights 2024

GRI 2-7, 205-2, 302-4, 404-1

We are the leading manufacturer of ladders in Mexico and Canada, and second in sales in the U.S. market.



Largest producer of prefabricated windows in Mexico.



Largest chain of architectural aluminum stores in the world.



3 out of 10 cars manufactured in **Mexico have Cuprum extruded** aluminum components.



Largest aluminum extruder

**6,337** employees.

307,854 training hours.

of our vacancies are filled with internal talent.

100% of the employees trained in Ethics and Values.

We have

independent

of the complaints received through our system were

increase in renewable energy consumption

of our waste is sent to circular processes.

of our energy portfolio consists of clean energy.

9,700

hours dedicated to improving our environment through volunteer activities.

volunteer activities.



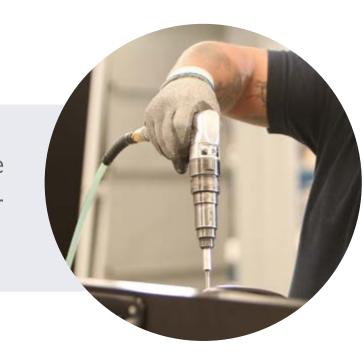




# Market presence

GRI 2-1, 2-2

We distinguish ourselves by bringing value to the market with innovative solutions that respond to the diverse needs of various industrial sectors. Our commitment to excellence and customer satisfaction drives us to develop products that stand out for their quality and ability to exceed expectations.



# 09 **PLANTS**

- 3 Profiles Mexico
- ➤ 1 Windows Mexico
- **≫ 2** Automotive Mexico
- **▶ 1** Ladders Mexico
- **▶ 1** Ladders Canada

# 21 **CEDIS**

- ▶ 3 Profiles Mexico
- ▶ 2 Ladders Mexico
- **≫ 8** Ladders United States
- **≫** 3 Ladders Canada
- ▶ 5 Retail Mexico

# 136 **RETAIL STORES**

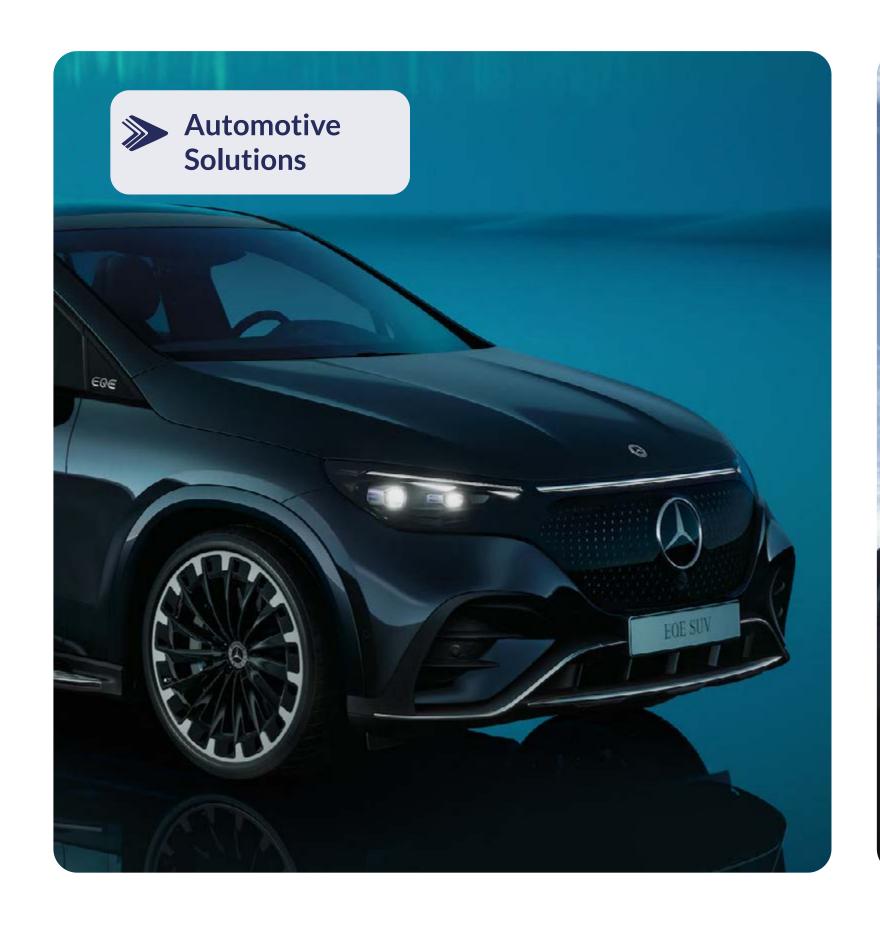
- **≫ 100** Cuprum Retail
- **▶ 21** Metales Diaz Stores
- **▶ 15** Alugama stores



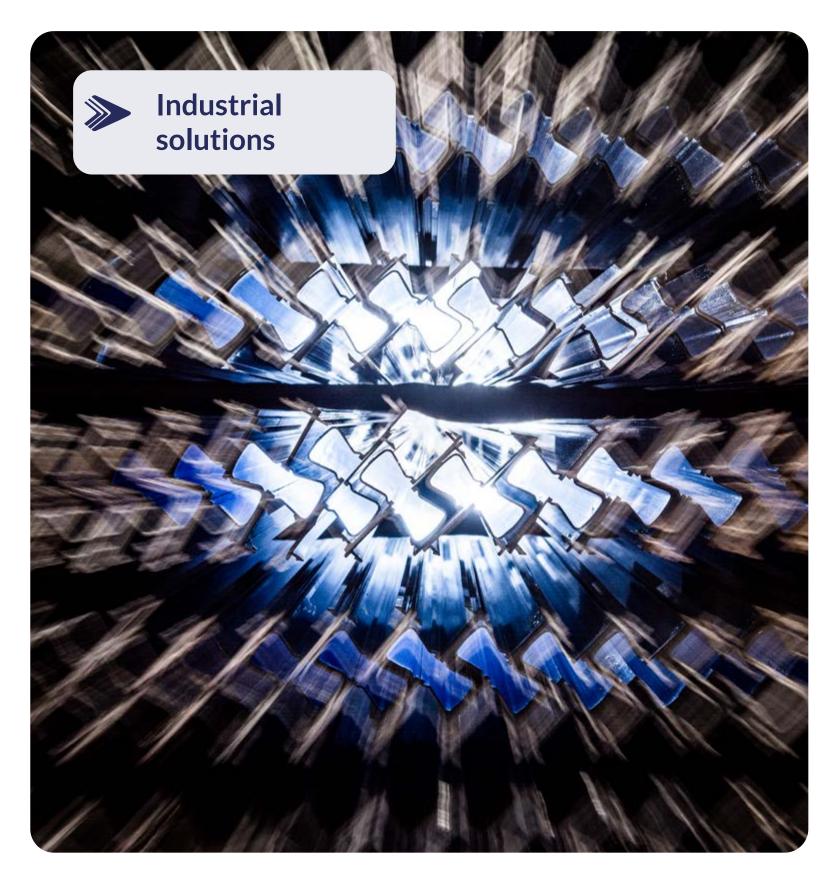
# Markets served

GRI 2-6, 203-1

From construction to automotive and manufacturing, Cuprum aluminum drives innovation and sustainability.









# The aluminum journey

#### **UPSTREAM**

We supply our operation with the highest quality, low-emission aluminum.

These aluminum rods enter the extrusion process.

#### **MIDDLESTREAM**

In our plants, we transform aluminum with sustainable practices.

# **DOWNSTREAM**

## With our extruded aluminum, we create products

that generate value for our stakeholders.



#### **PROFILES**

Aluminum profiles and added value for the construction industry.



#### **RETAIL STORES**

+134 stores nationwide for selling aluminum, glass, and metal products for construction.



#### **LADDERS**

Aluminum ladders and other materials. Safety references comply with ANSI and OSHA standards.



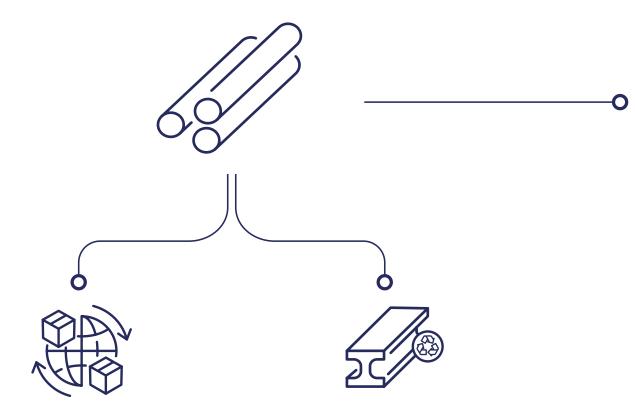
#### **WINDOWS**

Insulated windows that mitigate noise and enable energy savings and comfort.



#### AUTOMOTIVE

Aluminum components that contribute to lower vehicle weight, which translates into higher efficiency and safety.



Through our worldleading partners.

Produced internally through our circularity process with recycled aluminum.



We operate using wind and solar energy.

We recycle aluminum scrap to reintegrate it into the bar generation process.



Shared Value

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# **Sustainability Strategy**







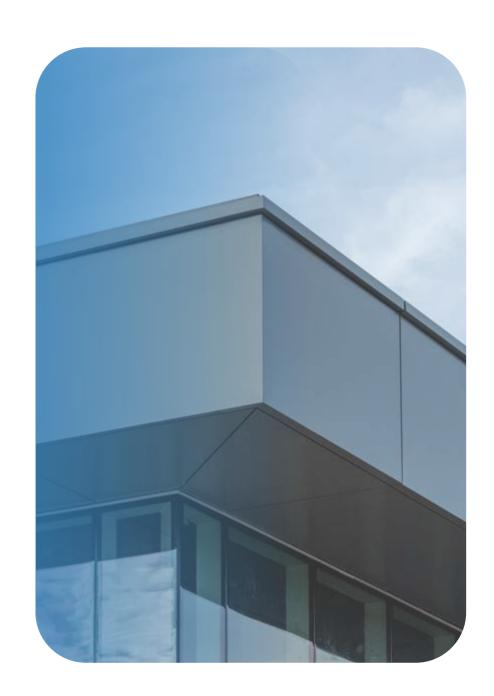


Our sustainability strategy is based on creating social, environmental, and economic value by ensuring responsible and equitable growth.



Our sustainability approach is integrated into our business strategy and operations and is a key driver of long-term value creation. We focus on building a sustainable future through responsible resource management, driving community progress, and strengthening a work environment that fosters professional development and belonging.

This approach enables us to be more resilient, attract talent and consolidate our position as a key player in the transformation of the aluminum industry.





Letter to The Stakeholders

# Social Value

#### **Commitment to Employees** and Community

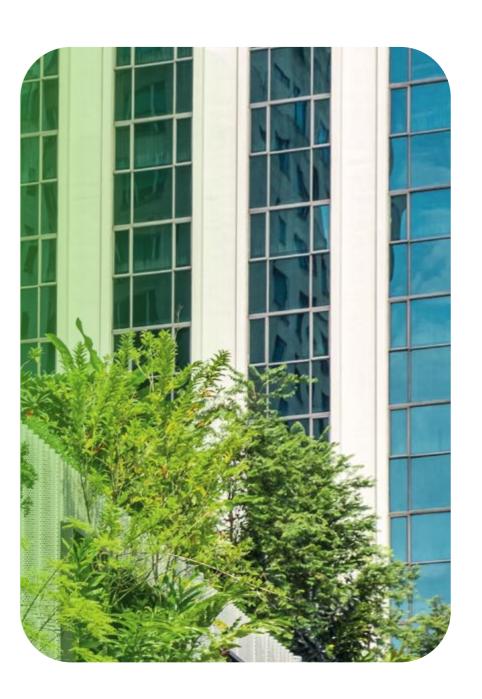
#### **ACTION LINES:**

- Social Investment
- Health, Safety, and Well-being
- Culture, Diversity, and Development











#### **Natural Resource** Management

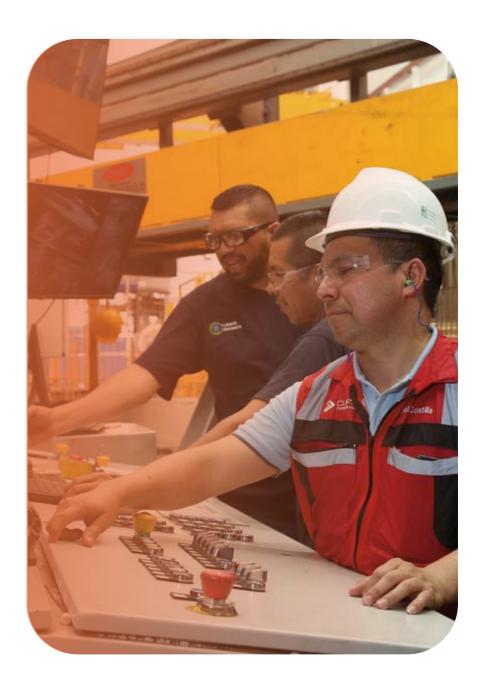
#### **ACTION LINES:**

- Energy and Emissions
- Waste Management
- Sustainable Products
- Responsible Sourcing











