

## GRI Index Alpek 2018



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Strategy

Strategy and Analysis

GRI STANDARDS 2016

STD NUMBER	STANDARD	Answer/Location	Material aspect	SDG 2030	Status
102-14	Statement from the Executive Director.	Pages 6-11.	CSR Management		Fully
102-15	Key impacts, risks, and opportunities.	Pages 6-11.	Operations and risk strategy		Fully

**Company's profile**

<b>STD NUMBER</b>	<b>STANDARD</b>	<b>Answer/location</b>	<b>Material aspect</b>	<b>SDG 2030</b>	<b>Status</b>
<b>102-1</b>	Name of the organization.	Alpek S.A.B de C.V.	Obligatory		Fully
<b>102-2</b>	Activities, brands, products, and services.	Pag. 13.	Obligatory		Fully
<b>102-3</b>	Location of headquarters.	Page 3.; final inner cover.	Obligatory		Fully
<b>102-4</b>	Location of operations.	Page 3.	Obligatory		Fully
<b>102-5</b>	Ownership and legal form.	Alpek S.A.B. de C.V.	Obligatory		Fully
<b>102-6</b>	Markets served.	Pages 3 and 13.	Obligatory		Fully
<b>102-7</b>	Scale of the organization.	Page 1.	Obligatory		Fully
<b>102-8</b>	Information on employees and other workers.	Page 37. COMPLEMENT: The distribution of employees by age group was as follows in 2018: Less than 30 years: 1,088 men and 241 women; Between 30 and 50 years old: 2,635 men and 490 women; More than 50 years: 1,212 men and 131 women. Likewise, male employees with a permanent contract totaled 3,175, and women, 443. Temporary, there were 352 men and 66 women. By region, we have 3,925 men and 613 women in North America, as well as 1,010 men and 249 women in South America.	Labor practices	SDG 8: Decent work and economic growth.	Fully
<b>102-9</b>	Supply chain.	Page 5.	Relations with clients and suppliers		Fully
<b>102-10</b>	Significant changes to the organization and its supply chain.	Pages 6-11.	Operations and risk strategy		Fully

<b>STD NUMBER</b>	<b>STANDARD</b>	<b>Answer/location</b>	<b>Material aspect</b>	<b>SDG 2030</b>	<b>Status</b>
<b>102-11</b>	Precautionary Principle or approach.	Page 33. COMPLEMENT: We identify the potential and real risks of our operations and products through impact and health and safety studies and communication with our stakeholders. All identified risks are mitigated or eliminated.	Operations and risk strategy		Fully
<b>102-12</b>	External initiatives.	Pages 33 and 48. COMPLEMENT: We also adhere to different international and national initiatives such as United Way and ANSPAC.	Relationship with NGOs and regulatory agencies	SDGs 5, 8 and 16: Gender equality; Responsible production and consumption; Peace, justice and strong institutions.	Fully
<b>102-13</b>	Membership of associations	Page 45.	Relationship with NGOs and regulatory agencies	SDG 17: Partnerships for the goals.	Fully

**Material aspects and report coverage**

<b>STD NUMBER</b>	<b>STANDARD</b>	<b>Answer/location</b>	<b>Material aspect</b>	<b>SDG 2030</b>	<b>Status</b>
<b>102-45</b>	Entities included in the consolidated financial statements.	We reported our financial status and advances in sustainability in a single integrated report. The consolidated financial statements of the company can be consulted starting page 40 of this report.	Relation with shareholders		Fully
<b>102-46</b>	Defining report content and topic Boundaries.	Pages 30-32.	CSR Management		Fully
<b>102-47</b>	List of material aspects.	Page 32.	CSR Management		Fully
<b>103-1b</b>	Explanation of the material aspect and its boundary.	Page 32.	CSR Management		Fully
<b>103-1c</b>	Explanation of the material aspect and its boundary.	Page 32. COMPLEMENT: The report option chosen for 2018 is CORE according to the GRI standards. This means that we completely cover at least one standard of the identified material issues.	CSR Management		Fully
<b>102-48</b>	Restatements of information.	In 2018 there were no restatements of information.	Obligatory		Fully
<b>102-49</b>	Changes in reporting	In 2018 there were no significant changes in the scope and coverage of each material aspect with respect to previous reports.	Obligatory		Fully

**Stakeholders engagement**

<b>STD NUMBER</b>	<b>STANDARD</b>	<b>Answer/Location</b>	<b>Material aspect</b>	<b>SDG 2030</b>	<b>Status</b>
<b>102-40</b>	List of stakeholder groups.	Page 28.	Relationship with NGOs and regulatory agencies		Fully
<b>102-41</b>	Percentage of employees covered by collective agreements.	97%.	Labor practices	SDG 8: Decent work and economic growth.	Fully
<b>102-42</b>	Identifying and selecting stakeholders.	We base the level of engagement with our stakeholders according to the degree of impact we have on them, and vice versa.	Relationship with NGOs and regulatory agencies	SDG 17: Partnerships for the goals.	Fully
<b>102-43</b>	Approach to stakeholder engagement.	Page. 28 y 44.	Relationship with NGOs and regulatory agencies	SDG 17: Partnerships for the goals.	Fully
<b>102-44</b>	Key topics and concerns raised.	Page. 28-30.	CSR management, Relationship with NGOs and regulatory agencies, Operations and risk strategy	SDG 17: Partnerships for the goals.	Fully



