2025 Sustainability Report

Cydsa

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ABOUT THIS REPORT

About this report

GRI 2-1, 2-3, 2-5, 2-14

This report contains CYDSA's most important sustainability outcomes for the period January 1 to December 31, 2025. This is the second year of reporting pursuant to IFRS 1 and IFRS 2 as per the ISSB[1], an independent entity that establishes rules in relation to International Financial Reporting Standards (IFRS)[2]. In 2025, these standards primarily defined the focus and depth of reporting content in order to reflect clear alignment with the requirements stipulated by the National Banking and Securities Commission (CNBV) for Mexican issuers.

As in prior years, this report was prepared in conformance with GRI Standards[3] and in compliance with report preparation content and quality principles. The same applies to releasing sector-themed content in compliance with SASB standards[4], which are now part of the ISSB, and respond to those standards applicable to the chemical industry.

The information in this report covers the most relevant issues for stakeholders identified during the update of the Company's 2023 Materiality Study. The details of this study are in the "Materiality" section on page 19.

CYDSA's senior management was indirectly involved in preparing this report, supervising the approval, management, and performance of the activities reported herein. In 2022, a Corporate Sustainability Committee was established, comprised of representatives from the different corporate and business areas. This Committee participates in reviewing the report for approval prior to its publication. This report has not been verified by an authorized third party.

[1] International Sustainability Standards Board
[2] International Financial Reporting Standards
[3] Global Reporting Initiative
[4] Sustainability Accounting Standards Board

Methodology for identifying Impacts, Risks and Opportunities (IROs)

To identify sustainability risks and opportunities that might have either positive or negative impacts for CYDSA, the following steps were taken with the advisory services of a third-party expert:

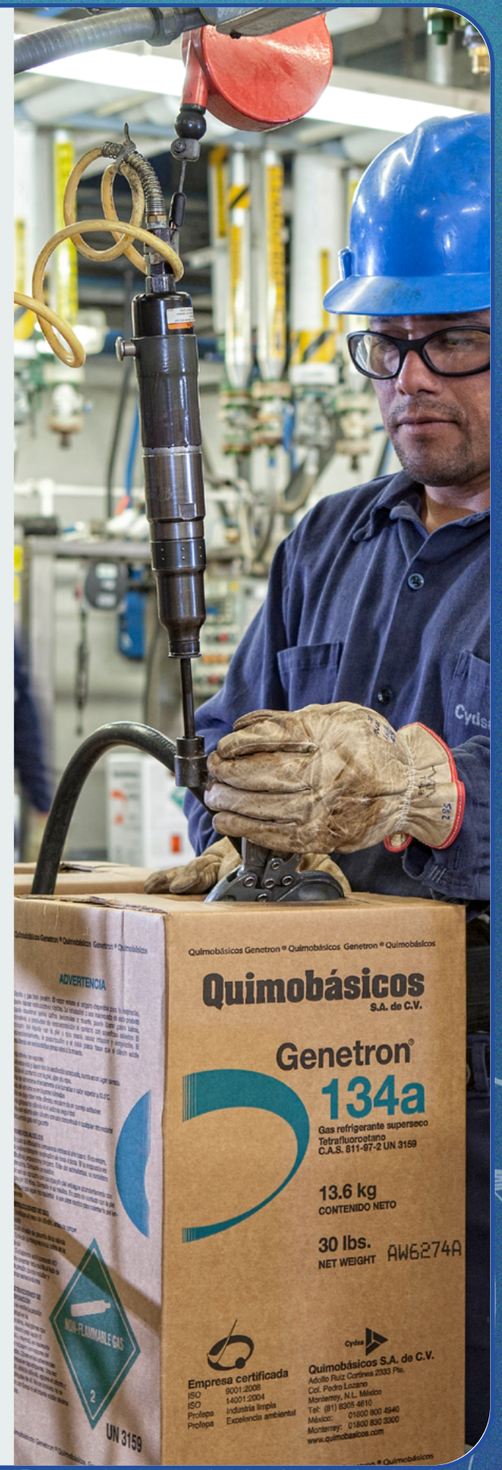
1. Alignment with IFRS S1:
   - **Initial Identification:** Identified sustainability-related IROs based on the material topics determined in the most recent materiality analysis (2023), as well as other factors perceived to be relevant for CYDSA's Businesses.
   - **Prioritized risks and opportunities:** Qualitative and quantitative assessment based on internal experience, sector trends, and the organizational context, as well as probability of occurrence and the magnitude of potential impacts arising from identified risks and opportunities.
   - **Governance:** Defined sustainability risks and opportunities governance mechanisms.
   - **Implementation:** Reviewed and improved the existing ESG strategy, as well as the baselines, metrics, and objectives of the information to be reported in relation to sustainability risks and opportunities.

2. Alignment with IFRS S2:
   Identified and evaluated physical climate and transition threats in different climate scenarios and over different time horizons. This analysis enables the Company to anticipate possible effects of climate change on the continuity of the business, the infrastructure, operating costs, and regulatory exposure. It also facilitates integrating these risks into strategic planning and decision-making processes to strengthen the Group's resilience in light of future climate scenarios. More information is available in the section "ESG Risk Management".

This process included:

- Document review of CYDSA's internal documents and policies
- Reviews of the sector's sustainability reports and practices to identify trends and management focal points
- Operating interviews and meetings at plants with local teams at each business unit in their respective locations in Mexico
- Analysis of operating activities and matters related to the business units' supply chain

In addition, the identified IROs were defined in accordance with COSO RM and ISO 31000 guidelines, as well as the six chapters of the Integrated Report Framework (IR) of the International Board of Integrated Reporting (IIRC) (financial, manufacturing, human).



How to read this report

To make this report easy to read, visual resources and identifiers have been included in order to follow key concepts and already released information.