#### **Business Integrity** and Continuity

#### **ACTION LINES:**

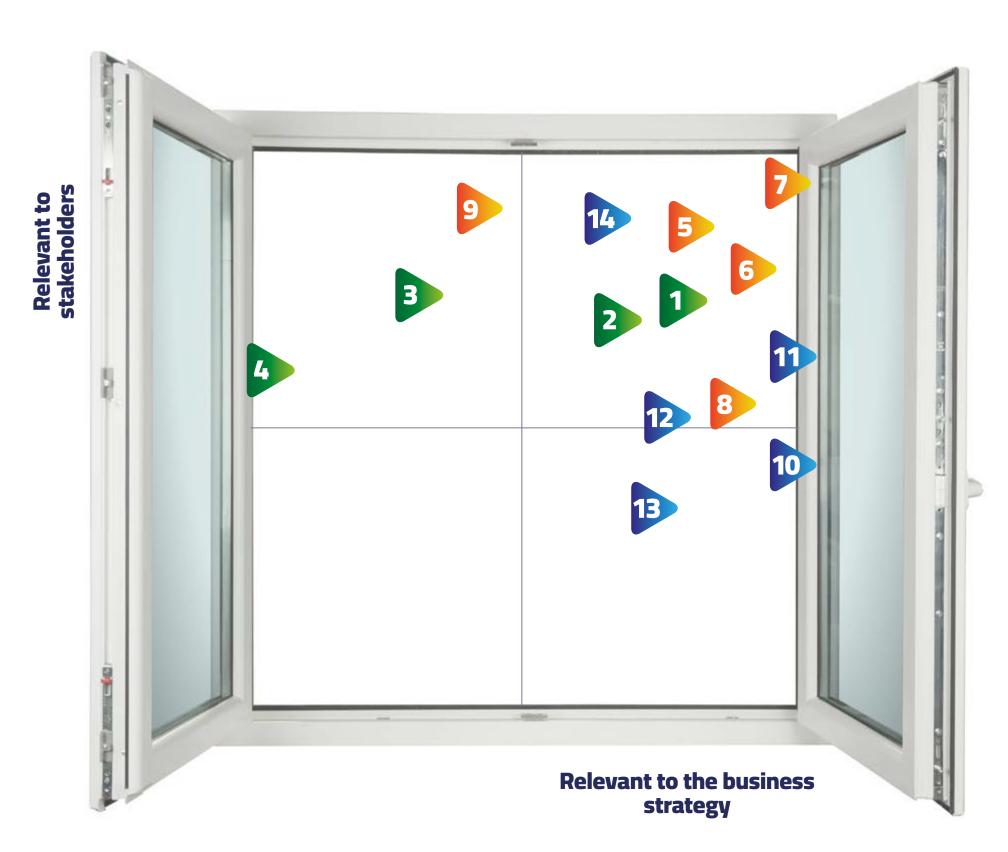
- Ethics, Compliance, and Transparency
- Corporate Governance
- Risk Management



# Materiality Assessment

To ensure strategic sustainability stewardship, we conduct a materiality study that allows us to identify the most relevant financial, social, and environmental impacts. This analysis helps us to establish priorities, manage each issue effectively in the short and medium run, and anticipate potential risks that could impact our company.





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## **Material topics**



#### **Environmental Dimension**

- 1. Energy efficiency and use of renewable energy
- 2. Climate change mitigation and adaptation strategy
- 3. Circular economy and waste management
- **4.** Products with sustainable attributes



#### **Social Dimension**

- **5.** Customer service
- 6. Product quality and user safety
- 7. Occupational health and safety
- 8. Corporate culture and employee engagement
- 9. Talent attraction, retention, and development



#### **Economic Dimension**

- **10.** Financial strength and flexibility
- **11.** Corporate ethics
- **12.** Transparency and integrity
- 13. Technology and process digitalization
- 14. Cybersecurity and information privacy

Letter to The Stakeholders



# ECONOMIC WALUE





# Corporate governance

GRI 2-9, 2-13, 2-14

Solid corporate governance is key to making strategic decisions, mitigating risks, and protecting the interests of our stakeholders. Our governance model is designed to guarantee transparency, integrity, and regulatory compliance, ensuring that our management is aligned with the highest industry standards.

The Board of Directors is key in overseeing and guiding the company, ensuring that our strategies and policies contribute to sustainable business growth. To reinforce its work, the Board has three specialized committees responsible for monitoring key strategic matters and ensuring compliance with our internal policies.



#### The Audit Committee

Letter to The Stakeholders

Oversees risk management and compliance with processes to protect the operation.

#### Planning and Finance Committee

Defines and monitors the financial and business strategy in the short, medium, and long term.

#### Talent and ESG Committee

Promotes best practices in talent and culture and monitors sustainability performance.

The Chairman of the Ethics Committee reports to the Audit Committee on results and compliance with ethics processes, ensuring transparency and adherence to the Code of Ethics.



Letter to The Stakeholders

Shared Value

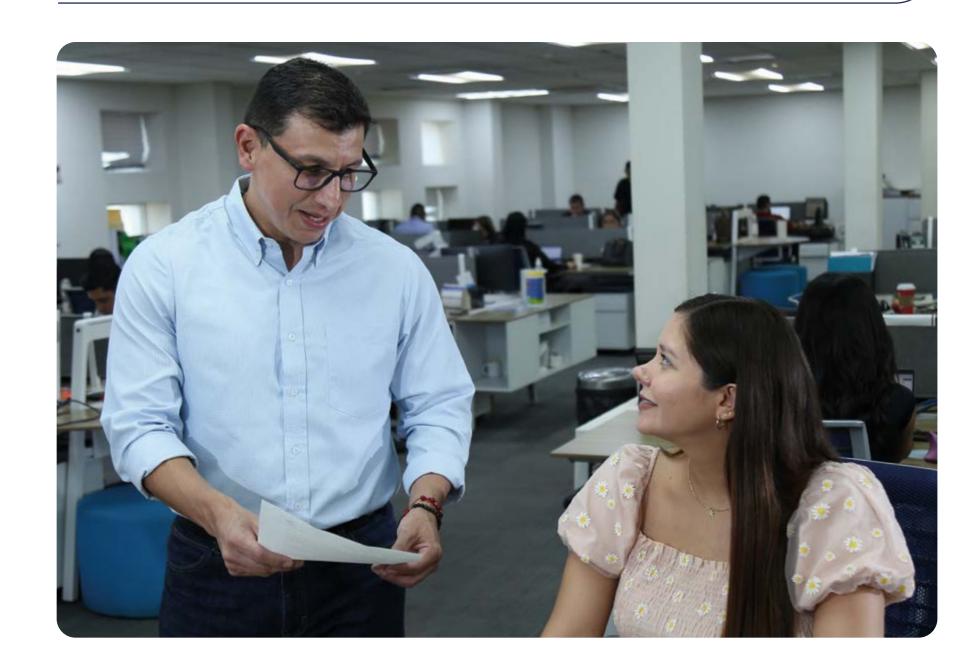
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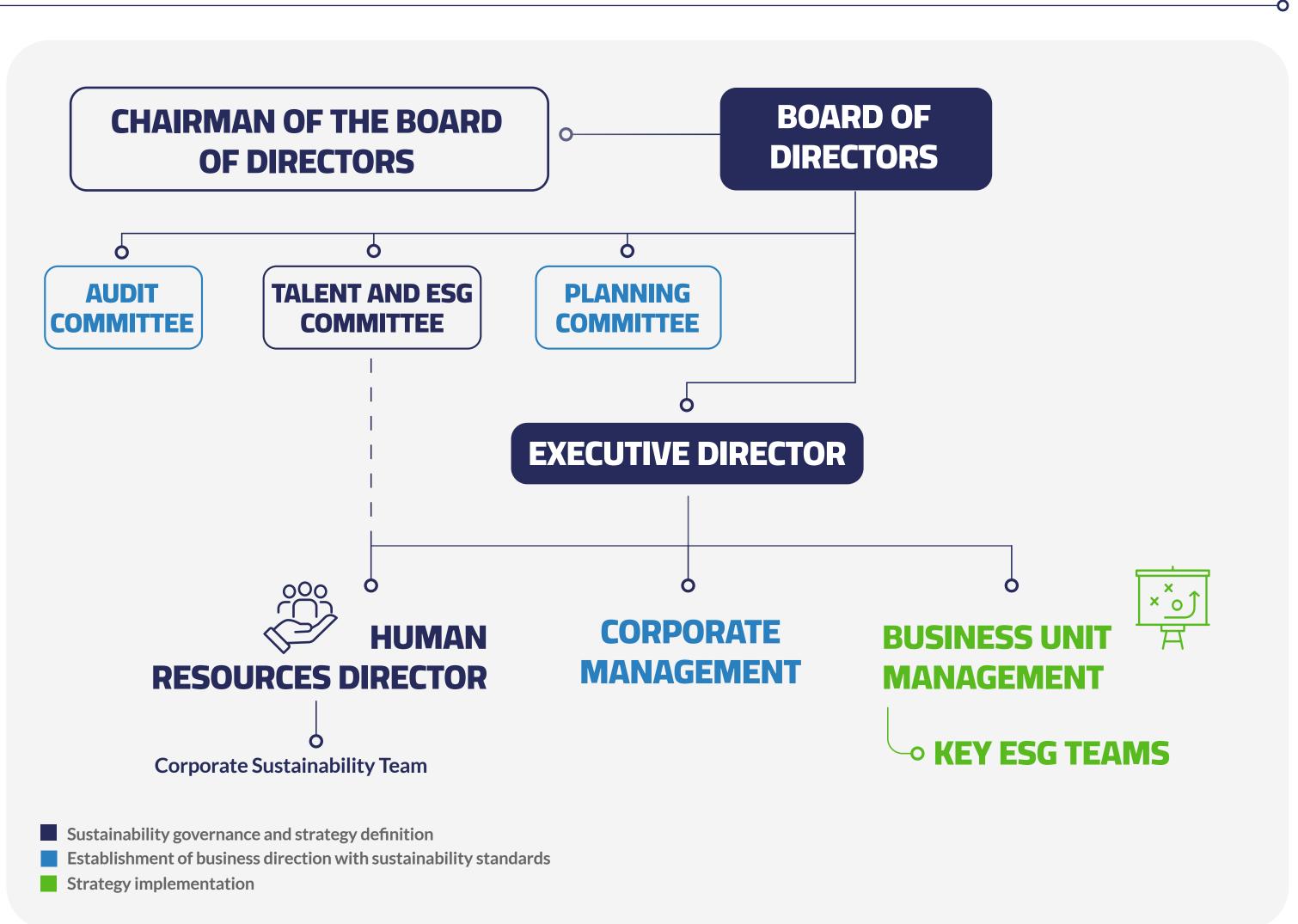


# **Governance structure**

GRI 2-9, 2-13, 2-14

We have a robust and transparent governance structure to ensure strategic decision-making is aligned with our purpose and values. Through a strong corporate governance model, we promote ethics, accountability, and sustainability at every level of our organization.







# Ethics, transparency, and compliance

GRI 3-3, 2-15, 2-16, 2-26, 205-1, 406-1, 408-1, 409-1

Ethics and transparency are fundamental pillars of our culture. We abide by the highest standards of integrity, promoting responsible practices that strengthen stakeholder trust. Through a solid compliance framework, we ensure that our actions align with current regulations and our commitment to always act responsibly and honestly.

#### **CORPORATE ETHICS PROGRAM**

We have a corporate ethics program to enhance the application of the Code of Ethics, which ensures that our decisions and actions align with the values of integrity and responsibility.

#### Our strategy focuses on three strategic pillars:



Effective and accessible communication.



**Ongoing training** and education.



Continuous improvement in reporting and accountability processes.





ANA HERNÁNDEZ, CORPORATE ASSETS MANAGER



These efforts have allowed the culture of ethics in Cuprum to evolve towards a more transparent, accessible, and closer model for our employees. In 2024, the Ethics Program made considerable progress. Among the main achievements, the following stood out:



#### **Increased transparency and trust** in the whistleblowing system

The number of reports increased by 44% compared to the previous year, indicating that more employees trust the system and are willing to report irregularities.



#### Improvements in program communication

Information campaigns were reinforced with frequent communications, videos, and more accessible visual materials. This ensures that all employees understand the relevance of the Code of Ethics and how to apply it in their daily work.

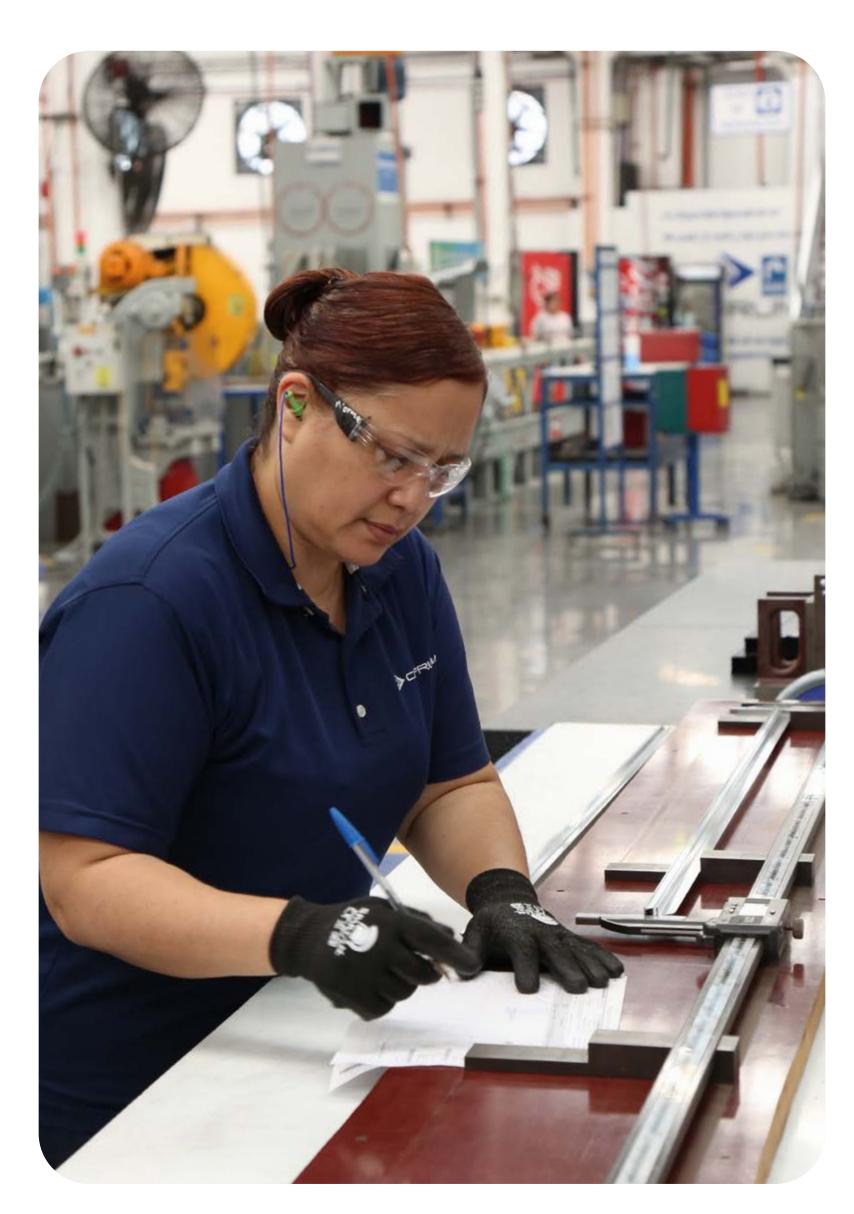


#### Visibility of the Ethics Committee

We increased the Committee's presence within the organization to promote greater awareness of its role and actions.