**Reporting profile**

<b>STD NUMBER</b>	<b>STANDARD</b>	<b>Answer/Location</b>	<b>Material aspect</b>	<b>SDG 2030</b>	<b>Status</b>
<b>102-50</b>	Reporting period.	January 1st to December 31st, 2018.	CSR Management		Fully
<b>102-51</b>	Date of most recent report.	Publication date: February 28th, 2018, includes the reporting period from January to December 2017.	CSR Management		Fully
<b>102-52</b>	Reporting cycle.	Annual.	CSR Management		Fully
<b>102-53</b>	Contact point for questions regarding the report.	Ing. Hernán Lozano, Ing. Sabino Parra, +52(81)87481111.	CSR Management		Fully
<b>102-54</b>	Claims of reporting in accordance with the GRI Standards.	The chosen option for this report is Core.	CSR Management		Fully
<b>102-55</b>	GRI content index.	Website: <a href="http://www.alpek.com/es/gri-report.html">http://www.alpek.com/es/gri-report.html</a>	CSR Management		Fully
<b>102-56</b>	External assurance.	This report does not have external verification.	CSR Management		Fully
<b>102-56</b>	External assurance policies.	In Alpek we do not have an established policy regarding external verification practices, but this practice is put into consideration for each reporting cycle. It is important to mention that once it has been decided that it will be carried out, the verifying agency is expected to have the necessary information and not have a working relationship with the consulting agency that supports us in the development of the report.	CSR Management		Fully

**Governance**

<b>STD NUMBER</b>	<b>STANDARD</b>	<b>Answer/Location</b>	<b>Material aspect</b>	<b>SDG 2030</b>	<b>Status</b>
<b>102-18</b>	Governance structure.	Pages. 34, 46-48.	Corporate governance		Fully
<b>102-19</b>	Delegating authority.	The Board of Directors relies on the Presidency, General Management, as well as the Finance Division for the issues of investment viability, strategic positioning of the company. It also has an area specifically responsible for maintaining communication with its shareholders and investors. For the other areas, the directors of each one report directly to the General Management.	Corporate governance		Fully
<b>102-20</b>	Indicate if there are executive positions in the organization or with responsibility for economic, environmental and social issues, and if their holders report directly to the highest governing body.	This relies on the position of Director of Administration and Finance as executive position, and management positions for environmental and social areas.	Corporate governance		Fully
<b>102-21</b>	Consulting stakeholders on economic, environmental, and social topics.	The concerns expressed by our stakeholders through the various means of communications, are transmitted to the highest governing body through the managers of the areas to which it corresponds to respond to them.	Corporate governance	SDG 16: Peace, justice and strong institutions.	Fully
<b>102-22</b>	Composition of the highest governance body and its committees.	Page 46.	Corporate governance	SDG 5 and 16: Gender equality; Peace, justice and strong institutions.	Fully

STD NUMBER	STANDARD	Answer/Location	Material aspect	SDG 2030	Status
102-23	Chair of the highest governance body.	Pages 47 and 48.	Corporate governance	SDG 16: Peace, justice and strong institutions.	Fully
102-24	Nominating and selecting the highest governance body.	The members of the Board of Directors are chosen based on their professionalism, business trajectory, leadership, experience and congruence with the values of Alpek. No distinction is made for diversity factors such as gender, race, nationality and / or personal beliefs.	Corporate governance	SDG 5 and 16: Gender equality; Peace, justice and strong institutions.	Fully
102-25	Conflicts of interest	Page 34. COMPLEMENT: Alpek has a Conflict of Interest policy for the members of the Board of Directors and its employees. This establishes that the responsibilities and duties of the members of the Board are governed by the Mexican Securities Market Law (LMV), applicable in Mexico to securities issuers, considering the Code of Professional Ethics of the Mexican Stock Market Community, the Code of Best Corporate Practices and the internal regulations of the Mexican Stock Exchange. In accordance with the LMV, the members of the Board have a duty of diligence, so they must always act in good faith in the best interest of the company. They must keep confidentiality with respect to information and / or public matters of the company, as well as refrain from participating and being present in the deliberation and voting on matters that represent a conflict of interest. By policy, those members of the Board who may have a conflict of interest in the decision on any matter, must inform the Chairman and the other members, as well as refrain from participating in the discussion and exercising their vote at the meetings. In the case of employees, Alpek's policy states that they should avoid any situation in which their interests differ from those of the company. All employees who may have interests or relationships with current or potential suppliers or customers should inform their immediate supervisor.	Corporate governance	SDG 16: Peace, justice and strong institutions.	Fully