- **Labeling reporting standards:** The upper corners of the pages in this report contain labels on the content of the different sections in the report implemented to release information and ESG data. This facilitates traceability, credibility, comparability, and report consistency with respect to global practices:

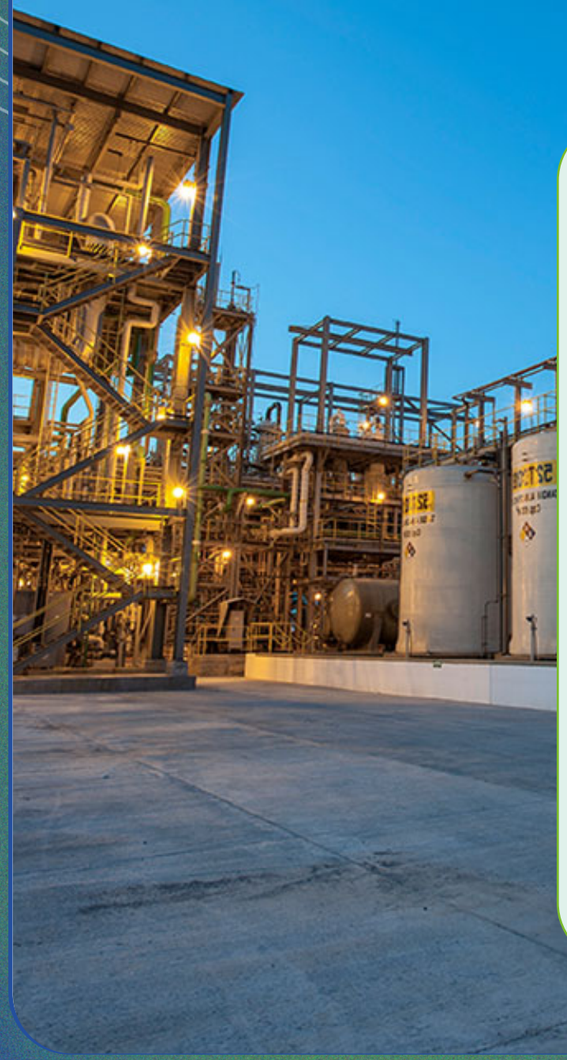
  - **IRFS S1/S2:** Focus on materiality and managing potential impacts resulting from risks and opportunities related to those matters. These labels may cover any of the four ISSB focal points: Governance, Strategy, Risk Management, Metrics and Objectives: i.e. Strategy 30(a): Describe sustainability-related risks and opportunities that could reasonably impact the entity's outlook.

  - **GRI (Global Reporting Initiative):** Focus on impacts to al stakeholders: i.e. GRI 303-1: Treating water as a shared resource.

  - **SASB (Sustainability Accounting Standards Board):** Financial and materiality focus for investors: i.e. SASB RT-CH-140a3: Description of risks related to water management, and discussion of mitigation strategies and practices.

  - **SDG (Sustainable Development Goals):** The Company's contribution to the UN's global goals: i.e. ODS 6.3: By 2030, improve water quality by reducing pollution, eliminating dumping, and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.

In addition, the matters identified as material under IFRS S1 and S2 disclosure criteria are identified as , in the chapter headings (Environment y People). There are also tables of risk, opportunities, and potential impacts at the start of their respective sections.



- **Icons on business units' production facilities:** Different icons are used to represent the type of business unit and their respective production facilities. For more information, please see the sections "Presence" and "Businesses" in this report.

Icon	Business	Production facilities
	Salt for Household Consumption and Industrial Applications	Sales del Istmo – Coatzacoalcos Plant Veracruz Salt Processing and Distribution Facility – Valle de México
	Chlorine, Caustic Soda, and Related Specialties	IQUISA Hermosillo Plant – Sonora IQUISA Noreste Plant – Nuevo León IQUISA Santa Clara Plant – Valle de México IQUISA Tlaxcala Plant – Tlaxcala IQUISA Coatzacoalcos Plant – Veracruz
	Refrigerant Gases Manufacturing and Commercialization	Quimobásicos Monterrey Plant – Nuevo León
	Electricity and Steam Cogeneration	Electricity and Steam Cogeneration – Veracruz
	Hydrocarbons Processing and Underground Storage	Hydrocarbons Processing and Underground Storage – Veracruz

Contact

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02

COMPANY PROFILE

Company Profile

GRI 2-1, 2-6

CYDSA is a Mexican corporate group founded in 1945 and listed on the Mexican Stock Exchange (Bolsa Mexicana de Valores) (BMV:CYDSASA). The Company operates in five business areas: Salt for Household Consumption and Industrial Applications; Chlorine, Caustic Soda and Related Specialties; Refrigerant Gases Manufacturing and Commercialization; Electricity and Steam Cogeneration; and Hydrocarbons Processing and Underground Storage.

VISION

To be recognized as a world-class company and leader in its industries, with growing and sustained economic and social profitability, based on innovation and continuous development of products, processes, and services, providing greater value to employees, clients, distributors, consumers, suppliers, financial institutions, communities, shareholders, and society as a whole.

MISSION

To ensure continuous improvement of products, processes, and services, to consistently anticipate and exceed both current and future needs and requirements of end clients and consumers, creating growth conditions for the Organization, personnel development, harmonious existence with the surrounding communities, and optimization of shareholder equity within a framework of full compliance with social responsibility towards the environment.

VALUES

- Customer and consumer focus
- Respect for people and their development
- Teamwork
- Ethical, transparent, and impactful actions
- Continuos improvement and innovation
- Respect for the environment