Looking ahead to 2025, we will continue reinforce these initiatives that ensure ethics and transparency remain at the core of our operations and business relationships. At Cuprum, we are committed to building a company where integrity is an unwavering principle, and the trust of our employees is our greatest asset.





#### **Code of Ethics**

We promote a culture based on ethics and integrity, ensuring that every employee acts in accordance with our values. Our Code of Ethics is the basis of this commitment, establishing the principles and behaviours that guide our daily actions and contribute to a safe, inclusive, and productive work environment.

It includes, among others, the following aspects:

- Commitment against corruption.
- Restrictions on giving or receiving gifts, courtesies, and hospitality.
- Respect for privacy and personal information.
- Diversity, inclusion and zero tolerance for discrimination.
- Zero tolerance against violence of any kind.
- Protection of the company's reputation and image.
- Dialogue and conflict resolution.
- Relationship with our communities and environment.



audits conducted



hours dedicated to training on Ethics and Our Values

To ensure that all employees comply with the company's obligations and foster a culture of integrity, we have reinforced our strategies:



Annual Code of Ethics Training: Every year, all employees receive training on Cuprum's ethical principles and the use of the whistleblower line.



Onboarding Training: Every new employee receives information on the Code of Ethics and the company's values from their first day.



**Continuous Dissemination:** Through internal communications, we reinforce key issues such as conflicts of interest, business integrity, and human rights.

#### **REPORTING SYSTEM PROCESS**



For the first time in 2024, we openly communicated investigation progress and resolutions, generating greater confidence in the system.

**Environmental Value** 



**Creation of reports** through institutional channels.



Reception of the report.



Assignment of a report number to the person making the report.



Letter to The Stakeholders

Validation and analysis of the report information by the **Group Administrator.** 



Validation of care by Administrator with investigator or Subcommittee.



Conclusion of investigation and definition of action plan.



Closing of the report in the system.



**Bimonthly** accountability with the Ethics Committee for review of indicators, cases, and Ethics Program.



#### Depending on the criticality of the case:

a) Classification of the report and assignment of investigator by group administrator.

**b)** Meeting of the Ethics Subcommittee for attention.



Sustainability

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#### **REPORTING TOOLS**

Our reporting system guarantees a secure, confidential, and accessible channel for reporting any conduct that contravenes our values and standards. We are constantly making improvements to generate greater transparency in the processes, facilitate access to the means of reporting, and disseminate more widely the mechanisms for reporting any irregularities.



#### **Mobile App:**

**LETICA** (Google Play and App Store), followed by the company pseudonym: grupocuprum



Email: grupocuprum@letica.email



website: letica.mx/grupocuprum



**Helpline: 800 00 CUPRUM** (800 00 287786)



**Integrity mailbox:** www.cuprum.com/codigo-de-etica

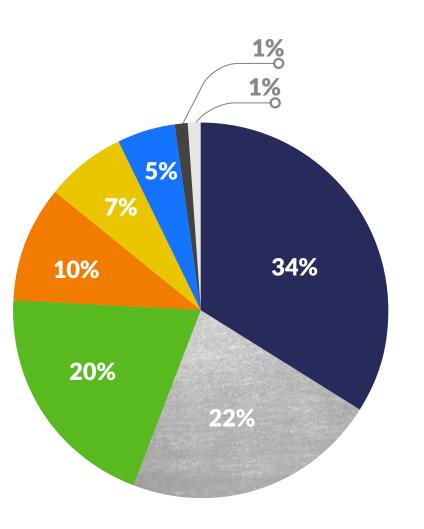


WhatsApp: 811 917 9005

#### **REPORTS BY CATEGORY:**

Letter to The Stakeholders





Shared Value

#### **RISK MANAGEMENT**

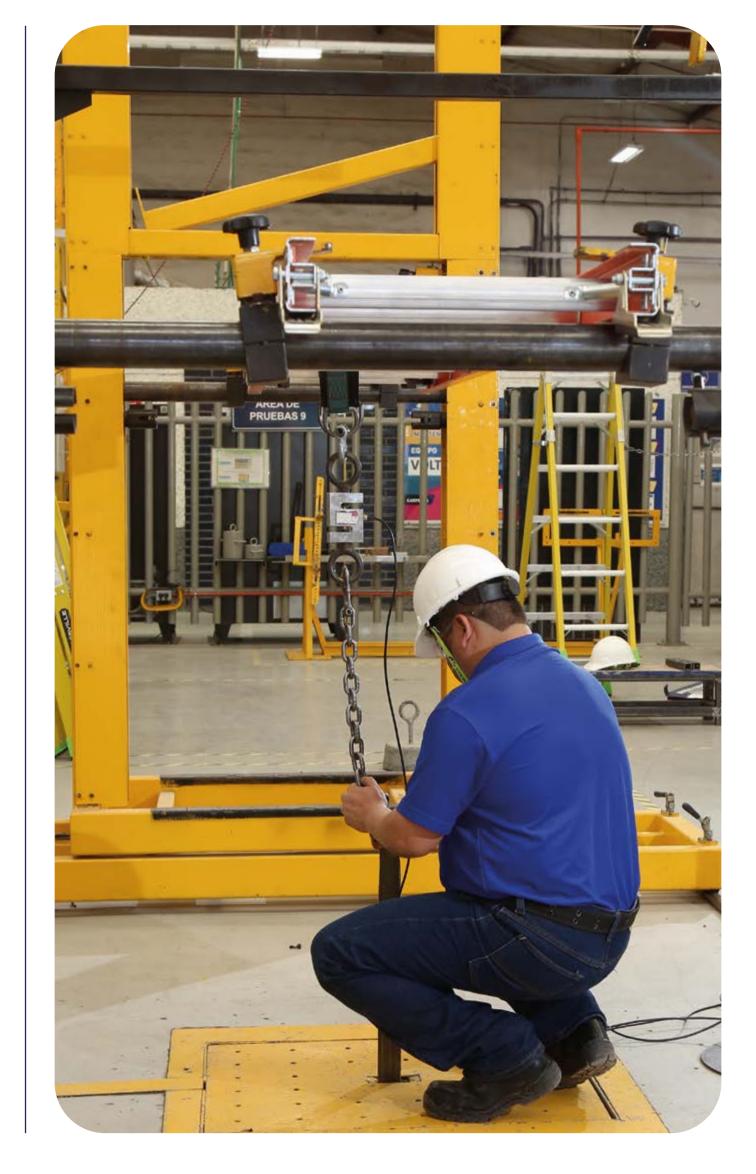
We strive to ensure the security of our operations and mitigate risks associated with theft, fraud, and external threats. During 2024, we implemented a three-year strategic plan (2025-2027) to improve risk management and upgrade our security systems.

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#### This plan includes:

- Optimization of security technologies.
- Implementation of an expanded, state-of-the-art monitoring centre.
- Incident prevention and crisis management training.
- Focus on personnel safety and raw material protection.

With a long-term vision, we will continue to evolve our practices to adapt to environmental challenges and reinforce trust in our operations.





Compliance

Through the Compliance Program, we continuously evaluate ethical and regulatory risks that may impact the organization. We also constantly oversee key policies, ensuring that they are up-to-date and applied in all operations.

Compliance is not only about adherence to regulations and standards but also about fostering a culture based on integrity, transparency, and ethical responsibility. In 2024, we consolidated our Compliance Program, reinforcing its structure, and ensuring its alignment with international best practices.



Some of our key policies are as follows:

Letter to The Stakeholders



**Anti-corruption** guidelines

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**Personal data** protection



Money laundering prevention

In 2024, we laid the foundations to consolidate a robust and sustainable program, ensuring that every employee, from the operational level to senior management, is involved in building a culture of legality and integrity.



This year marked significant progress, highlighting:

Implementation of the Risk Matrix

With the support of a specialized consultancy, we developed a more accurate matrix, enabling the effective identification and measurement of risks in every area of the company.

**Process Documentation** 

We worked on the standardization and documentation of key procedures, ensuring that there are clear guidelines to facilitate decision making and continuity of strategies.

**Greater Integration of Compliance in the Organization** 

Through training and periodic communications we promote greater employee participation, especially in departments where there is direct contact with clients and financial transactions. We seek to ensure that everyone is aware of the importance of compliance and legality.

Letter to The Stakeholders We are Cuprum Shared Value Sustainability Economic Value **Environmental Value** Social Value





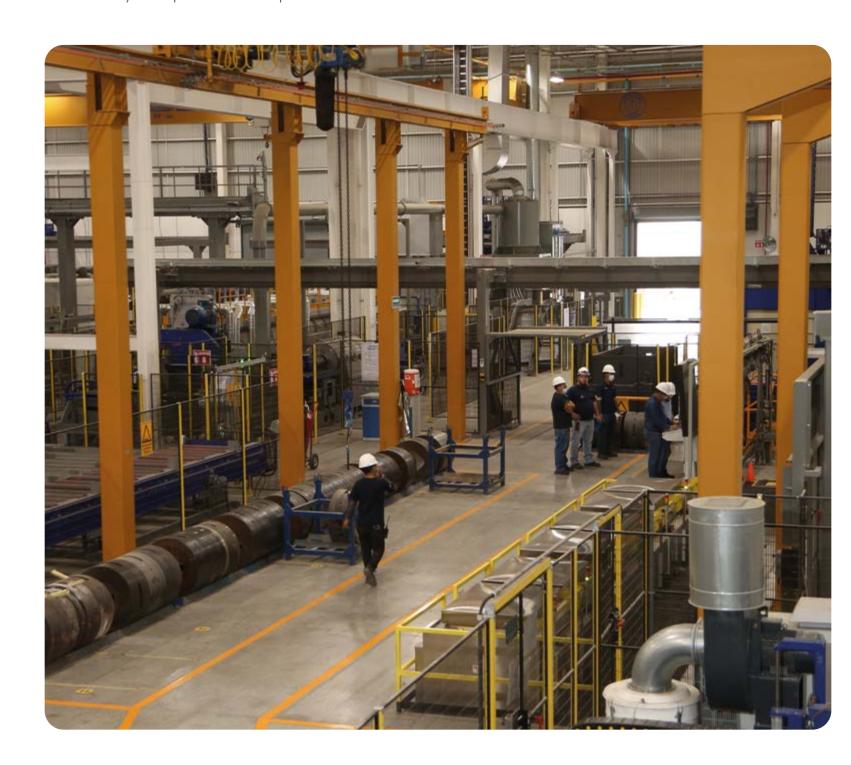
Informe de Sostenibilidad 2024

Letter to The Stakeholders



# **Energy and Emissions**

Efficient energy management and emissions reduction are fundamental elements of our sustainability strategy. We work continuously to optimize energy consumption, increase the use of renewable sources, and reduce our carbon footprint through innovative projects and improvements in our operations, reinforcing our commitment to the transition to a cleaner and more environmentally responsible operation.





# **Decarbonization Initiative**

GRI 3-3, 201-2, 305-1, 305-2

Reducing our carbon footprint is part of our commitment to the planet and helps us build stronger customer relationships and partnerships for a more sustainable future.

> **MAYRA ESCAREÑO.** HEAD OF HEALTH, SAFETY AND ENVIRONMENT FOR THE AUTOMOTIVE BUSINESS



At Cuprum, we continue to advance in our Decarbonization Initiative, intending to reduce our carbon footprint and contribute to global efforts to mitigate climate change. Using a structured approach, we aligned our strategies with international standards to drive more sustainable operations.

During 2024, we strengthened our emissions inventory and report through several initiatives. We developed a work plan based on the opportunity areas identified in 2023 to improve the reliability and traceability of the information.