STD NUMBER	STANDARD	Answer/Location	Material aspect	SDG 2030	Status
102-26	Role of highest governance body in setting purpose, values, and strategy.	Page 34.	Corporate governance		Fully
102-27	Collective knowledge of highest governance body.	Each year the learning dynamics within Alpek is strengthened in all areas of the company, including our management team. This year, thanks to the materiality process carried out in 2015, which directly involved the managers and top executives, and whose results were presented to them to inform Alpek's future strategy, we managed to strengthen the company's sustainability strategy. In addition, our companies continued to participate in Alfa Sustainability Week, which allowed sharing best practices among them, as well as the transfer of knowledge.	Corporate governance		Fully
102-28	Evaluating the highest governance body's performance.	There are several evaluation methods for directors that measure various factors: from attending the Board meetings and the committees to which they belong, to their participation in the deliberations and in the effectiveness of the strategic decisions taken.	Corporate governance		Fully
102-29	Risk management processes of the highest governance body.	This information is considered confidential.	Corporate governance		Fully
102-30	Effectiveness of risk management processes.	Page 28. COMPLEMENT: The Board of Directors follows procedures in accordance with those established by the corporate governance standards contemplated in the Mexican Securities Market Law and the Code of Best Corporate Practices. In addition, it relies on the Audit, Corporate Practices, and Planning and Finance committees to review the company's strategy, management, and results, which include environmental and social issues. The evaluation is based on compliance with the Alpek criteria, its business strategy and investment policy: business related to current operations, strengthening of the competitive position, attractive markets (profitability and growth), generation of synergies and assurance of the competitiveness of the value chain.	Corporate governance		Fully

<b>STD NUMBER</b>	<b>STANDARD</b>	<b>Answer/Location</b>	<b>Material aspect</b>	<b>SDG 2030</b>	<b>Status</b>
<b>102-31</b>	Review of economic, environmental, and social topics.	Page 48.	Corporate governance		Fully
<b>102-32</b>	Highest governance body's role in sustainability reporting.	Investor Relations Department.	Corporate governance		Fully
<b>102-33</b>	Communicating critical concerns.	This takes place during the quarterly meetings held by the Board.	Corporate governance		Fully
<b>102-34</b>	Nature and number of important concerns that were transmitted to the highest governing body.	This information is considered confidential.	Corporate governance		Fully
<b>102-35</b>	Remuneration policies for the highest governing body and senior management.	This information is considered confidential.	Wealth distribution		Fully
<b>102-36</b>	Processes to determine remuneration.	This information is considered confidential.	Wealth distribution		Fully

**Ethics and Integrity**

<b>STD NUMBER</b>	<b>STANDARD</b>	<b>Answer/Location</b>	<b>Material aspect</b>	<b>SDG 2030</b>	<b>Status</b>
<b>102-16</b>	Values and principles.	<a href="http://www.alpek.com">www.alpek.com</a>	Obligatory		Fully
<b>102-17</b>	Describe the internal and external mechanisms of advice for ethical and lawful conduct, and for matters related to the integrity of the organization, such as help lines or advice.	Alpek's ethics policies and procedures are based on those of Grupo ALFA. In addition, Alpek is advised by external consultants on the measures necessary to maintain integrity in the company.	Obligatory	SDG 13: Climate action.	Fully
<b>102-17</b>	Describe the internal and external mechanisms for reporting unethical or illicit conduct and matters related to the integrity of the organization, such as escalated notification to management, mechanisms for reporting irregularities or telephone help lines.	Page 28.	Corporate governance		Fully

Economic performance

STD NUMBER	STANDARD	Answer/Location	Material aspect	SDG 2030	Status
201-1	Direct economic value generated and distributed.	Pages 2 and 35.	CSR Management; Wealth distribution; Operations and risk strategy	SDG 8: Decent work and economic growth.	Fully
201-2	Financial implications and other risks and opportunities due to climate change.	Pages 13, 22, 24 and 36.	Wealth distribution; Climate change and emissions strategy; Operations and risk strategy	SDG 13: Climate action.	Fully
201-3	Defined benefit plan obligations and other retirement plans.	The pension plans, support for education and medical assistance are available to 100% of ALFA's employees. The pension system is a fixed contribution plan to which the company and employees contribute the same amount, which ranges from 4 to 17% of the employee's total salary and varies according to applicable labor regulations. The resources to cover these benefits are contributed 100% by the company. Indelpro: Starts in 2007, is a fund called "grow" by 4%. Akra: Starts in 2007 with a program in "Old mutual" from 4% to 17%. Alpek Polyester: Starts in 2007, is a fund called "Old mutual" of 4% of base salary. Univex: They do not have any additional to the AFORE. Polioles: Starts in 2007, is a fund called "Skandia" and is a contribution of 4% to 13.44% For unionized in Akra, a retirement pension plan that began in 2006 is managed, in the other companies nothing is handled formally.	Labor practices		Fully
201-4	Financial assistance received from government.	Alpek does not receive significant aid granted by government agencies.	Relationship with NGOs and regulatory agencies		Fully