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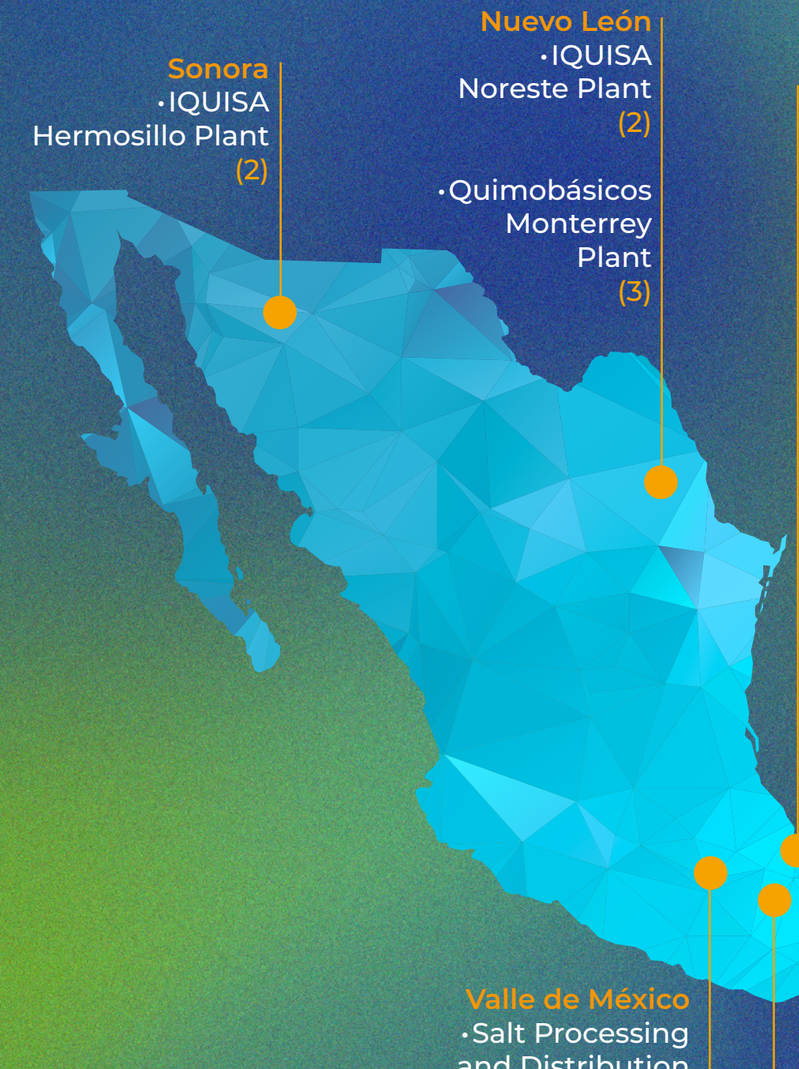
Presence

GRI 2-1, 2-6

Headquartered in San Pedro Garza García, Nuevo León, Mexico, CYDSA has more than 20 subsidiaries in nine cities throughout Mexico, and exports its products to more than 15 countries. The following map shows where CYDSA's production facilities are located:

1. Salt for Household Consumption and Industrial Applications
2. Chlorine, Caustic Soda, and Related Specialties
3. Refrigerant Gases Manufacturing and Commercialization
4. Electricity and Steam Cogeneration
5. Hydrocarbons Processing and Underground Storage



Sonora
- IQUISA Hermosillo Plant (2)

Nuevo León
- IQUISA Noreste Plant (2)
- Quimobásicos Monterrey Plant (3)

Veracruz
- Sales del Istmo Coatzacoalcos Plant (1)
- IQUISA Coatzacoalcos Plant (2)
- Electricity and Steam Cogeneration (4)
- Hydrocarbons Processing and Underground Storage (5)

Valle de México
- Salt Processing and Distribution Facility (1)
- IQUISA Santa Clara Plant (3)

Tlaxcala
- IQUISA Tlaxcala Plant (2)

Businesses

GRI 2-1, 2-6

CYDSA'S operations are divided into two business groups:

To learn more about CYDSA's different businesses, please click here.

Business Group	Business	Applications	Brands
Chemical Manufacturing and Specialties	Salt for Household Consumption and Industrial Applications	Household and commercial use; food industry and industrial processes	• La Fina • Cisne • Marfil • Gallo • Palomitos • Bakara • Elefante • Klara • Carmen • Brisa de Occidente • Fine
	Chlorine, Caustic Soda, and Related Specialties	Chemical and petrochemical industries, water treatment, oil, pulp, paper, pesticides, whiteners, soaps, detergents, bottlers, mining-metallurgy, plastics, pigments and paint, and pharmaceuticals, among others	• IQUISA
	Refrigerant Gases Manufacturing and Commercialization	Industrial, commercial, and household refrigeration; medical, automotive, and domestic appliance industries	• Genetron • Aquion • Eco Flush
Energy Processing and Logistics	Electricity and Steam Cogeneration	Energy supply to CYDSA's affiliates, and electricity sales.	
	Hydrocarbons Processing and Underground Storage	Processing, injections, extraction, transfer and underground storage	

Dialogue with Stakeholders

GRI 2-12, 2-29, 3-3

CYDSA bases its strategy on stakeholder expectations, encouraging constant dialogue through methodologies that assure transparent and sustainable relationships. This focus allows the Company to identify priorities, propose appropriate actions, and address areas for improvement, keeping the business strategy and the sustainability strategy coherent in order to create shared value.

Stakeholders Relationship to CYDSA

Ratings Agencies and Investors

Ensure every action is transparent, manages risks and creates value, leading to economic growth and business sustainability, while constantly communicating the results of strategic objectives.

Customers

Provide the highest-quality products and services in compliance with ESG standards. CYDSA is committed to maintaining its quality through innovation, ongoing communication, and addressing customer expectations.

Employees

Provide a work environment that guarantees human rights and supports a culture of equality and respect. Competitive and fair compensation is provided, along with training and professional development plans. The Group invests in health and safety, and has ongoing worker safety training programs.

Community and Media

Provide a work environment that guarantees human rights and supports a culture of equality and respect. Competitive and fair compensation is provided, along with training and professional development plans. The Group invests in health and safety, and has ongoing worker safety training programs.

Managers

CYDSA's sustainability model ensures sustainable growth by implementing sustainable practices and continuously innovating. The focus is on creating value through effective corporate governance and identifying priority objectives in line with the Company's business strategy.

NGO Initiatives

Support Non-Governmental Organizations (NGOs) in the region through a project-focused strategy to meet local needs through ongoing dialogue to ensure effective collaboration in accordance with community objectives.

Industry

Comply with industry standards and support collaboration between companies and with strategic customers. Participate actively in industry associations and chambers of commerce to improve practices and create resilience in light of market changes.

Regulators

Remain committed to ethical and transparent operations, complying with all laws and regulations, and necessary permits and certifications. The Company cooperates with audits and investigations, and enforces its Code of Conduct.

Message from the Chairman of the Board

GRI 2-22, 2-23, 2-24

CYDSA's operations and business practices continued on the path of sustainable development in 2025. Specifically, the scope of the Sustainability strategy evolved, strengthening ties between material environmental matters, employee and community relations, and the Group's finances and impacts on business operations.