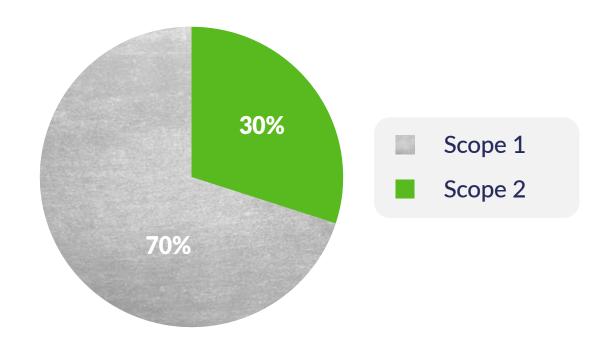
We joined the digital transformation by implementing a specialized system for environmental reporting, which allows monthly data uploading, evidence storage, and verification processes. To ensure its correct implementation, we trained the entire team involved,

establishing an efficient flow of information with clearly defined roles for uploading, monitoring, and verifying. Thanks to this effort, we conducted our first emissions inventory exercise using this new platform.

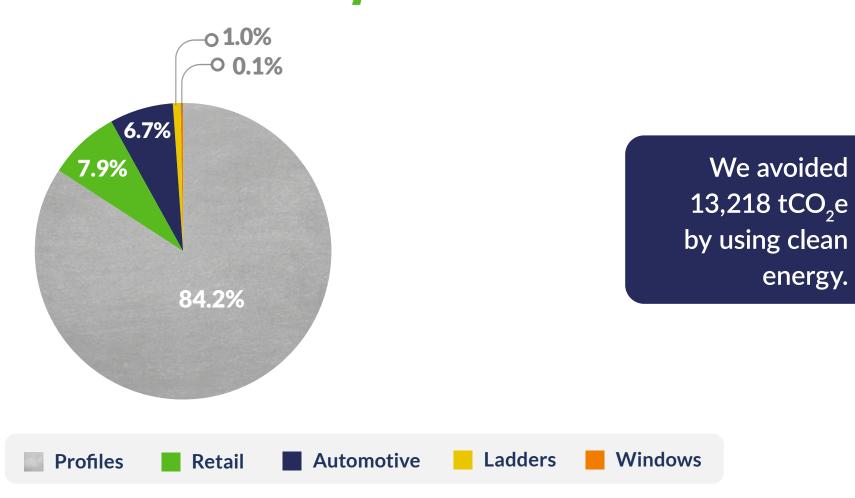
This year, we also measured our Scope 3 emissions for the first time, starting with the most critical categories for our operation, those that represent most of our supply and environmental impact. This first analysis allowed us to identify challenges and opportunities for improvement that we will integrate into the 2025 exercise, where we will expand the measurement to the fifteen existing categories for a more comprehensive assessment.

With these actions, we reaffirm our commitment to sustainability and continue to evolve towards a carbon-neutral operation.

## **Emissions by scope**



## Total emissions by business



energy.



# **Energy**

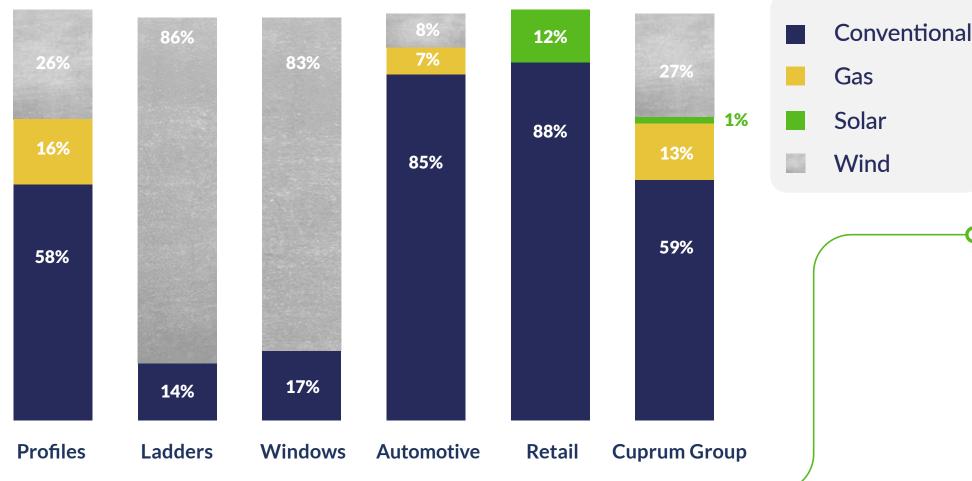
GRI 3-3, 302-1

The adoption of renewable energy is a priority in our sustainability strategy. This year, we continued to diversify our energy portfolio so that our operations have an energy supply that includes wind and solar. As a result of these efforts, we ran a significant portion of our facilities on renewable energy. At year-end, five of our plants were 100% wind-powered. This brings us closer to our goal of reaching 75% clean energy consumption by 2025.

In 2025, we will focus on expanding the scope of these initiatives, integrating more operations into clean energy consumption to meet our goals and continue to move toward a more sustainable future.



## **Electricity consumption by source**

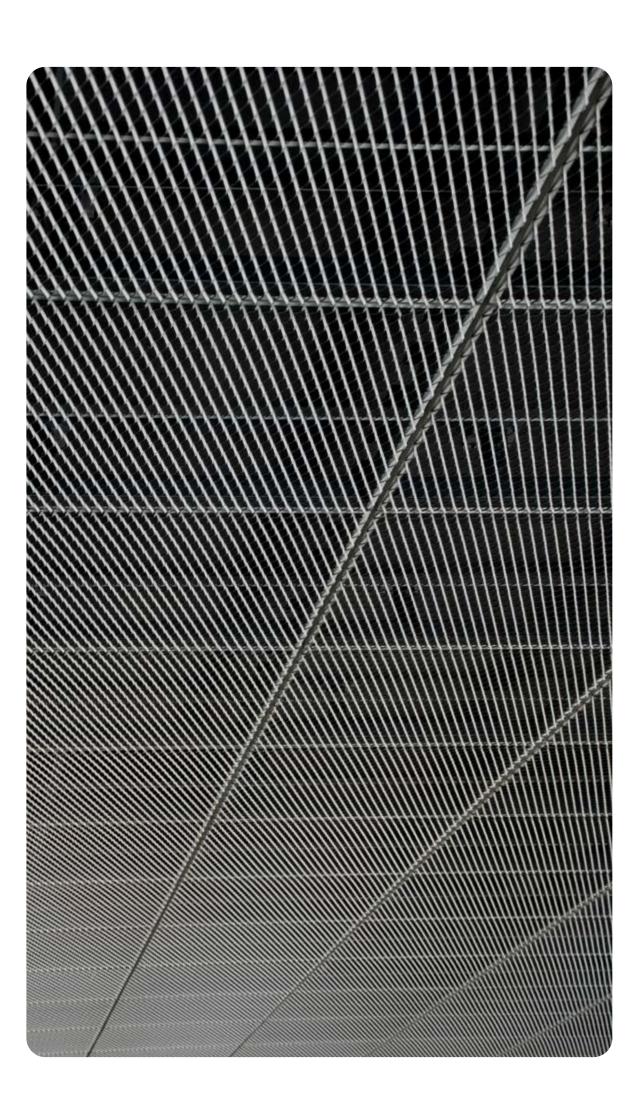


#### **TARGET 2025:**

Letter to The Stakeholders

**≫** 75% clean energy consumption.

By the end of 2024, 55% of our energy portfolio comes from clean sources.



## CUPRUN

# Circular Economy

GRI 3-3, 301-2, 306-1

#### **SUSTAINABLE ALUMINUM**

Our strategy focuses on using aluminum from low-impact sources and recycling materials, minimizing environmental impact and promoting a circular economy.

Our raw materials are "Ready-Made Alloys," which are pre-mixed alloys with recycled aluminum that are ready to use. This simplifies production by reducing the time and energy required for smelting, significantly reducing our carbon footprint as remelting consumes less energy than using primary aluminium, eliminating production waste as it is from existing materials, and promoting the circular economy as it is a material that comes from scrap.

In addition, we monitor scrap generation within our processes and recycle it internally, producing recycled aluminum bars that we use for our profiles, windows, ladders, and automotive parts.

of our aluminum consumption comes from low carbon sources.

## **Aluminum consumption by source:**



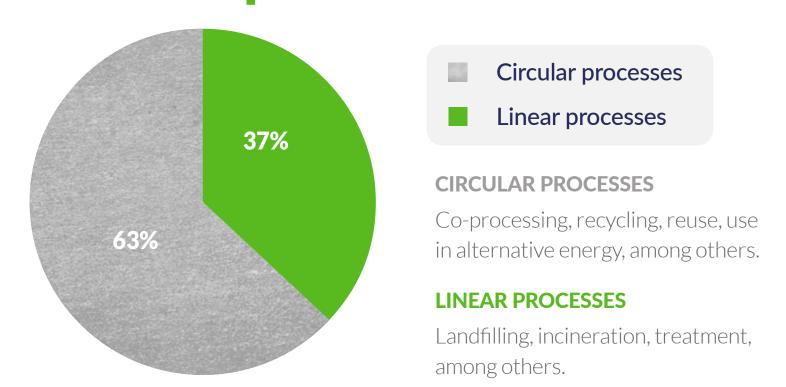
#### **WASTE MANAGEMENT**

GRI 3-3, 301-2, 306-1, 306-2, 306-3, 306-4, 306-5

In our operation, we apply the 3Rs (Reduce, Reuse, Recycle) approach to optimize waste management and minimize our environmental impact. We work continuously to reduce the consumption of materials with more efficient practices, promote the correct classification of waste to facilitate its management, and ensure that, whenever possible, it is destined for reuse and recycling processes. With these actions, we seek to maximize the use of resources, reduce waste generation, and transition to a circular economy model.

Through improved processes and responsible management strategies, we seek to maximize the use of resources and reduce waste generation in all our facilities.

## **Waste disposal**



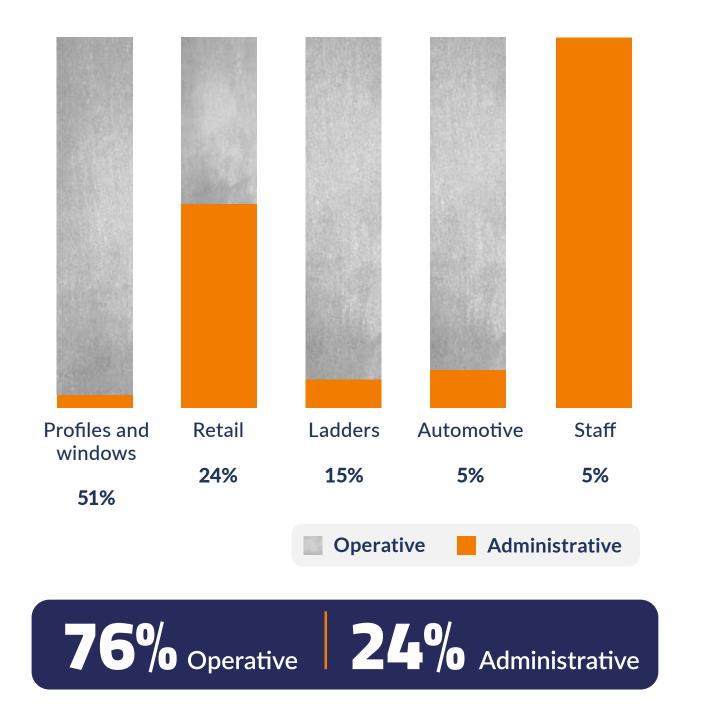






# **Our talent**

We recognize that our people's talent is the driving force behind our growth and success. We focus on creating an environment where every employee can grow, reach their full potential, and contribute to achieving our strategic goals. Through training, wellness, health, and organizational culture initiatives, we are building a diverse, committed, and innovative team aligned with our values.



# **Employees by gender:** 74% Men Women We fill 27% of our vacancies with internal talent. **Employees by generation:** Millennial Gen X Boomer Gen Z

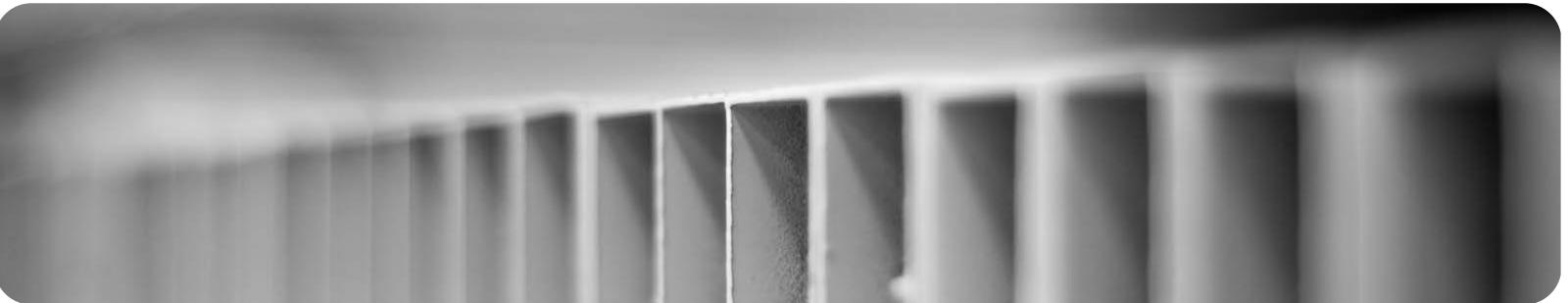
Letter to The Stakeholders

#### **BENEFITS TO OUR EMPLOYEES**

This year was defined by three major pillars in our talent management approach:

- Digital transformation and improved employee services.
- **Enhancements in compensation and benefits.**
- New strategies for talent attraction.

With our first phase of salary improvements, we positively impacted more than 2,200 employees and their families.



Shared Value

26%

Sustainability

We are Cuprum



Through comprehensive programs, we aim to strengthen employee safety, professional growth, and work-life balance and reaffirm our commitment to their satisfaction and performance.