Market presence					
STD NUMBER	STANDARD	Answer/Location	Material aspect	SDG 2030	Status
202-1	Ratios of standard entry level wage by gender compared to local minimum wage.	P. 33- COMPLEMENT: Country Minimum wage ratio Alpek vs. legal minimum wage: Mexico 3.30 to 1, United States 2.07 to 1. There is no difference between Alpek minimum wages for men and for women.	Labor practices	SDG 8: Decent work and economic growth.	Fully
202-2	Proportion of senior management hired from the local community.	Approximately 90% of managers/directives come from the same community where the operation is located.	Community engagement	SDG 11: Sustainable cities and communities	Fully
Indirect economic impacts					
STD NUMBER	STANDARD	Answer/Location	Material aspect	SDG 2030	Status
203-1	Infrastructure investments and services supported.	Pages 16 and 20.	Wealth distribution	SDG 1: No poverty.	Fully
203-2	Significant indirect economic impacts.	Pages 16 and 20.	Wealth distribution		Fully
Acquisition practices					
204-1	Proportion of spending on local suppliers	In 2018, Alpek's business units devoted an average of 48% of their spending to local suppliers. However, some plants reach a percentage greater than 90%. In conditions of equality of price, quality and availability, priority is given to local suppliers.	Community engagement	SDGs 8 and 12: Decent work and economic growth; Responsible production and consumption.	Fully



**Environment**

**Materials**

<b>STD NUMBER</b>	<b>STANDARD</b>	<b>Answer/Location</b>	<b>Material aspect</b>	<b>SDG 2030</b>	<b>Status</b>
301-1	Materials by weight or volume.	Not material for our operations.			Fully
301-2	Recycled input materials used.	Page 42.	Climate change and emissions strategy	SDGs 8 and 12: Decent work and economic growth; Responsible production and consumption.	Fully

**Energy**

<b>STD NUMBER</b>	<b>STANDARD</b>	<b>Answer/Location</b>	<b>Material aspect</b>	<b>SDG 2030</b>	<b>Status</b>
302-1	Energy consumption within the organization.	Page 40.	Energy efficiency	SDG 7, 8, 12 and 13: Affordable and clean energy; Decent work and economic growth; Responsible production and consumption; Climate action.	Fully
302-2	Energy consumption outside of the organization.	Page 40. COMPLEMENT: The amount of electricity and steam consumed (indirect consumption) in 2018 was 12.70 GJ x 10 <sup>6</sup> . This amount was supplied by the energy produced by our cogeneration plant in Cosoleacaque, MX.	Energy efficiency	SDG 7, 8, 12 and 13: Affordable and clean energy; Decent work and economic growth; Responsible production and consumption; Climate action.	Fully

<b>STD NUMBER</b>	<b>STANDARD</b>	<b>Answer/Location</b>	<b>Material aspect</b>	<b>SDG 2030</b>	<b>Status</b>
<b>302-3</b>	Energy intensity.	The energy consumed per ton of product was 6.33 GJ.	Energy efficiency	SDG 7, 8, 12 and 13: Affordable and clean energy; Decent work and economic growth; Responsible production and consumption; Climate action.	Fully
<b>302-4</b>	Reduction of energy consumption.	Page 40.	Energy efficiency	SDG 7, 8, 12 and 13: Affordable and clean energy; Decent work and economic growth; Responsible production and consumption; Climate action.	Fully
<b>302-5</b>	Reductions in energy requirements of products and services.	Due to the nature of our products this standard is not material for our operations.	Energy efficiency	SDG 7, 8, 12 and 13: Affordable and clean energy; Decent work and economic growth; Responsible production and consumption; Climate action.	Fully

**Water**

<b>STD NUMBER</b>	<b>STANDARD</b>	<b>Answer/Location</b>	<b>Material aspect</b>	<b>SDG 2030</b>	<b>Status</b>
<b>303-1</b>	Water withdrawal by source.	Page 41.	Water management	SDG 6, 8, 12 and 14: Clean water and sanitation; Decent work and economic growth; Responsible production and consumption; Life below water.	Fully
<b>303-2</b>	Water sources significantly affected by withdrawal of water.	No water source was significantly affected by Alpek in 2018.	Water management	SDG 6, 8, 12 and 14: Clean water and sanitation; Decent work and economic growth; Responsible production and consumption; Life below water.	Fully
<b>303-3</b>	Water recycled and reused.	Page 41.	Water management	SDG 6, 8, 12 and 14: Clean water and sanitation; Decent work and economic growth; Responsible production and consumption; Life below water.	Fully