In preparation for the mandatory inclusion and auditing of International Financial Reporting Standards in Sustainability and Climate Change (IFRS S1 and S2) in 2026, the Group began the process to disclose four corporate materiality-related risks relevant to the different Business operations and production plants. Obtaining information and validating results associated with the objectives and metrics required the participation of all operating and corporate areas.

Furthering its practice of continuous improvement, CYDSA's commitment to establishing an ethical culture of environmental responsibility and social development was reflected in two training sessions provided to all personnel. The content in the courses "Introduction to Sustainability" and "Managing Climate Change" taught employees how to contribute to sustainable development, both individually and in the work environment. An employee suggestion box was also installed, to improve working conditions and promote social well-being.

Evolution in CYDSA's Sustainability Model

CYDSA's sustainable development evolution is detailed below along three action lines from the Group's Sustainability model: Environment, Employees and Value to the Community.

Importante Environmental Activities

In the Environmental action line, CYDSA began implementing or continued developing initiatives in the Manufacturing and Chemical Specialities Businesses, summarized below:

- In the Salt for Household Consumption and Industrial Applications Business, a project was completed to produce biodegradable canisters used to package the different products and presentations manufactured and sold by Sales del Istmo. The Company has the annual capacity to manufacture 30 million canisters and lids.

- The Chlorine, Caustic Soda and Related Specialities Business continuosly strives to identify technological innovations to reduce emissions, and to develop projects to trat wastewater and reach zero discharges into process water. Initiatives are also being implemented to recover water from production equipment for use in operating processes.

- The Refrigerant Gases Manufacturing and Commercialization Business continues to sell substances with lower potential contribution to climate change, reaffirming CYDSA's commitment to mitigate environmental impacts. The Company also offers a refrigerant gas refurbishing service to comply with current ecological certifications. At its facilities—unique in Latin America—it destroys ozone-depleting substances using argon plasma arc technology, in conformance with international standards established by the United Nations.

Furthermore, all production plants and eligible selling companies continue to systematically renew domestic and international certifications, solidifying the Company's sustained growth strategy in responsible, long-term practices. Those certifications include ISO 9001:2015, in relation to quality management systems; ISO 14001:2015, in reference to environmental management; and FSSC 22000:2013, focused on food product manufacturing safety.

Additionally, CYDSA's operations maintained or received new recognitions from the Secretary of the Environment and Natural Resources (SEMARNAT), the Secretary of Labor and Social Security, the Mexican Center for Philanthropy, and the Chlorine Institute of the USA, reflecting the Company's ongoing commitment to sustainability, regulatory compliance, and operating excellence.

Key Employee-Related Activities

In the Employee-related action line, CYDSA reaffirmed its commitment to health and well-being. To this end, the Company established health awareness days consisting of medical exams and personalized care in relation to prevention and comprehensive care. To improve personnel safety and well-being, CYDSA enhanced and updated operating safety protocols at all plants and facilities. Notably, the government of Nuevo León recognized these efforts by granting the Responsible Work Award to both the IQUISA Noreste Plant and the Quimobasicos Plant. This recognition reflects CYDSA's ongoing commitment to compliance with responsible work standards in the areas of human resources, labor, industrial safety, and health.

Key Community-Related Activities

In 2025, CYDSA continued to develop and implement a comprehensive community relationship plan involving the people living near the Company's production facilities, aiming to align social responsibility initiatives to the needs of each region. The plan included activities to support health campaigns, improve education by donating classroom equipment, promote environmental awareness through recycling campaigns, and honor culture by making contributions to cultural events, always contributing to the social development of the communities where it is present.

Furthering its commitment to safety and the well-being of the surrounding communities, CYDSA solidified its Zero Operating Incidents policy with impacts outside its facilities, ensuring suitable conditions for the neighboring communities, and increasing trust in the Company's management and operations.

Adapting the Sustainability Strategy to New Standards

In 2025, the Group advanced in adapting its Sustainability strategy to International Financial Reporting Standards in Sustainability Matters (IFRS S1) and Climate Change (IFRS 2). These standards regulate the release of information on risks and opportunities, and sustainability-related matters impacting companies. These elements include improving decision-making governance mechanisms based on Sustainability objectives and metrics. The adaptation process will continue next year, and implementation will require the collaboration of different operating and corporate areas.

Presentation of CYDSA's 2025 Sustainability Report

CYDSA is pleased to present its 2025 Sustainability Report. This document includes the objectives, indicators, and progress underlying the Company's strategy, and it reflects its ongoing commitment to environmental protection, corporate ethics, and social responsibility.

The progress made in these areas is the result of the effort and participation of our employees, as well as the support of customers, suppliers, shareholders, investors, financial institutions, neighboring communities, and other stakeholders. These contributions are fundamental to strengthening CYDSA's Sustainability Strategy and achieving both medium- and long-term objectives, ensuring that the Group's operations, products, and services contribute to building a healthy and sustainable world for present and future generations.

Sincerely,

Mr. Tomás González Sada
Chairman of the Board

Mr. Edmundo Rodarte Valdés
Chief Executive Officer

03

ESG FOCUS

ESG Focus

GRI 3-3
SDG 16 – Goal 16.6
IFRS S1 and S2: Introduction

Grupo CYDSA has been committed to the highest standards of quality, safety, social responsibility and environmental protection in all its operations. This focus allows the Company to progress with its sustainability objectives, while strengthening the continuity of operations by identifying and managing relevant risks, ensuring that balanced operating and strategic decisions are made, considering economic, social and environmental performance along the entire value chain.

Alignment with IFRS S1 and S2

In comparison with prior years, this Sustainability Report was restructured to improve the identification, evaluation, and management of sustainability risks and opportunities, in line with IFRS S1 (general sustainability matters) and IFRS S2 (climate change matters). This step ties the Company's material topics directly to the corporate risk management system and the Group's strategy, prioritizing critical variables for business resilience.

Strategy, metrics and objectives:

CYDSA's sustainability strategy and objectives are divided into three lines of action (Environment, People, Community), each with monitoring indicators, goals, and programs that contribute to the Group's ESG performance. In 2025, the Company deepened its understanding of how the sustainability strategy and objectives could help mitigate the priority risks identified, as they are closely tied to materiality topics.