In 2024, we modernized our internal service systems through a digital transformation in talent management. This allowed us to optimize key processes such as payroll, requests, and administrative services.

To promote greater autonomy in managing their own benefits, we implemented a new service hub via the Viva Connections platform, allowing employees to access key job-related information from any device.

Over the years, we have stood out for our focus on compensation and benefits, ensuring that our value proposition remains attractive to current employees and potential talent.

To continue this commitment, we conducted an in-depth salary competitiveness diagnostic this year. We analyzed the best market practices and challenged our existing compensation philosophy. Based on this study, we developed a multi-year plan with strategic adjustments to ensure Cuprum's compensation stands out at national level.

#### **BENEFLEX**

We understand that every employee is unique—different life stages, priorities, and needs, meaning that not everyone seeks the same benefits in the same way. That is why we created Beneflex, a flexible benefits program allowing employees to choose the benefits that best fit their personal and professional situation.

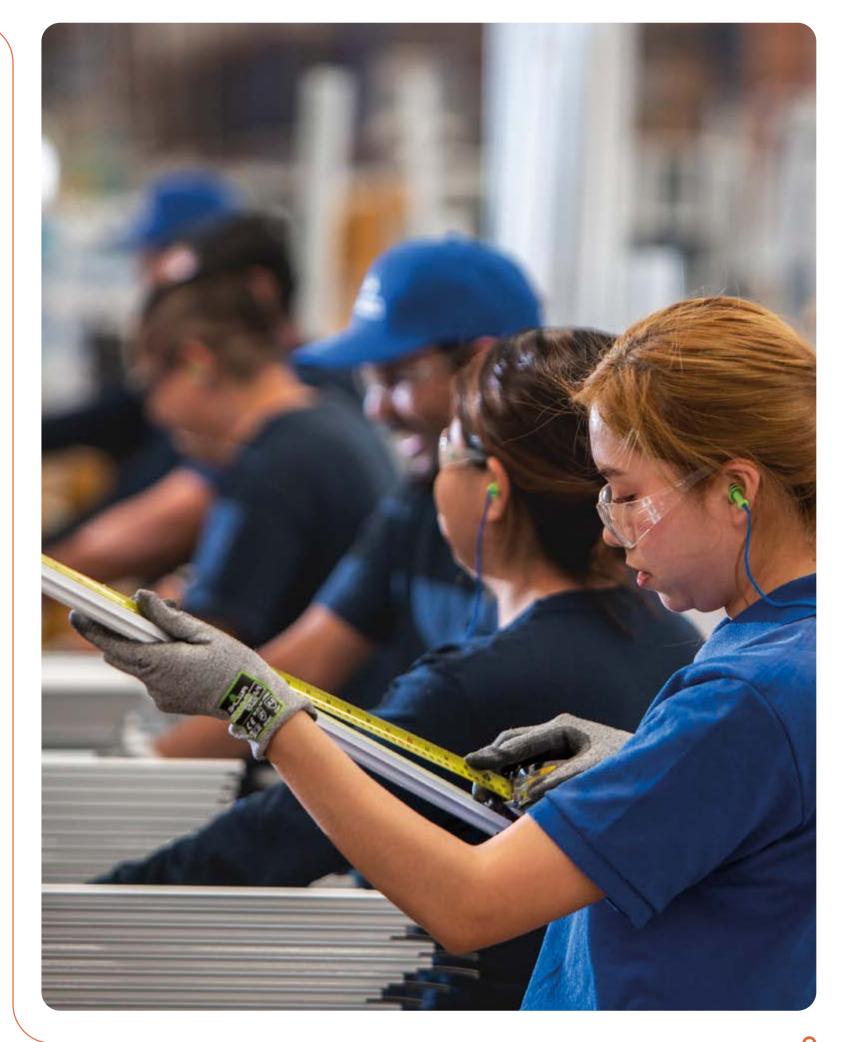
#### TALENT ATTRACTION AND RETENTION

We strive to be a competitive organization in the labor market, offering candidates attractive and convenient working conditions. Our compensation and benefits strategies help us attract more and better talent, which is complemented by our participation in job fairs and university forums, among other things, keeping us at the forefront of the labor market.

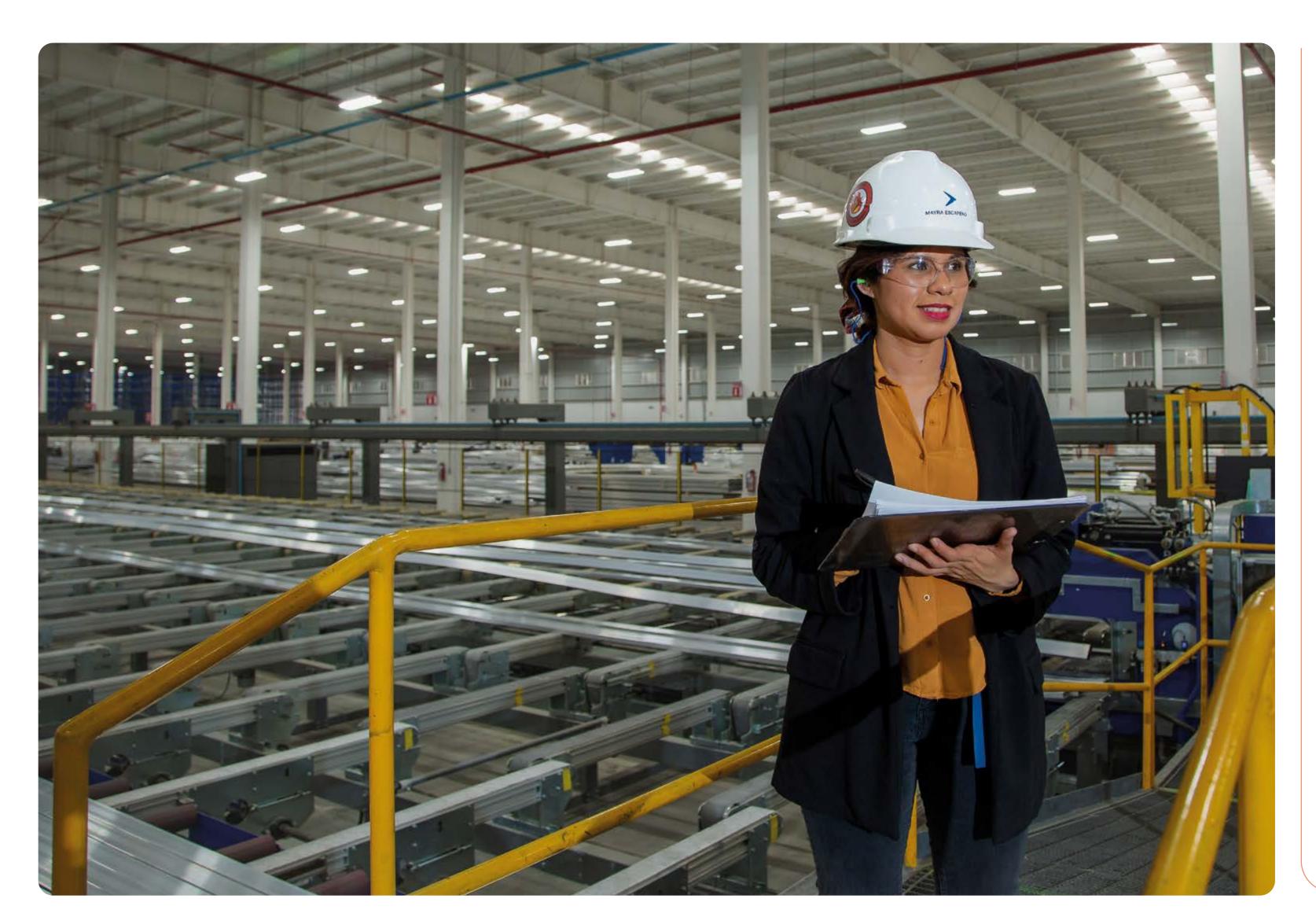
We also establish alliances with municipalities, schools, and various associations to expand our reach and diversify our talent pool. These collaborations are focused not only on attracting talent but also on generating innovative ideas and contributing to community development.



**Beneflex** reinforces our commitment to inclusion, ensuring that every generation, lifestyle, or preference can find a place at Cuprum that meets their needs.







In 2024, we created a specialized team dedicated to talent attraction, responsible for identifying opportunities and optimizing processes. As a result, we leveraged social media to attract operational profiles on a large scale, creating more dynamic and less formal campaigns. We also partnered with agencies and associations to broaden our talent pool and make Cuprum more accessible and attractive to candidates. To retain talent, we focused on strengthening three key areas that directly impact employee retention:

- **Leadership:** We implement strategies to improve the relationship between leaders and their teams, ensuring more effective communication and a positive work environment.
- **Experience:** We optimize the employees' experience within the company, aligning expectations and generating spaces that strengthen the culture of recognition.
- **Development:** We expand professional growth opportunities, ensuring each employee has the tools and career paths to grow within Cuprum.

#### **CUPRUM CAREERS**

This internal platform is designed to promote mobility and professional development within the organization. Through this system, we facilitate employee access to new job opportunities, enabling them to apply for internal openings and grow their careers within the company.

We promote a transparent process by providing feedback to those not selected and guiding them in aligning their career path, ensuring every employee has the opportunity to grow and reach their full potential.



# **Talent Development**

Developing our talent is a top priority to drive employee growth and strengthen the company's future. Through training programs, education, and evaluation, we provide tools that enable our team to expand their skills, take on new challenges, and build a professional path within the organization. We foster a culture of continuous learning that ensures the development of leaders and key specialists for our evolution.

In 2024, we focused on strengthening the skills of our team members, reaffirming our commitment to professional development. To achieve this, we conducted performance evaluations and created individualized development plans. We also leveraged learning platforms like LinkedIn Learning to enhance continuous growth and learning.

Our talent development tools and mechanisms prioritized the continuity of successful strategies, ensuring team alignment across all organizational areas.





dedicated to technical competencies.

dedicated to human competencies.

Letter to The Stakeholders



#### **HUMAN COMPETENCY DICTIONARY**

One of the year's most important initiatives was updating the Human Competency Dictionary, a key tool to align talent with Cuprum's strategic goals.

#### Why is it important?

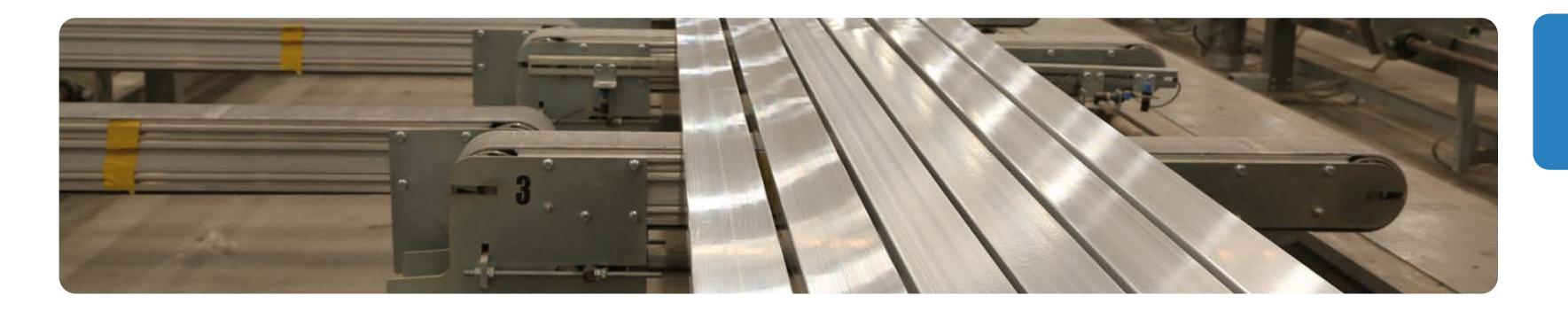
- > It allows us to face current and future challenges.
- > Clarifies expected employee behaviours.
- > Facilitates decision-making.
- > Improves performance and productivity.

#### **Dictionary Structure**

The dictionary is organized by general competencies (for all employees) and competencies by organizational level, ensuring each role has the necessary knowledge and skills.

The established proficiency levels are:

Deficient	Basic	Meets	Advanced	Overuse
Lack of knowledge or improper use	Fundamental knowledge with	Solid application of the skill in the role.	Significant experience and high-level	Excessive use may lead to negative
of skill.	limited practical use.		application.	consequences.



#### **Executives**

Complexity Management
Strategic Thinking
Global Perspective

#### Managers

Complexity Management
Strategic Thinking
Execution



Execution Proactivity

**Holistic Vision** 

# Individual Contributors

Execution
Proactivity
Collaboration

#### **General Competencies**

Leadership Change Agility Problem

Solving



## **Conscious Leaders**

We design our training programs with a strategic approach, ensuring that each learning model adapts to employees. To this end, we have integrated a variety of methodologies that allow us to structure courses and training effectively. We align content and practice with the key competencies for professional growth within the organization.

## STEP 0

Letter to The Stakeholders

## STEP 1

## STEP 2

## STEP 3

## STEP 4

## **Awareness**

Through a process of introspection, the collaborator determines what competence will be put into practice and with what means.



The employee acquires knowledge through in-person and online courses, readings, and guided specialized videos.

#### **Turning Points**

The employee encounters a novel situation that challenges their conventional way of thinking. As a result, they begin expanding their mental horizons and seek innovative and more effective approaches to address the challenge.

#### **Opposing Perspectives**

The employee meets with people with different visions, opinions, backgrounds, and training, challenging their mental models. This ensures they explore new ways of seeing the world.