**Biodiversity**

<b>STD NUMBER</b>	<b>STANDARD</b>	<b>Answer/Location</b>	<b>Material aspect</b>	<b>SDG 2030</b>	<b>Status</b>
<b>304-1</b>	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Page 41.		SDG 15: Life on land.	Fully
<b>304-2</b>	Significant impacts of activities, products, and services on biodiversity	Our operations do not affect these areas.		SDG 15: Life on land.	Fully
<b>304-3</b>	Habitats protected or restored	See Standard 304-1.		SDG 15: Life on land.	Fully
<b>304-4</b>	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Our operations do not affect vulnerable or endangered species.		SDG 15: Life on land.	Fully

**Emissions**

<b>STD NUMBER</b>	<b>STANDARD</b>	<b>Answer/Location</b>	<b>Material aspect</b>	<b>SDG 2030</b>	<b>Status</b>
<b>305-1</b>	Direct GHG emissions (Scope 1).	Page 40.	Climate change and emissions strategy	SDGs 3, 12, 13, 14 and 15: Good health and wellbeing; Responsible production and consumption; Climate action; Life below water; Life on land.	Fully
<b>305-2</b>	Energy indirect (Scope 2) GHG emissions.	Page 40.	Climate change and emissions strategy	SDGs 3, 12, 13, 14 and 15: Good health and wellbeing; Responsible production and consumption; Climate action; Life below water; Life on land.	Fully
<b>305-3</b>	Other indirect (Scope 3) GHG emissions.	These emissions are not measured.	Climate change and emissions strategy	SDGs 3, 12, 13, 14 and 15: Good health and wellbeing; Responsible production and consumption; Climate action; Life below water; Life on land.	Fully
<b>305-4</b>	GHG emissions intensity.	Page 40.	Climate change and emissions strategy	SDGs 3, 12, 13, 14 and 15: Good health and wellbeing; Responsible production and consumption; Climate action; Life below water; Life on land.	Fully

STD NUMBER	STANDARD	Answer/Location	Material aspect	SDG 2030	Status
305-5	Reduction of GHG emissions.	Page 40. SUPPLEMENT: Until the end of 2017, we participated in the Carbon Bonds program of the UNFCC. By the end of 2015 we had certified 900,000 tons of CO <sub>2</sub> , and by mid-2016, we reported an additional 124,971 tons, which were certified in early 2017.	Climate change and emissions strategy	SDGs 3, 12, 13, 14 and 15: Good health and wellbeing; Responsible production and consumption; Climate action; Life below water; Life on land.	Fully
305-6	Emissions of ozone-depleting substances (ODS).	Alpek's operations do not have this type of emissions.	Climate change and emissions strategy	SDGs 3, 12, 13, 14 and 15: Good health and wellbeing; Responsible production and consumption; Climate action; Life below water; Life on land.	Fully
305-7	NO <sub>x</sub> , SO <sub>x</sub> and other emissions.	Page 40.	Climate change and emissions strategy	SDGs 3, 12, 13, 14 and 15: Good health and wellbeing; Responsible production and consumption; Climate action; Life below water; Life on land.	Fully

**Effluents and waste**

<b>STD NUMBER</b>	<b>STANDARD</b>	<b>Answer/Location</b>	<b>Material aspect</b>	<b>SDG 2030</b>	<b>Status</b>
<b>306-1</b>	Water discharge by quality and destination	In 2018, water discharges from our operations were distributed as follows (millions of m3): 86.6 to rivers; 4 to seas; 0.11 to green areas; 0.02 to municipal waters and 1.6 to others. Total: 92.3 million m3.	Water management	SDGs 3, 6, 12 and 14: Good health and wellbeing; Clean water and sanitation; Responsible production and consumption; Life below water.	Fully
<b>306-2</b>	Waste by type and disposal method	Approximately 3.2 million tons of waste were processed by the different companies, through reuse, composting, incineration and landfill.	Water management	SDGs 3, 6 and 12: Good health and wellbeing; Clean water and sanitation; Responsible production and consumption.	Fully
<b>306-3</b>	Significant spills.	In 2018 there were no significant spills from Alpek's operations.		SDGs 3, 6, 12, 14 and 15: Good health and wellbeing; Clean water and sanitation; Responsible production and consumptions; Life below water; Life on land.	Fully