The materiality analysis conducted in 2023, was used as the basis to develop the ESG strategy and its alignment with IFRS. For more information, please see the following three sections: **"Materiality, "Sustainability Model" and "Quantitative Objectives"**

Risk management:

In 2025, processes were consolidated to identify, evaluate and prioritize ESG risks and opportunities, as well as their respective impacts, correlating them with existing corporate mechanisms and projections for operating continuity (S1). The "ESG Risk Management" section combines the analysis of climate scenarios and their impact on operating continuity (S2). Additionally, the principal risks identified—such as water availability and distribution, exposure to severe meteorological phenomena that could impact logistics, as well as factors associated with occupational health and safety in industrial environments—are developed in detail. This focus allows the Company to examine materiality, explain risk management, and present concrete activities in the sustainability strategy to address those issues.

Governance:

The chapter on "Corporate Governance" describes the structures and mechanisms that oversee and monitor business and sustainability strategies, with the objective of having ever-more informed decision-making. This focus guarantees risk management, takes advantage of opportunities, and considers the impacts of material topics (both financial and non-financial) to ensure the Group's long-term growth and stability.

Materiality

GRI 2-29, 3-1, 3-2
IFRS S1: Strategy

CYDSA updated its materiality analysis in 2023, so it could review and evaluate its shareholders' changing needs and interests and how these might impact the Company.

To learn about the materiality analysis preparation process, click here.

In 2025, an exercise was conducted with the support of a third party to deepen the understanding of materiality. The preliminary results of this analysis were used as a starting point to continue implementing IFRS S1 and S2, focusing the work on identifying impacts, risks, and opportunities (IROs), and integrating them into corporate risk management and ESG planning.

List of CYDSA's Material Topics

CRITICAL TOPICS

1. Energy consumption and management
2. Climate change and GHG emissions
3. Water management
4. Corporate ethics
5. Employee health and safety

PRIORITY TOPICS

6. Waste and recycling
7. Operating safety (community safety)
8. Community relationships
9. Diversity and equity
10. Organizational structure and management
11. Talent development and retention

TOPICS TO MONITOR

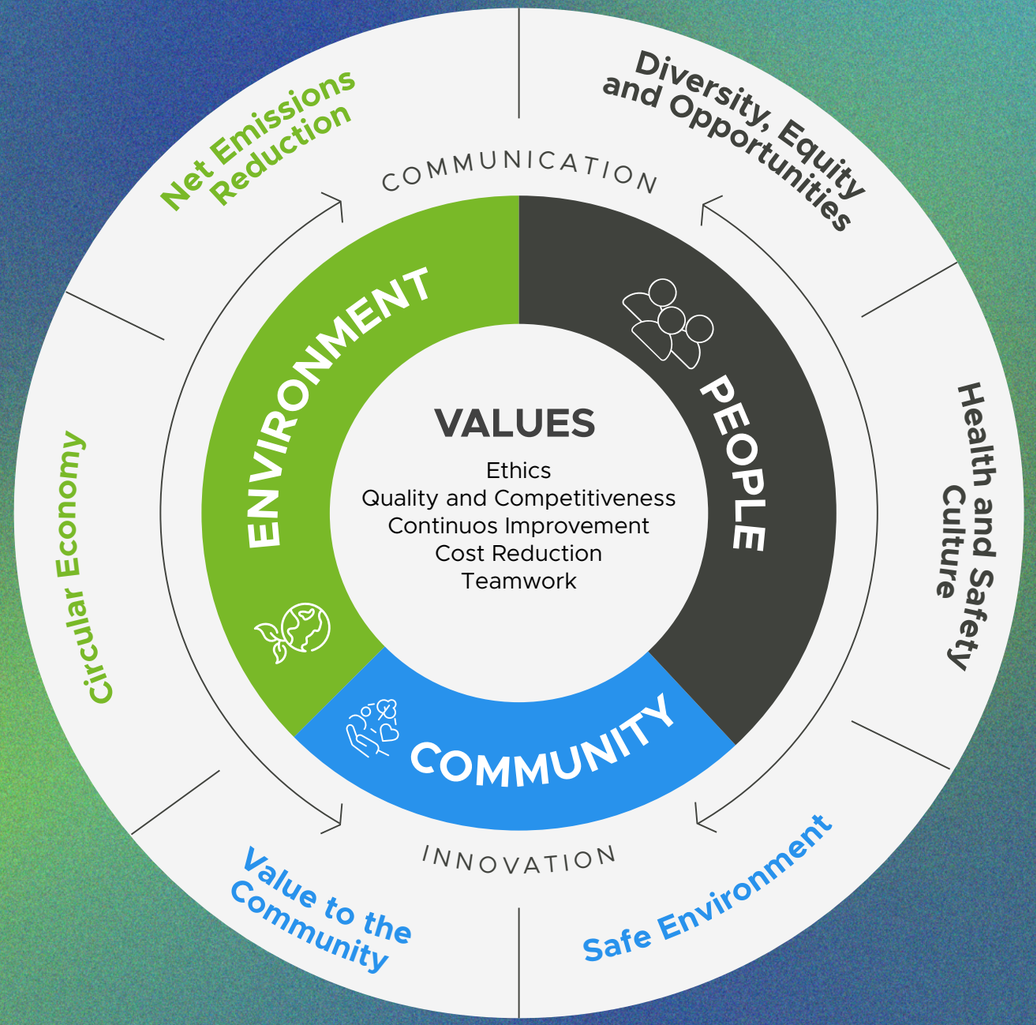
12. Responsible supply chain
13. Innovation
14. ESG risk management (crisis management)
15. Quality management
16. Workplace well being
17. Hazardous materials

Sustainability Model

GRI 2-28, 3-3
IFRS S1: Strategy

CYDSA developed its sustainability model based on its materiality study. Of the 17 topics identified, the Company selected 11 critical and priority topics that could have significant impacts. The topics were grouped into six priorities and three action lines.