#### **Elevated Meaning**

Employees are invited to a mentorship process where they internalize and extract meaning from these new perspectives and experiences. This gives rise to a broader, more advanced worldview that settles over time.

Letter to The Stakeholders

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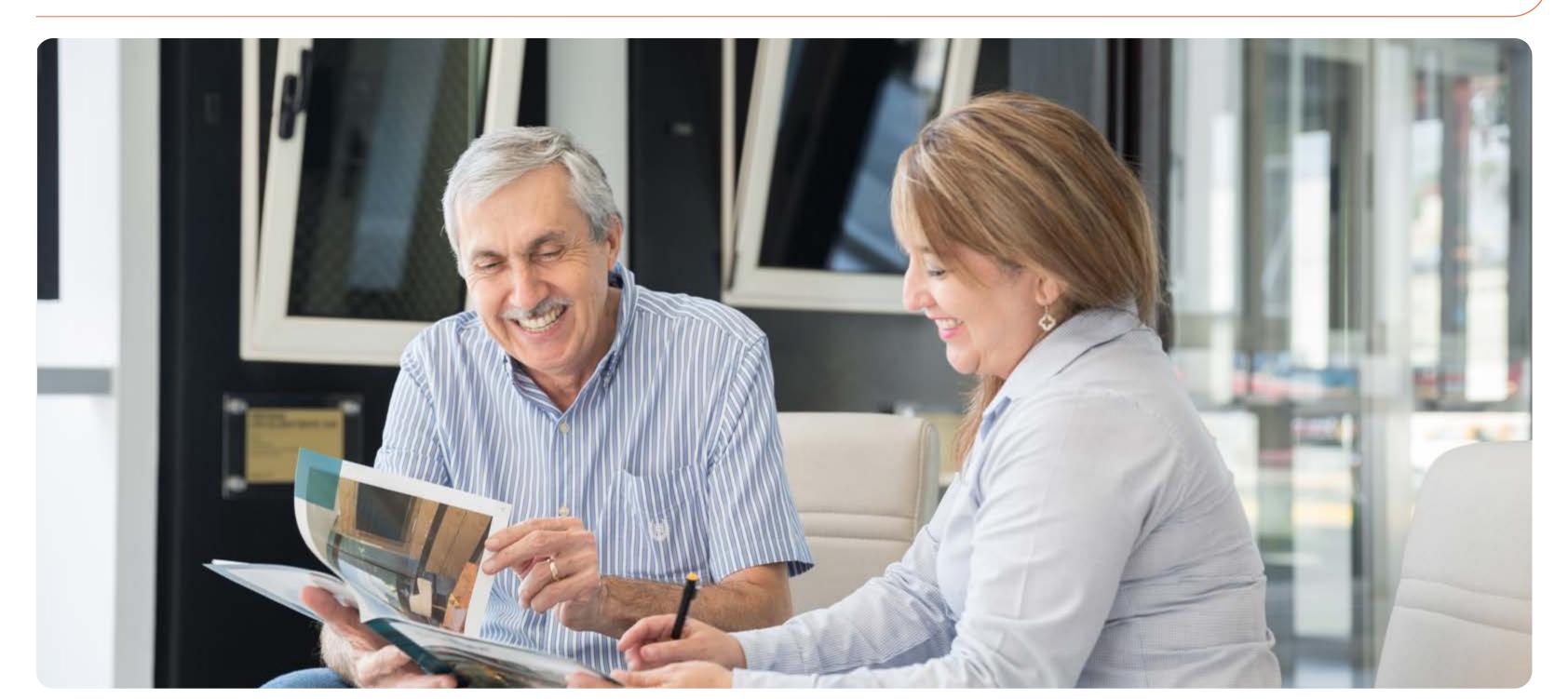
#### **CORPORATE UNIVERSITY**

In 2024, we consolidated our Corporate University, a training system designed to develop specialized skills in our employees. This ensures that every area has the knowledge and tools necessary to achieve its objectives.

To organize training efficiently, we created a model based on Training Schools, grouping learning into four key areas.







The Corporate University allows us to differentiate between operational training and strategic development programs, ensuring that each initiative addresses the specific needs of our employees.



We promote learning through digital platforms such as LinkedIn Learning, making training available at any time and from any place.

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clients, or the team.

We evaluate our employees' performance through the Performance

Management Process (PADE), a key tool for promoting their devel-

This process occurs twice a year and helps identify areas for improve-

ment, training needs, and growth opportunities. It includes assessing

individual goals and conducting a competency evaluation through

self-assessment and manager evaluation. In parallel, a 360° values

assessment is conducted and is complemented by a review of peers,

The results are integrated into our development programs, ensuring

that each employee receives the necessary support to strengthen

their skills and project their growth within the company.

PERFORMANCE MANAGEMENT PROCESS (PADE)

opment and aligning it with the organization's objectives.

Letter to The Stakeholders

STRATEGIC LEADERSHIP AND TALENT SESSIONS (SELT)

The Strategic Leadership and Talent Sessions (SELT) are a key tool for identifying and boosting talent within Cuprum, ensuring we have leaders prepared to face the organization's strategic challenges. This process allows us to align the individual growth of our employees with the company's needs, strengthening performance and planning succession in critical roles.

In these sessions, we evaluate each employee using the 9-Box methodology from two perspectives: their current performance and their future potential. Performance is based on results from the Performance Management Process (PADE), and potential is defined by analyzing qualities such as leadership skills, learning agility, commitment, and motivation.

This comprehensive approach helps us build a strong talent base to ensure Cuprum's sustainable success.



Development Plans are designed to help employees strengthen their skills in their current roles and explore growth opportunities for future positions. These plans are implemented alongside Value Conversations, allowing each employee and their leader to define areas for improvement and development aligned with their professional goals.

These plans follow the 70-20-10 methodology, which balances learning through different types of experiences:



learning based on experiences and challenges.



learning through interaction with others.



formal learning through courses and structured training.

Progress is tracked semi-annually through an online platform, where employees can access free courses focused on developing both technical and soft skills.



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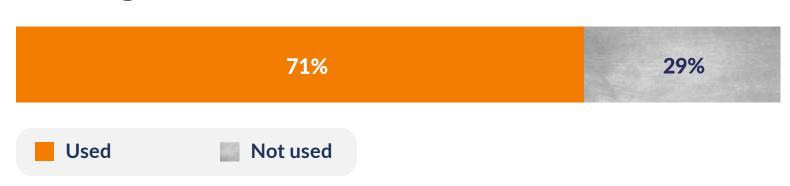
#### **CAREER PATHS**

The Career Paths offer our employees a clear and structured vision of their growth potential within Cuprum. This tool outlines a suggested development path, detailing the skills, knowledge, and experiences required for each position, allowing employees to align their training and efforts with their professional goals.

This initiative is based on the analysis of our talent processes, such as performance evaluations, SELT, and development plans, which provide key information for making strategic decisions regarding team growth. It helps employees identify roles aligned with their profile and explore other positions of interest within the organization, strengthening their education, technical abilities, and interpersonal competencies.

Throughout 2024, we connected with all employees to position this tool through interactive sessions that provided information on enhancing their Career Path using development plans. This approach gave participants clarity and understanding of the natural lines of growth within the organization. It also allowed them to explore other areas and/or related positions. By doing so, we simplified the professional development process and fostered an environment encouraging growth and mobility within Cuprum.

### **Tool usage:**



#### **LEADERS IN DEVELOPMENT**

Letter to The Stakeholders

We are committed to young talent through our Leaders in Development program, strengthening partnerships with universities to offer students valuable professional experience.

During their internships, participants lead and manage projects with real impact on the organization, allowing them to develop technical skills and key interpersonal competencies for their future careers. This program not only drives their personal and professional growth but also helps us attract and train the next generation of talent in the industry.



#### **TECHNOLOGISTS PROGRAM**

With the goal of ensuring business continuity and facilitating the transfer of strategic knowledge within the organization, we developed the Technologists Program—an initiative focused on developing specialized talent in key positions across our processes.

This program is designed to strengthen the technical skills of our collaborators by providing structured training and tools that empower them to perform with excellence in their roles.

We will launch a pilot program in 2025 to develop and retain expert personnel in the business's core processes.



Through this program, we identified fifteen key positions that will capitalize on their knowledge by executing high-impact short- and long-term projects. With this, we aim to ensure business continuity and facilitate knowledge transfer.

Letter to The Stakeholders

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## **Culture and Experience**

We believe the organization's success is linked to the well-being and growth of our employees. That is why we foster an environment where everyone can thrive professionally and personally, promoting a culture that balances people and performance, emphasising excellence and collaboration.

To achieve this, we have a Culture Model that sets the key principles and behaviours guiding our way of working. This model strengthens our sense of belonging and alignment with our values and drives the development of leaders who inspire and create impact within the organization and our community.



#### A SIMPLE WAY TO UNDERSTAND OUR CULTURE

Shared Value

### Reach the unreachable to create Happiness, **Safety and Well-Being**







### **Culture and Experience Strategy**

Every three years, we survey to measure our progress toward a Constructive Culture. Based on the results of the survey conducted in 2023, we developed an organizational culture strategy grounded in three key pillars that will guide our actions in the coming years:

#### **Error recognition and management**

Promote a culture where recognition is part of everyday life and transform mistakes into learning opportunities.

#### **Self-sufficiency**

To give employees the freedom to decide how to achieve their objectives within a defined framework, encouraging responsibility and decision making.

#### Influence of leadership

We are Cuprum

Strengthen the role of leaders as drivers of the standard of excellence within their teams.

In 2024, we worked on cross-cutting initiatives across the organization, tailored to the specific needs of each business unit. The focus on autonomy, influence, recognition, and error management has been key in consolidating a culture aligned with Cuprum's strategic goals.

#### **SPEAKING WITH CANDOR**

We promote open and effective communication through our Speaking with Candor practice, a key practice for strengthening decision-making and improving relationships within the organization.

This year, we focused on embedding this practice at all organizational levels, emphasizing Difficult Conversations and Recognition Conversations.

2,048 HOURS of training in Speaking with Candor.

#### **TYPES OF CONVERSATIONS:**

Check-in: Meetings to catch up with the team, adjust or set priorities, and discuss recent activities.

**Recognition:** Dialogues to appreciate individual contributions and recognize skills and competencies in a project.

**Development:** Conversations aimed at identifying strengths, areas of improvement, and providing opportunities to acquire new skills for personal fulfilment.

Difficult: Conversations that help improve collaboration and interpersonal relationships, while strengthening two-way communication. These address performance-related topics where guidance and support are needed.



**Environmental Value** 

#### **ENABLERS**

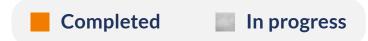
We provide learning labs for practicing Speaking with Candor across all organizational levels.

#### **Executive-level Speaking with Candor**



Middle management and individual contributor conversations









#### **ALIGNMENT OF ORGANIZATIONAL OBJECTIVES**

We strive to ensure that all our teams move in the same direction, aligning efforts and strategies toward a shared purpose. We trained the Executive Team to optimize time and resource usage, ensuring that every task effectively contributes to our strategic goals. By aligning our activities, we foster collaboration and satisfaction and reinforce teamwork as a key pillar for Cuprum's success.

1,153 hours of Alignment Sessions.

of goals registered in the system.

100% of employees with objectives aligned to organizational goals.



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### LEADERSHIP MANAGEMENT

We develop strategies to strengthen the relationship between leaders and their teams, especially in operational areas. This ensures effective communication and management that is aligned with our objectives.

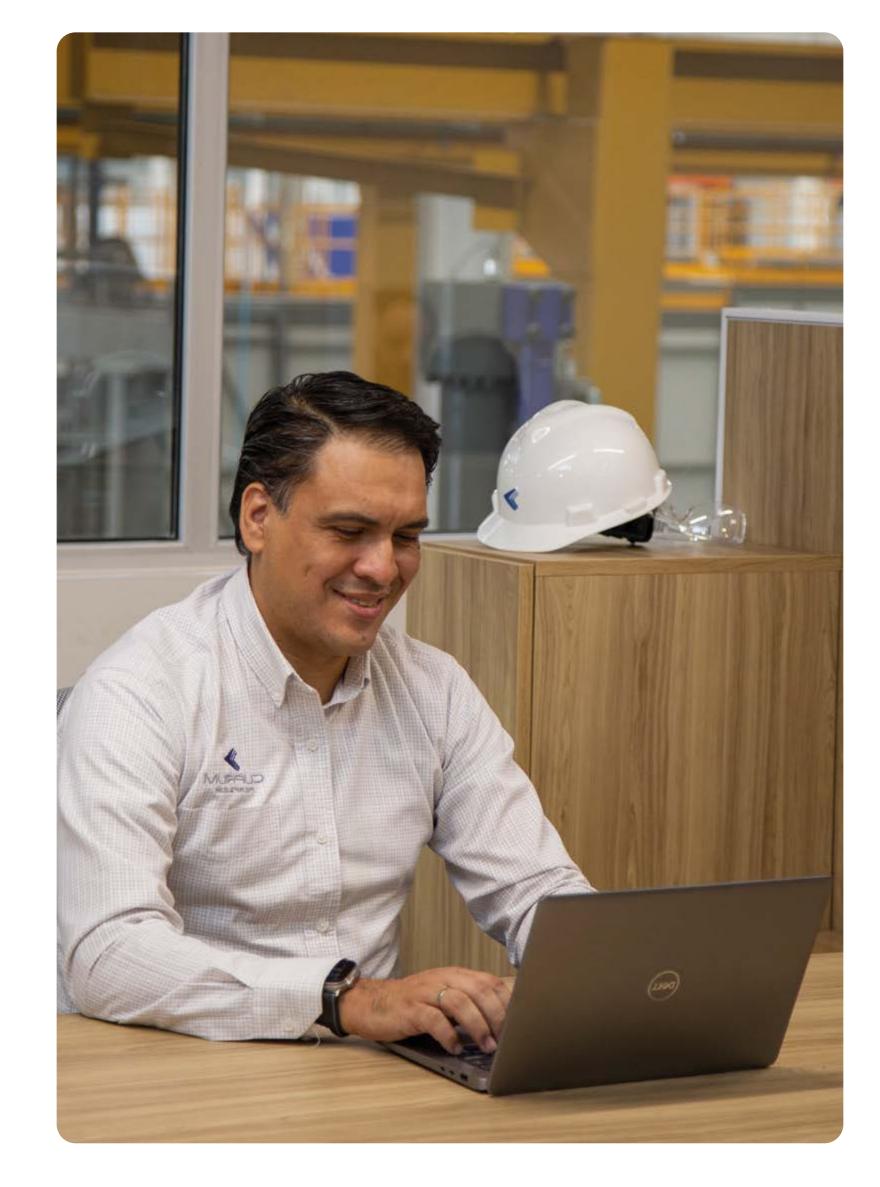
One of the key programs in this initiative is **40-Minute Connection**, a series of skip-level sessions aimed at plant supervisors. Through these spaces, we identify leadership strengths and areas of opportunity, enabling concrete actions for their development.