STD NUMBER	STANDARD	Answer/Location	Material aspect	SDG 2030	Status
306-4	Weight of transported, imported, exported or treated waste considered hazardous under the terms of Annexes I, II, III and VIII of the Basel Convention, and percentage of waste transported internationally.	Alpek's operations do not generate waste that is transported internationally.		SDGs 3 and 12: Good health and wellbeing; Responsible production and consumption.	Fully
306-5	Water bodies affected by water discharges and/or runoff	In 2018 there were no water bodies or habitats affected by Alpek's operations runoffs.		SDGs 6 and 15: Clean water and sanitation; Life on land.	Fully
<b>Materials</b>					
301-2	Degree of mitigation of the environmental impact of products and services.	Page 42.	Climate change and emissions strategy	SDGs 8 and 12: Decent work and economic growth; Responsible production and consumption.	Fully
<b>Compliance</b>					
307-1	Non-compliance with environmental laws and regulations.	In 2018 no fines were recorded for this concept.	Relationship with NGOs and regulatory agencies	SDG 16: Peace, justice and strong institutions.	Fully



Transport					
STD NUMBER	STANDARD	Answer/Location	Material aspect	SDG 2030	Status
NA	Significant environmental impacts of the transport of products and other goods and materials used for the activities of the organization, as well as the transportation of personnel.	Alpek's transport operations do not generate a significant environmental impact. The transport of Alpek products is carried out by subcontracted companies.	Climate change and emissions strategy	SDG 13: Climate action.	Fully
General					
NA	Breakdown of environmental expenditures and investments.	Page 39.	Climate change and emissions strategy ; Operational and risks strategy	SDG 13: Climate action.	Fully
Environmental assessment of suppliers					
308-1	New suppliers that were screened using environmental criteria	Page 44.	Relations with clients and suppliers	SDG 12: Responsible production and consumption.	Fully
308-2	Negative environmental impacts in the supply chain and actions taken	Page 44.	Relations with clients and suppliers	SDG 12: Responsible production and consumption.	Fully

**Regulatory compliance**

<b>STD NUMBER</b>	<b>STANDARD</b>	<b>Answer/Location</b>	<b>Material aspect</b>	<b>SDG 2030</b>	<b>Status</b>
103-2	Number of environmental fines or sanctions.	In 2018 there were no significant environmental fines nor sanctions.	Climate change and emissions strategy	SDGs 1, 5, 8 and 16: No poverty; Gender equality; Decent work and economic growth; Peace, justice and strong institutions.	Fully

Labor practices					
Employment					
STD NUMBER	STANDARD	Answer/Location	Material aspect	SDG 2030	Status
401-1	Average hours of training per year per employee.	Number of hires: 1,022; hiring index: 4.74; Number of employees in rotation: 635; Rate of rotation; 2.94.	Labor practices	SDGs 4, 5 and 8: Quality education; Gender equality; Decent work and economic growth.	Partially
401-2	Programs for upgrading employee skills and transition assistance programs.	The plant workers have bonuses, vacation premium, pantry bonuses, savings fund, recognition for years of service and pension plan. Temporary and part-time employees are not provided with the pension plan.	Labor practices	SDG 8: Decent work and economic growth.	Fully
401-3	Percentage of employees that took paternity leaves.	By the end of 2018 this information was not available.	Labor practices	SDG 5: Gender equality	Fully
Company-employees relation					
402-1	Minimum notice periods regarding operational changes	The minimum term is two weeks.	Labor practices	SDG 8: Decent work and economic growth.	Fully
Health and Safety					
403-1	Workers representation in formal joint management-worker health and safety committees	Page 37. COMPLEMENT: 100% of unionized workers is represented by these committees.	Health and Safety	SDG 8: Decent work and economic growth.	Fully
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Page 27. COMPLEMENT: All the plants have an accident registration and communication policy.	Health and Safety	SDGs 3 and 8: Good health and wellbeing; Decent work and economic growth.	Fully

STD NUMBER	STANDARD	Answer/Location	Material aspect	SDG 2030	Status
403-3	Workers with high incidence or high risk of diseases related to their occupation.	Approximately 25% of employees participate in high-risk activities. The causes of this risk are the handling of flammable or dangerous materials, and work with energized equipment, in confined spaces or at heights. These risks are mitigated by the continuous evaluation in search of the best security measures for our employees.	Health and Safety	SDGs 3 and 8: Good health and wellbeing; Decent work and economic growth.	Fully
403-4	Health and safety topics covered in formal agreements with trade unions.	Alpek operates Health and Safety Committees in which a high percentage of employees, including union members, participate in different activities. These committees work to reduce the incidence of accidents and occupational diseases. Each worker receives the safety equipment, training and programs to perform their functions in the safest manner.	Health and Safety	SDG 8: Decent work and economic growth.	Fully
<b>Training and Development</b>					
404-1	Average hours of training per year per employee.	Page 37.	Labor practices	SDGs 4, 5 and 8: Quality education; Gender equality; Decent work and economic growth.	Fully
404-2	Programs for upgrading employee skills and transition assistance programs.	Page 27. COMPLEMENT: All of Alpek's companies have this type of programs, there are agreements with the union, so that a couple of workers a year, who are 60 years of age or older, receive help from of the company, to register in the IMSS Modality 40 and obtain a better pension, and in addition, talks have been given on Retirement and Pensions to the workers in the plants, mainly with the personnel interested in this topic.	Labor practices	SDGs 4, 5 and 8: Quality education; Gender equality; Decent work and economic growth.	Fully
404-3	Percentage of employees receiving regular performance and career development reviews.	Page 37. COMPLEMENT: In 2018, the performance evaluation was distributed as follows: 64% of male staff, 52% of female staff, 60% of employees, and 44% of union members was evaluated. The overall average was 48%.	Labor practices	SDGs 4, 5 and 8: Quality education; Gender equality; Decent work and economic growth.	Fully