- The center of the model shows the principles and values govering CYDSA's activities.
- The second layer contains the three action lines (Environment, People, Community) identified with stakeholder participation.
- The outside circle identifies the Company's six priorities (net emissions reduction, circular economy, a culture of health and safety, diversity, equity and opportunities, community value and safe surroundings).
- The elements of innovation and communication are also included as factors that contribute to strategy management.



Contribution to the Sustainable Development Goals (SDG)

CYDSA became an official signatory of the United Nations Global Compact in 2022, integrating the Sustainable Development Goals (SDG) as part of its sustainability commitment. Its sustainability strategy drives concrete actions to create value and contribute to the United Nations' objectives, prioritizing the SDGs that are most relevant to the Company and its stakeholders.

Global Company Principles
1,2

CYDSA'S FOCUS

Implement measures to prevent negative impacts to the health and safety of the surrounding communities, providing accessible healthcare services to employees and communities, and implementing programs and campaigns to provide support and education on well-being.

Global Company Principles
1,2,6

CYDSA'S FOCUS

Contribute to maintaining spaces and sources of education in local communities, and offer adequate training opportunities to personnel to support their personal and professional development.

Global Company Principles
1,2,6

CYDSA'S FOCUS

Provide a fair and equitable work environment so everyone has the same opportunities within the organization. Leverage the benefits of having a diverse and inclusive workforce.

Global Company Principles
7,8,9

CYDSA'S FOCUS

Propose preventive solutions for increasingly efficient water consumption, and ensure access to potable water in the communities where CYDSA operates. Do not contaminate bodies of water.

To see the Communication Questionnaire on CYDSA's 2025 Progress with the Global Compact, click here

Global Company Principles
7,8,9

CYDSA'S FOCUS

Allocate the resources necessary to contribute to the energy transition, ensuring the continuity of the Company's activities. Optimize processes to improve equipment efficiency, and take advantage of residual energy and new production technologies.

Global Company Principles
1,2,3,4,5,6

CYDSA'S FOCUS

Safeguard the occupational health and safety of employees at all times, in line with industry best practices and standards. Obtain certifications that assess the Company's risk identification processes. Ensure adequate working conditions and benefits.

Global Company Principles
7,8,9

CYDSA'S FOCUS

Continue implementing solutions to provide products that encourage responsible consumption among the Group's customers, and obtain certifications for recycling and reuse of resources along the production chain.

Global Company Principles
7,8,9

CYDSA'S FOCUS

CYDSA focuses on sustainable technologies, emissions-reduction certifications, and actions to mitigate environmental impacts. These actions include reducing emissions, using clean technologies, and reforestation.

Global Company Principles
1,2,5,10

CYDSA'S FOCUS

Comply with the appropriate certifications to evaluate CYDSA's ethical and responsible business practices. Uphold solid corporate governance structures and mechanisms in implementing and moving forward with the Company's sustainability strategy.

Global Company Principles
1,2,10

CYDSA'S FOCUS

Work with the supply chain to ensure compliance with required ESG standards, and maintain responsible operations. Form and maintain partnerships and collaborations with different domestic and international groups within the industry.

Quantitative Objectives

GRI 3-1, 3-3
IFRS: Metrics and Objectives, Governance

CYDSA's sustainability strategy is guided in large part by the seven ambitious sustainability objectives defined in 2023. With goals established out to 2030, these metrics inform the action lines and priorities of its sustainability model.

The objectives arose from a rigorous process involving technical specialists and representatives from the different business areas. Detailed analyses and agreements found the objectives are viable and compatible with operating needs, and ensured the commitment of those who will implement them.

CYDSA may revise and adjust its goals when necessary, based on analysis and recommendations by internal and external experts. To guarantee compliance, the Company continuously monitors actions focused on achieving the expected results, as well as the indicators that allow progress to be measured. This means close collaboration between those responsible for each indicator, backed by CYDSA's governance model, to ensure coordinated monitoring and informed decision-making.

The Board of Directors and the Sustainability Committee define the vision and priorities that establish the strategic direction. The Board's guidance played a key role in establishing metrics and objectives in 2023 and 2024, as well as ongoing review and monitoring during 2025. The Strategic Planning and Sustainability Department, in conjunction with the ESG team and senior management, gather the information necessary for the monitoring process, and coordinate the necessary action plans to ensure the objectives are reached, risks are prevented, mitigated and managed, and the opportunities leveraged. The operating units implement controls, monitor progress, and activate risk alerts.

To find out more about the sustainability strategy governance model, please click here

To learn more about ESG risk management, please click here

Sustainability Goals

Action Lines	Purpose	Priorities		Objectives and Metrics
Environment	CYDSA focuses on reducing greenhouse gas emissions, and on using resources more efficiently, promoting a circular economy.	Net Emissions Reduction	1	Reduce the Intensity of Scope 1 and 2 Emissions of the CYDSA Group to a range between 0.65 and 0.85 tCO_2e/t produced by 2030, which is equivalent to a reduction in the indicator of between 50% and 62% compared to the level of 1.7 tCO_2e/t produced in 2018.
		Circular Economy	2	Increase the Volume of Recirculated Water of the CYDSA Group to a range between 2.40 and 2.80 million m^3 by 2030, which corresponds to an increase in the indicator of between 98% and 131% compared to the level of 1.21 million m^3 in 2018.
			3	Increase the Volume of Wastewater Extracted by the CYDSA Group to a range of between 0.85 and 1.40 million m^3 by 2030, which corresponds to an increase in the indicator of between 46% and 139% compared to the level of 0.58 million m^3 in 2018.
People	CYDSA strives for the well-being and development of its employees, creating a safe working environment and encouraging diversity on its teams.	Culture of Health and Safety	4	Do not exceed one loss time case per 1,000 workers per year.
		Diversity, Equity and Opportunities	5	Increase the Percentage of Non-Unionized Female employees, with respect to the total number of non-unionized employees of CYDSA Group, from 18.8% in 2018 to a range of 27% to 34% by 2030.
Community	CYDSA has close ties to communities, creating a positive impact and contributing to social development, while promoting a safe environment for everyone.	Safe Environment	6	Zero safety incidents in operational processes impacting the community.
		Community Value	7	Support progress and well-being of the communities where CYDSA operates, encouraging social, health-related, educational, and cultural development, as well as ecological awareness.