#### **RECOGNITION CULTURE**

One of the biggest challenges in organizations is recognizing employee actions. That is why we reinforced our recognition platform, allowing employees to acknowledge their colleagues' efforts at any time.

We also launched the Titanes del Aluminio (Aluminum Titans) program, initially as a pilot in the Windows business. This initiative honors employees who stand out by exceeding goals or taking on additional projects beyond their scope. In the pilot edition, winners received incentives; after its success, we expanded it across the entire Cuprum Group in 2025.

participants in various sessions +1,700 throughout the year





Fostering a constructive culture not only improves communication: it strengthens trust, builds relationships and makes us a better team. **AARON FEMATT** 

BUSINESS SOLUTIONS MANAGER AND MEMBER OF THE LIGHTS, CHANGE AND ACTION PODCAST



# WORK ENVIRONMENT AND LIFE IN HARMONY

Intending to strengthen camaraderie and trust, and promoting integration among employees, we held four events on different commemorative dates:

• Easter: Egg hunt

• Independence Day: Lotería and corn snacks

• Day of the Dead: Candy skull hunt and traditional bread

• Christmas: Gift exchange game

We also promote the overall well-being of our people, providing tools to help them balance their personal and professional development. Over the years, we have implemented several initiatives to support emotional well-being and foster a positive work environment.

We promote initiatives that encourage reflection on individual purpose, strengthen gratitude, and improve team collaboration: "Take Control of Your Finances," "Flying the Nest," "Moms and Dads on Board," "Peace in Chaos: Emotional Intelligence."

Through these tools, we reinforce our commitment to active listening, continuous feedback, and building a strong organizational culture aligned with the needs of our teams.





#### **▶** Lights, Change, and Action Podcast

This podcast, which uses a dynamic and relatable format, explores key topics about the culture and experience at Cuprum. Thanks to its fresh and interactive approach, it has achieved great acceptance.

In 2024, we decided to refresh the format, moving from interviews to a panel setup to ensure the right tone and engagement.



Since its launch in 2022, we have produced 18 episodes, reaching 12,948 plays.

#### **≫** Connect:

Available 24/7, this tool allows employees to share their experience at Cuprum through a "happiness meter." The data collected is reviewed regularly to monitor and improve employee experience.



Letter to The Stakeholders



## **Health and Safety**

The health and safety of our employees is a top priority. We continue reinforcing our prevention culture through initiatives and programs to ensure safe and healthy work environments.

As part of this commitment, we implemented the EHS Management System, a comprehensive structure that sets technical and administrative guidelines to reduce accidents, prevent occupational illnesses, and minimize environmental impact across operations. This system allows us to uphold high safety standards and foster a culture where protecting our people is fundamental.

In 2024, we reinforced strategies around accident prevention, digital process transformation, and safety culture, making significant progress in our EHS management.

One of the year's most significant challenges was accident reduction. We set ambitious goals to improve our safety metrics, focusing on three key indicators: Frequency Rate, Severity Rate, Seriousness Index.



We achieved a 45.8% reduction in serious accidents.

Our EHS Management System is composed of the following 12 elements:

- 1 O EHS indicators
- Risk and environmental impact analysis
- 3 O EHS Policy

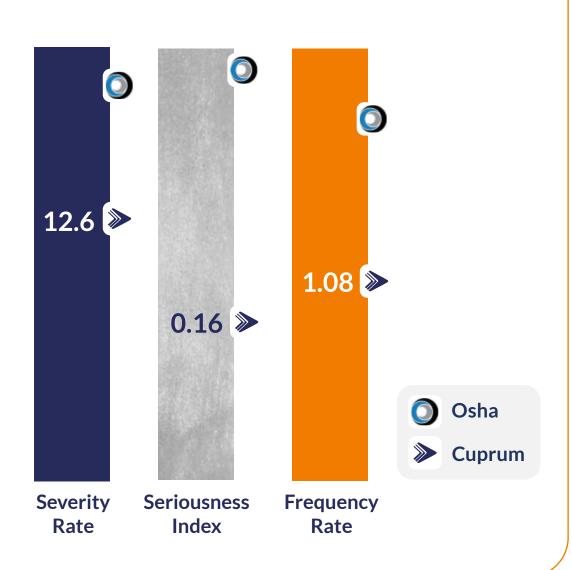
**Environmental Value** 

- Compliance with legal requirements
- Organizational structure and competency
- 6 Operational controls
- 7 O EHS culture
- 8 O Tools and systems
- Accountability
- 10 O Internal and external audits
- Accident investigation
- 12 O Change management

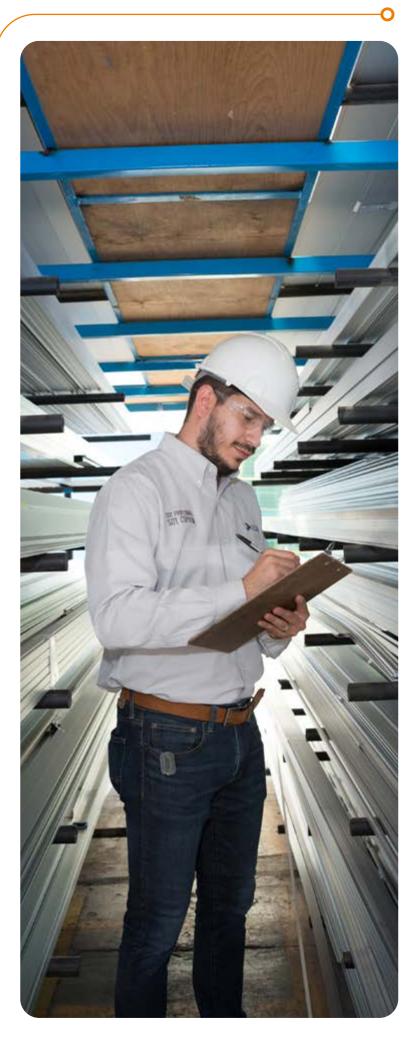




Our progress has positioned us below the reference accident rates in the U.S., as measured by OSHA (Occupational Safety and Health Administration).







### **Safe Start**

Letter to The Stakeholders

The Safe Start methodology has been a cornerstone of our safety culture transformation. This program helps reduce operational errors by addressing human factors clearly and effectively, offering dynamic and engaging training that makes best practices easier to adopt.

With Safe Start, we identify the emotional and mental states our employees experience and the most common mistakes they might make. This allows us to categorize risks and design strategies to eliminate them, strengthening prevention across operations.

This approach has directly impacted incident reduction, improving our frequency, severity, and seriousness indicators. In 2024, we focused on consolidating our implementation across all our business units.

#### **KEY INITIATIVES**

#### Training

Specialized programs in each business unit, focused on emergency brigades, personal protective equipment and safe work at heights.

#### • Annual safety session

Event with the participation of all managers and the chairman of the board to review strategies, indicators and recognize the best performing plants.

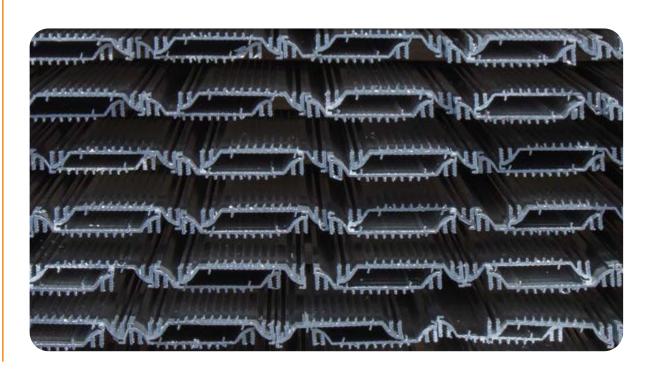
#### Recognitions

Incentives to strengthen the safety culture, highlighting the Safe Employee and rewarding plants with the longest time without incidents.

#### **SAFE HOUR**

A program where leaders actively monitor safety conditions in operations. Directors, managers, and supervisors carry out periodic safety walkthroughs to evaluate protocol compliance, spot improvement areas, and engage directly with employees about the importance of workplace safety.





Windows and

Shared Value



## **Annual Safety Audit**

Every year, we conduct an internal audit to assess EHS Management System compliance, with different plant teams evaluating standards and best practices.

We classify performance in four categories based on compliance levels:



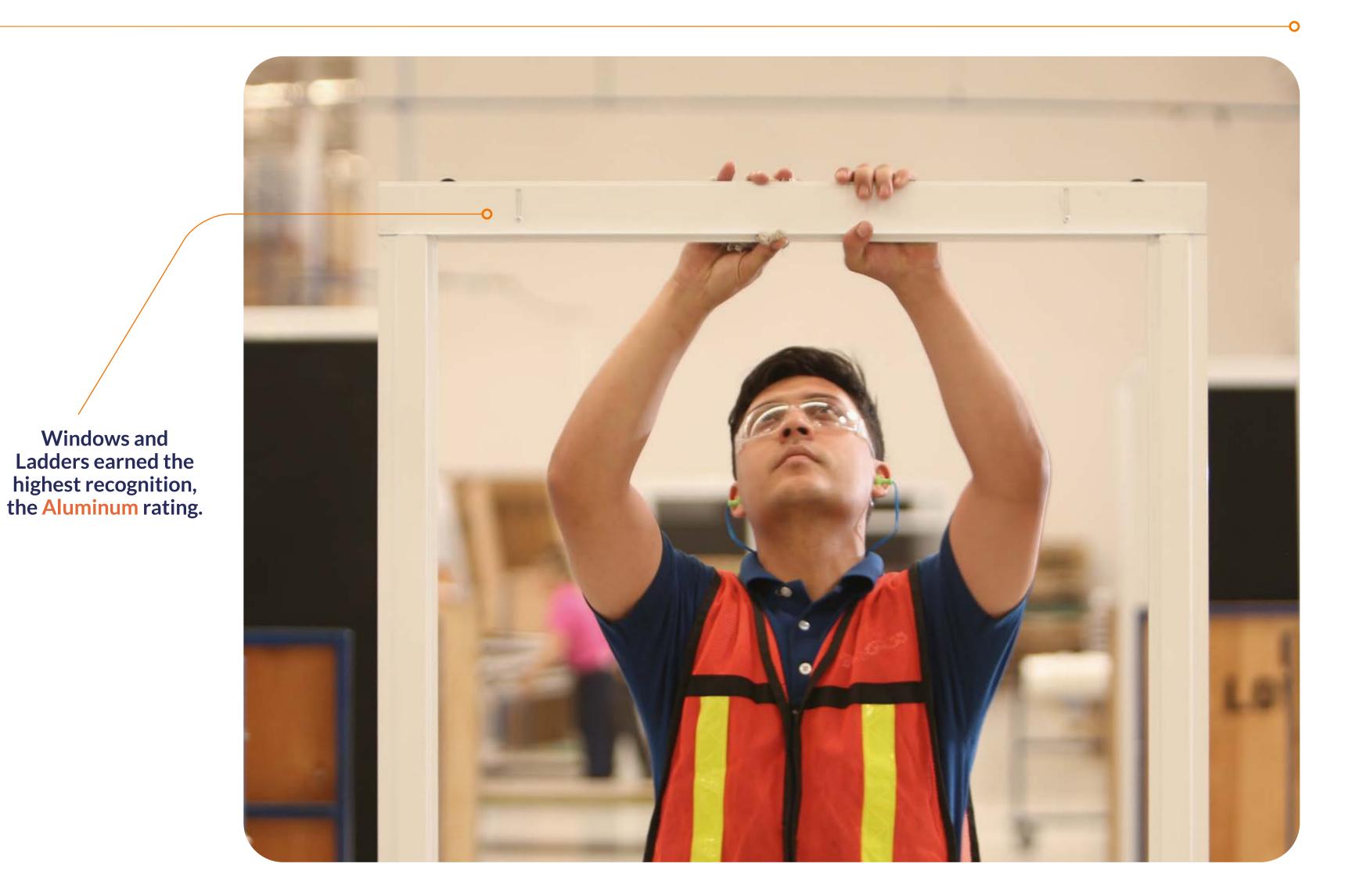












Shared Value

Letter to The Stakeholders

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### **Digital EHS Transformation**

This year, we developed a digital tool to optimize the management of our EHS (Environment, Health, and Safety) system. Through this platform, we have standardized best practices, procedures, and indicators at the corporate level, allowing for more efficient tracking of tasks, action plans, and EHS responsibilities.