Diversity and equal opportunities					
STD NUMBER	STANDARD	Answer/Location	Material aspect	SDG 2030	Status
405-1	Diversity of governance bodies and employees	Page 37.	Labor practices	SDGs 5 and 8: Gender equality; Decent work and economic growth.	Fully
Equal remuneration for men and women					
405-2	Ratio of basic salary and remuneration of women to men	Page 37.	Wealth distribution	SDGs 5, 8 and 10: Gender equality, Decent work and economic growth; Reduced inequities.	Partially
Assessment					
414-1	New suppliers that were screened using labor practices criteria.	Page 44.	Relations with clients and suppliers	SDGs 5, 8 and 16: Gender equality, Decent work and economic growth; Peace, justice and strong institutions.	Fully
414-2	Negative labor practices impacts in the supply chain and actions taken	Page 44 – COMPLEMENT: In 2018, no impacts on labor practices were identified in our supply chain.	Relations with clients and suppliers	SDGs 5, 8 and 16: Gender equality, Decent work and economic growth; Peace, justice and strong institutions.	Fully
Grievance mechanisms					
103-2	Number of complaints about labor practices that have been presented, addressed and resolved through formal grievance mechanisms.	In 2018 there were no claims on these concepts.	Labor practices	SDGs 1, 5, 8 and 16: No poverty; Gender equality, Decent work and economic growth; Peace, justice and strong institutions.	Fully

**Human Rights**

**Investments**

<b>STD NUMBER</b>	<b>STANDARD</b>	<b>Answer/Location</b>	<b>Material aspect</b>	<b>SDG 2030</b>	<b>Status</b>
412-2	Employee training on human rights.	Alpek Polyester in Mexico and DAK Americas provided training in DH to 100% of their employees. Alpek Polyester provided 8 hours for managers, 4 hours for supervisors and operators and one hour for contractors. DAK Americas provided 30 minutes per employee.			Fully
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.	All of Alpek's investment contracts are reviewed in detail so that they meet the national and international criteria and standards of respect for human rights.			Fully

**No discrimination**

406-1	Incidents of discrimination and corrective actions taken.	In 2018 these types of cases were not identified.	Labor practices	SDGs 5, 8 and 16: Gender equality, Decent work and economic growth; Peace, justice and strong institutions.	Fully
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**Freedom of association**

407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.	In 2018 these types of impacts were not identified.	Relations with clients and suppliers	SDGs 8 and 16: Decent work and economic growth; Peace, justice and strong institutions.	Fully
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**Child labor**

STD NUMBER	STANDARD	Answer/Location	Material aspect	SDG 2030	Status
408-1	Operations and suppliers at significant risk for incidents of child labor	In 2018, these types of impacts were not identified.	Relations with clients and suppliers	SDGs 8 and 16: Decent work and economic growth; Peace, justice and strong institutions.	Fully
<b>Forced labor</b>					
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	In 2018 these types of impacts were not identified.		SDGs 8 and 16: Decent work and economic growth; Peace, justice and strong institutions.	Fully
<b>Safety practices</b>					
410-1	Security personnel trained in human rights policies or procedures	In 2018 36% of security personnel was trained in this subject.		SDGs 8 and 16: Decent work and economic growth; Peace, justice and strong institutions.	Fully
<b>Indigenous peoples' rights</b>					
411-1	Incidents of violations involving rights of indigenous peoples	In 2018 there were no cases of violation of the rights of indigenous peoples.		SDGs 2 and 8: Zero hunger; Peace, justice and strong institutions.	Fully
<b>Impact assessments</b>					
412-1	Operations that have been subject to human rights reviews or impact assessments	This process isn't carried out.			Fully
<b>Suppliers assessment</b>					