[5] The unit used to measure the Organization's emissions intensity is tons of CO_2 equivalent produced per each ton of annual production (product).

04

ENVIRONMENT

MATERIAL TOPICS
GRI 3-2

CRITICAL TOPICS
Energy Consumption and Management
Climate Change and GHG Emissions
Water Management - Dual Materiality (IFRS S1 and S2)

PRIORITY TOPICS
Waste and Recycling

TOPICS TO MONITOR
Hazardous materials

The Environmental line of action strives to protect the environment, as this is an essential factor for business continuity and the health of the planet. Environmental protection is also a corporate responsibility, and an opportunity to innovate and advance in sustainable practices. The Company focuses on Reducing Net Emissions and the Circular Economy as high-impact priorities.

Net Emmisions Reduction

GRI 3-3, 305-1, 305-2, 305-5
SASB RT-CH-110a.1, EM-MD-110a.1, RT-CH-110a.2, EM-MD-110a.2, IF-EU-110a.3
SGD 12, 13

Considering global climate change challenges, and with a clear sense of environmental responsibility, CYDSA has implemented strategies to reduce its carbon footprint and improve operating resilience. Among its most significant actions are: (a) producing electricity and thermal energy through cogeneration; (b) optimizing production processes; and (c) incorporating clean plasma arc technology to control and destroy fluoride gases. These measures contribute to mitigating greenhouse gas emissions, improving operating efficiency, reducing resource use, and strengthening the long-term sustainability of the business.

Energy Consumption and Management

GRI 2-27, 2-28, 3-3, 302-5
SDG 7

Efficient use and management of the energy generated at CYDSA's cogeneration plants has resulted in important environmental and economic benefits to operations, becoming a key resource for the continuity of its processes. Having its own efficient and low environmental impact energy source is a significant competitive advantage for the Company.

CYDSA has been investing in strategies to reduce its energy consumption for more than 20 years, identifying anomalies in consumption at the plants that could point to inefficiencies, and proposing solutions to decrease energy intensity.

This year, the Group improved its renewable energy supply strategy through proposed generation projects at eight of its sites. These initiatives, with total installed capacity of approximately 4.5 megawatts, will include photovoltaic systems sized in accordance with needs and consumption at each location. Their respective capacities range from 240 up to 700 kilowatts. This focus will make use of clean energy sources in those operations where it is viable for the business, contributing to diversifying the energy matrix, and improving operating efficiency.

CYDSA's Actions

SASB RT-CH-410a.2
SDG Goal 7.3
IFRS S1: Strategy

Cogeneration

Energy cogeneration[6] is a process that produces electricity and useful heat simultaneously from a single source of energy. At Cogeneration Plants I and II, located in Coatzacoalcos, Veracruz, CYDSA uses natural gas as fuel to generate electricity and steam to supply its operations, thus contributing to greater energy efficiency.

Both plants have "Efficient Cogeneration" certification from the Energy Regulatory Commission (CRE) of Mexico, allowing more flexible use of the energy generated. Their Clean Industry Certification, granted by the Secretary of the Environment and Natural Resources (SEMARNAT), was renewed during the reporting period.

As mentioned in CYDSA's 2024 Annual Report, several incidents—mostly outside of CYDSA's control—required a significant proportion of electricity and steam cogeneration production capacity to be suspended. Indeed, the complexity of the issue, which was related to an incident in the second half of 2024, led to restarting the impacted plant only in the middle of October 2025, at which time the Company was once again able to cogenerate electricity and steam at its two plants continuously, effectively and efficiently.

During the year, work was done to increase the operation's capacity and stability, reaching generation levels of close to 50 MW at each plant by the end of the year. This performance was the result of greater coordination with the energy division, and actions intended to increase equipment operating reliability. The increased generation capacity and operating stability of the plants reduces dependence on energy purchased from the Federal Electricity Commission (CFE).

Use of membrane technology in energy efficiency

CYDSA operates three chlorine and caustic soda plants that use membrane technology. This system reduces electricity consumption by 30% with respect to mercury technology, helping decrease greenhouse gas emissions. The IQUISA Noreste, IQUISA Santa Clara, and the second IQUISA Coatzacoalcos plants already use this technology.

[6] This process complies with the Law of the Public Service of Electricity (LSPEE) and the guidelines established by the Energy Regulatory Commission (CRE), now known as the National Energy Commission (CNE).

Performance

GRI 302-1, 302-3, 302-4
SASB RT-CH-130a.1
SDG Goal 7.3
IFRS S1: Metrics and Objectives

Intensity of energy consumption – 2025

In 2025, total energy consumption decreased 8% with respect to 2024. This reduction was due to a change in the supply plan. With one of the two cogeneration plants offline for 10 months in 2025, the Company had to replace its own generation with electricity purchased from the CFE and operation of backup boilers. By purchasing electricity externally, the losses associated with converting natural gas to electricity were outside the corporate measurement scope, meaning lower consumption was reported. This effect is reflected in the consumption by production unit indicator, alongside lower income from energy sales.

Note that total energy consumed in 2026 is expected to increase over 2025, given that losses associated with the conversion of natural gas to electricity at the cogeneration plants will be included.

Intensity of energy consumption – 2025
(Gigajoules/ton)

To learn more about CYDSA's historical results, please visit ESG Data Summary

Energía (miles de Gigajoules)	2022	2023	2024	2025	Var 2025 vs 2024
CYDSA's total energy consumption	8,386	9,192	9,153	8,426	-8%
Consumption from non-renewable sources	8,308	9,171	9,094	8,085	-11%
Consumption from renewable sources	301	236	213	360	69%
Consumption by production unit indicator (GJ/ton)|	5.45	5.47	5.4	4.41	-18%

Climate Change and GHG Emissions

GRI 3-3

Climate change is one of the greatest environmental challenges of our time, related to the increased frequency and gravity of extreme meteorological phenomena, which impact human health and well-being. International bodies and agreements such as the Paris Accord have established goals to keep the increase in global temperature below 2 °C with respect to pre-industrial levels.