The new platform integrates and streamlines key processes such as health and well-being, legal compliance, process risk management, safety, accident monitoring, and environmental impact indicators.

In 2023, we designed a fundamental part of the process. This year, we completed its development and began implementing it across the organization.



#### **OUR MAIN ACHIEVEMENTS:**

- **▶ 100%** of accidents recorded on the platform, with exported action plans.
- **≫** 85% execution of safety walkthroughs.
- **≫** 3,373 actions closed.
- work permits implemented.
- > First environmental indicator reports submitted through the platform.

#### **PLATFORM MODULES Compliance Action** Incidents and Inspection **Document Tracking** Calendar Measurements Manager Tool Schedules periodic/ Records and manages Hosts documents, Creates customized recurrent tasks and inspections, events, Manages corrective manages and controls inspection checklists obligations, assigns non-compliance actions, assigns revisions—ideal for to evaluate operational responsibilities, responsibilities, and notices, penalties, policies, procedures, compliance. and manages task injury, and illness cases sets closure dates. and standards. completion. for data analysis. Management of **Permit** Work **Environmental MedCare Permit** Change (MoC) Manager Manager Manages permits and Controls the change Manages high-risk legal requirements, Allows users to Enables users to request and approval work permits such linking compliance register environmental register and manage process, ensuring a as work at heights, points to tasks employees' medical indicators and systematic and stanconfined spaces, etc. scheduled in other statistical data. visits. dardized review. applications.



# Wellbeing

Through our Health and Wellness strategy, we seek to create an environment that promotes the physical, emotional, and professional health of all our employees, providing tools and programs that contribute to their quality of life.



**Health protocols** and assessments



Health promotion



**Occupational** health



Regulatory monitoring

During 2024, we focused on improving the wellness experience with a preventive and accessible approach for all employees. We recognized the importance of facilitating access to medical services, streamlining processes and strengthening communication about available benefits, ensuring that each person receives the proper care at the right time.





**Health prevention** and education

Letter to The Stakeholders



Strengthening the culture of well-being



Access to medical and psychological services





During the year, we focused on orienting all employees in the use of major medical insurance through communication campaigns and personalised advice.

#### Increased focus on prevention:

Prevention is one of the central pillars of our wellness strategy. We expanded our health campaigns and promoted preventive medical exams.

#### ➤ Mental health care:

In recent years, mental health has become a priority within Cuprum. We seek to ensure that all employees have access to resources and support.

#### **INTEGRAL WELLNESS AND HEALTH CARE**

We seek to ensure that our employees have access to health services quickly and efficiently. For this reason, we have a platform that offers comprehensive medical care with a preventive and accessible approach.

Through this platform, employees can receive general medical consultations, nutritional counselling, psychological support, and veterinary guidance for their pets, all remotely and with qualified specialists. This service facilitates access to professional care without the need to travel, providing immediate solutions to care for their well-being and their families.

Letter to The Stakeholders

Shared Value

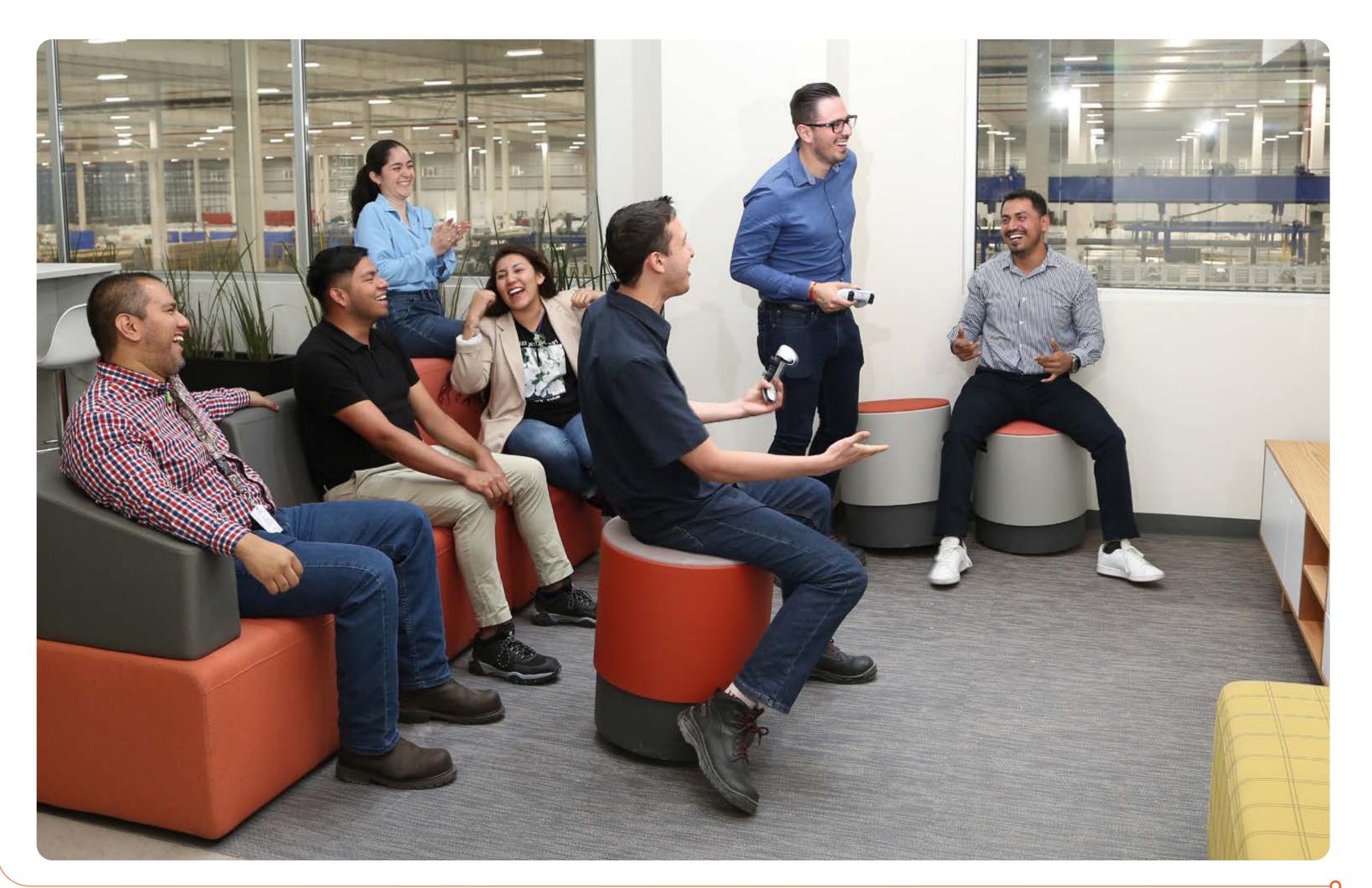


#### **HEALTH FAIRS AND VACCINATION CAMPAIGNS**

We conducted several health fairs focused on physical wellness and early disease detection, ensuring that more employees have access to preventive medical services.

We will work to expand the coverage of these programs by 2025, ensuring that every employee has access to preventive care and tools that contribute to their well-being.

We have an annual health program that guides our preventive actions. From this, we inform promptly and clearly about vaccination days and other wellness initiatives throughout the year.



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## Social investment

Social investment extends our commitment to conscious capitalism and the generation of shared value. By concentrating on causes where we can genuinely make a difference, we aim to increase our positive impact on employees, communities, and stakeholders.





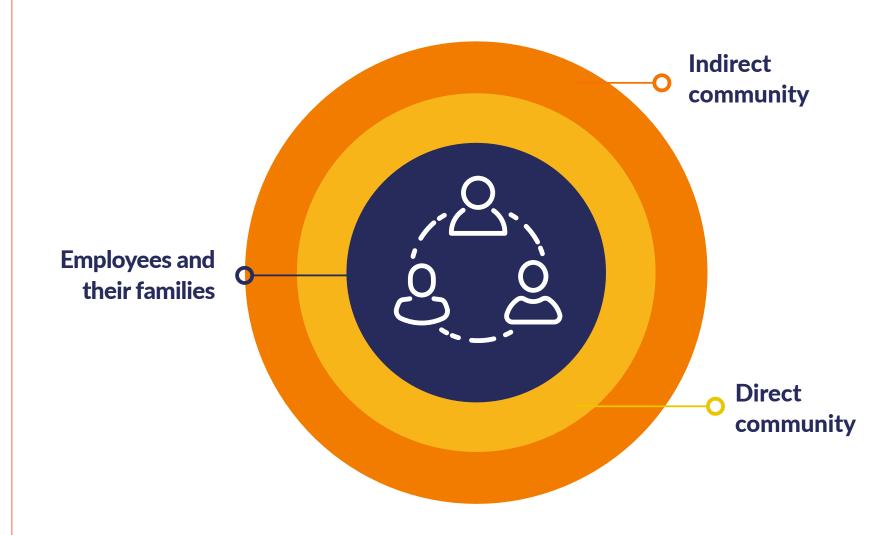




#### **IMPACT SPHERE**

We are Cuprum

Letter to The Stakeholders



Shared Value

Sustainability

#### **EDUCATION**

This year, we continued our partnership with the Autonomous University of Nuevo León, through which we offer scholarships that cover 100% of tuition fees for our employees or their children pursuing high school or a university degree.





total activities

volunteers

million pesos invested

9,700 people benefited.

Since the beginning of this program, we have been awarded more than 570 scholarships across six biannual calls.

We are Cuprum

Shared Value

Sustainability

In 2025, we will work to expand the reach of this initiative, benefiting more regions and students. We will also focus scholarships on strategic career paths, to turn this program into a talent pipeline for our company.

At the same time, we continue to support scholarship students at the Polytechnic High School of Santa Catarina, covering 90% of their tuition over the three years of their technical education.

#### **DIGNIFIED HABITAT**

Letter to The Stakeholders

This year, in partnership with TECHO, we built homes in economically vulnerable communities, benefiting two families with a safe and healthy place to live.

Since the project's inception, we have built 13 homes in Monterrey, Guadalajara, and the State of Mexico.

In 2025, we will continue exploring initiatives focused on improving housing in Mexico, promoting innovation in using sustainable materials to enhance well-being.

#### **ENVIRONMENT**

In 2024, we conducted environmental campaigns in Tlalnepantla, Guadalajara, and Monterrey, through which we reforested more than 200 trees with the participation of our employees and their families.

More than 130 volunteers joined this initiative, contributing to improving the environment and raising awareness about biodiversity and the care of natural areas within cities.

#### **LOCAL COLLABORATION**

In partnership with local governments, we supported priority causes for our communities. In 2024, we joined campaigns such as water donations to communities that lost access to this vital resource due to natural disasters.

Additionally, we worked with neighborhood committees near our operations to improve health and community facilities. We reinforced our commitment to well-being through a health campaign, where we promoted healthy habits and offered services such as glucose checks, blood pressure monitoring, prostate antigen tests, vaccinations, and more.

We also participated in community events like Mother's Day, Children's Day, and Christmas Posadas, strengthening our bond with the community.

#### **INVESTMENT FOR SOCIAL CAUSE**

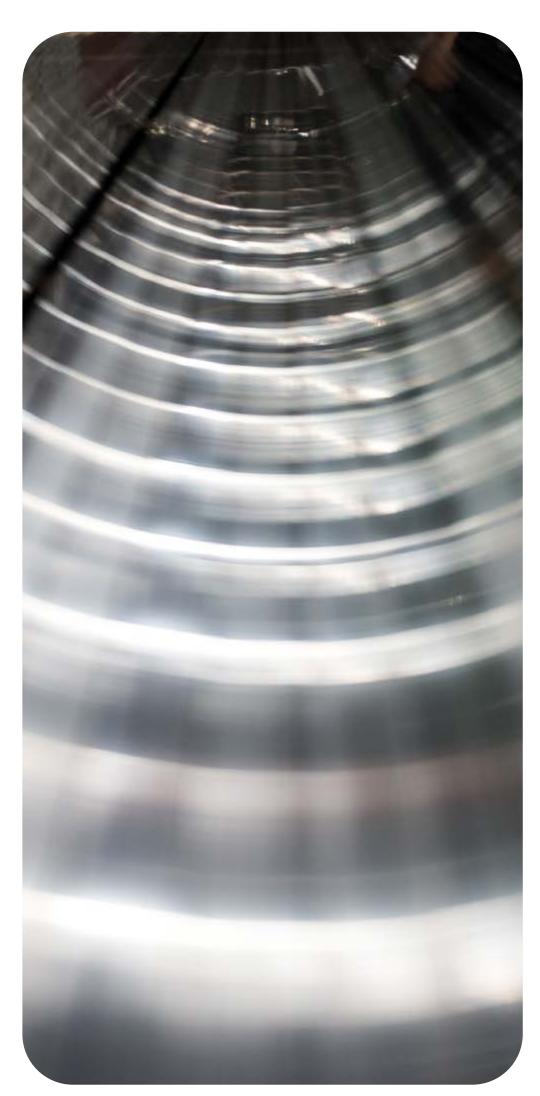












## **About this report**

This report covers the performance results in social, environmental, and corporate governance areas of Grupo Cuprum and its subsidiaries from January 1 to December 31, 2024, which has not been externally verified. No restatement of information has been made in this report.

This document follows the guidelines of the Global Reporting Initiative's Universal Standards 2021, complying with the nine established "conformance" requirements and the principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability required by the GRI.

In addition, the contribution to the Sustainable Development Goals is detailed through the actions and initiatives implemented throughout the year to generate a positive impact on our stakeholders and the environment.

Download the GRI table and our alignment with the SDGs on our website: www.cuprum.com