STD NUMBER	STANDARD	Answer/Location	Material aspect	SDG 2030	Status
414-1	Percentage of new suppliers that were examined based on criteria related to human rights.	Page 44. COMPLEMENT: 100% of Alpek's new suppliers are examined in the field of human rights.	Relations with clients and suppliers	SDGs 5, 8 and 16: Gender equality, Decent work and economic growth; Peace, justice and strong institutions.	Fully
414-2	Significant negative impacts on human rights, real and potential, in the supply chain, and measures taken.	Page 44 – COMPLEMENT: In 2018 these types of impacts were not identified.	Relations with clients and suppliers	SDGs 5, 8 and 16: Gender equality, Decent work and economic growth; Peace, justice and strong institutions.	Fully
<b>Grievance mechanisms</b>					
103-2	Number of human rights complaints that have been filed, addressed and resolved through formal grievance mechanisms.	In 2018 there were no complaints for this concept.			Fully



Community					
Local community					
STD NUMBER	STANDARD	Answer/Location	Material aspect	SDG 2030	Status
413-1	Operations with local community engagement, impact assessments, and development programs.	87% of our operation centers have community development and participation programs. 100% of them carry out impact evaluations on them.	Community engagement		Fully
413-2	Operations with significant actual and potential negative impacts on local communities.	The negative effects on the communities that represent Alpek's operations derive from the nature of their industry. All of these effects are mitigated by strictly complying with regulations and safety standards.	Community engagement	SDGs 1 and 2: No poverty; Zero hunger.	Fully
Anticorruption practices					
205-1	Operations assessed for risks related to corruption.	100% of our operation centers were evaluated on corruption risks.		SDG 16: Peace, justice and strong institutions.	Fully
205-2	Communication and training about anti-corruption policies and procedures.	Page 35 - COMPLEMENT: Alpek works in conjunction with Grupo Alfa for the dissemination of corporate policies, including the Anti-Corruption Policy. Between December 2018 and January 2019 the dissemination and implementation of the same was carried out. In addition, the company's policies are mainly communicated through internal communication programs, departmental boards and the union. These policies are made public depending on the relevance.		SDG 16: Peace, justice and strong institutions.	Fully
205-3	Confirmed incidents of corruption and actions taken.	Page 35.		SDG 16: Peace, justice and strong institutions.	Fully

<b>Political contributions</b>					
<b>STD NUMBER</b>	<b>STANDARD</b>	<b>Answer/Location</b>	<b>Material aspect</b>	<b>SDG 2030</b>	<b>Status</b>
<b>415-1</b>	Political contributions.	Alpek does not grant political contributions.	Relationship with NGOs and regulatory agencies		Fully
<b>Unfair competition practices</b>					
<b>206-1</b>	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices.	In 2018 there were no demands for this concept.	Relationship with NGOs and regulatory agencies	SDG 16: Peace, justice and strong institutions.	Fully
<b>Compliance</b>					
<b>419-1</b>	Non-compliance with laws and regulations in the social and economic area.	In 2018 there were no demands for this concept.	Relationship with NGOs and regulatory agencies	SDG 16: Peace, justice and strong institutions.	Fully
<b>Grievance mechanisms</b>					
<b>103-2</b>	Number of complaints about social impacts that have been presented, addressed and resolved through formal complaint mechanisms.	In 2018 there were no incidents for this concept.	Relationship with NGOs and regulatory agencies	SDGs 1, 5, 8 and 16: No poverty; Gender equality, Decent work and economic growth; Peace, justice and strong institutions.	Fully

Product responsibility					
Customers health and safety					
STD NUMBER	STANDARD	Answer/Location	Material aspect	SDG 2030	Status
416-1	Assessment of the health and safety impacts of product and service categories.	Page 42.			Fully
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services.	In 2018 there were no demands for this concept.		SDG 16: Peace, justice and strong institutions.	Fully
Information on products and services					
417-1	Requirements for product and service information and labeling.	No material for our operations.		SDGs 12 and 16: Responsible production and consumption; Peace, justice and strong institutions.	Fully
417-2	Incidents of non-compliance concerning product and service information and labeling.	In 2018 there were no incidents for this concept.	Relations with clients and suppliers	SDG 16: Peace, justice and strong institutions.	Fully
102-43 / 102-44	Approach to stakeholder engagement and key topics and concerns raised (clients' satisfaction rate).	Page 44.	Relations with clients and suppliers		Fully

Responsible marketing					
STD NUMBER	STANDARD	Answer/Location	Material aspect	SDG 2030	Status
102-2	Activities, brands, products, and services (products or services in dispute).	Two of our plants produce products that may be restricted in certain countries due to their use of flame retardant (HBBCD) and nonylphenols. These compounds are banned in the European Union and restricted in other markets. In both cases, Alpek companies are looking for alternatives that meet the strictest environmental and health standards.			Fully
417-3	Incidents of non-compliance concerning marketing communication.	No material for our operations.	Responsible criteria for product development		Fully
Costumers privacy					
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	In 2018 no claims were filed for this concept.	Relations with clients and suppliers		Fully
Compliance					
419-1	Non-compliance with laws and regulations in the product and services supply and use	There were no such cases in 2018.	Relationship with NGOs and regulatory agencies		Fully



Reforestation, Estado de Mexico