Within this context, this report incorporates the guidelines of standard IFRS S2, with the purpose of communicating how the risks and opportunities related to climate change might impact future performance. Adopting this framework has led to CYDSA improving its understanding of the probability and magnitude of potential impacts that could affect its business model and operating viability. Incorporating these guidelines enhances the Company's strategic preparation in light of future challenges. Implementing IFRS S2 also improves the quality and comparability of the information released, ensuring that the Company presents its actions and results in climate matters with greater transparency and a focus on the most relevant issues for stakeholders.

For more information on the risks and opportunities arising from climate change, click on here

Greenhouse gas emissions (GHG)

Throughout its history, the Group has incorporated innovative technologies to mitigate greenhouse gas emissions (GHG), applying adequate measures according to the characteristics of chemical processes that release gases and burn fuel in their operations.

Scope 1 greenhouse gases, arising from emissions at the Group's facilities, are considered to have the following characteristics:

1. **Direct emissions from fixed sources:** emissions from burning fuels in boilers, ovens, and generators.
2. **Direct emissions from moveable sources:** emissions from vehicles owned by the Company, such as trucks and automo**biles.**
3. **Emissions from industrial process sources:** emissions from manufacturing and leaks.

Scope 2 greenhouse gases are also considered; these occur at the energy provider's facilities, and have the following characteristics:

1. **Indirect emissions from electricity consumption:** electricity the organization purchases to use in its operations.

Regarding Scope 3:

In compliance with current regulatory provisions in Mexico and the international guidelines established by IFRS S1 and S2, CYDSA has begun a structured process to incorporate the measurement and management of Scope 3 emissions into its reporting model. This effort is in response to the growing demand for transparency in sustainability matters, and to the need to improve the information that underlies strategic decision-making.

During 2025, the Group began to identify which of the 15 categories of Scope 3 emissions—defined by the GHG Protocol—are materially relevant to the business units. Those most significant to the chemical industry are related to goods and services acquired, transport and distribution along the supply chain, use of products sold, and handling products at the end of their useful life. This analysis will serve as the basis for establishing a formal process to compile reliable data and develop metrics aligned with international standards in 2026 and beyond.

As the Company continues improving its methodological framework and the processes necessary for future quantification of Scope 3 emissions, the information collected is in the process of being identified, integrated, and validated. However, CYDSA reaffirms its commitment to advance towards robust measurement and comprehensive management of these emissions, in accordance with regulatory requirements and best global practices. This focus will ensure that the information reported in the coming years precisely reflects the impact of the value chain, contributing to the corporate sustainability strategy.

CYDSA's Actions

SASB RT-CH-410b.2
SDG Goals 12.5, 12.6, 13.2
IFRS S1: Strategy

Incineration of fluoride gases

In the Refrigerant Gases Manufacturing and Commercialization business, the Group uses argon plasma arc technology to control and destroy fluoride gases. This technology breaks down the molecules of these gases into less-damaging or inert components, reducing their environmental impact.

CYDSA's two destruction units operated continuously during 2025, processing the byproduct CHF-23, which is generated in the production of HCFC-22. The Company also offers incineration services to third parties, helping them reduce their own emissions.

- Unit 1 (internal): Destroys trifluoromethane (CHF-23), incinerating this refrigerant internally at CYDSA's operations.
- Unit 2 (external): Destroys Ozone-Depleting Substances (ODS) and various GHG for external clients.

Use of hybrid boilers

To produce chlorine, caustic soda and their related specialties, the IQUISA Coatzacoalcos, IQUISA Santa Clara and IQUISA Noreste plants use boilers that combine natural gas and hydrogen as fuel in a 50/50 ratio.

Performance

GRI 305-1, 305-2, 305-4, 305-5
SASB RT-CH-110a.1, EM-MD-110a.1, RT-CH-110a.2, EM-MD-110a.2, IF-EU-110a.3
IFRS S2: Metrics and Objectives 29(a)

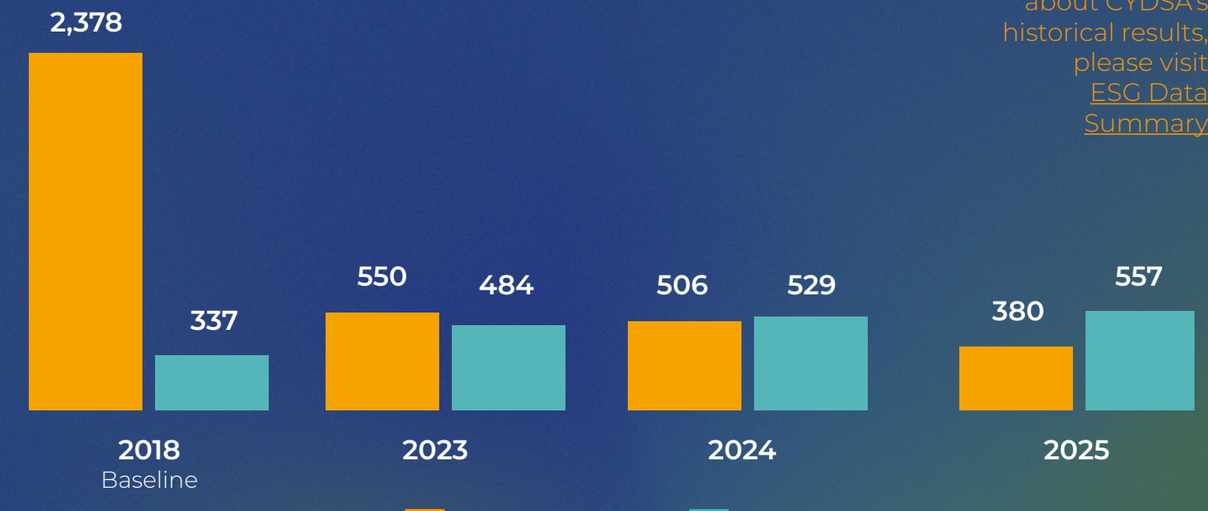
OBJECTIVE 2030: Reduce Net Emissions

Reduce the Intensity of Scope 1 and 2 Emissions of the CYDSA Group to a range between 0.65 and 0.85 tCO_2e/t produced by 2030, which is equivalent to a reduction in the indicator of between 50% and 62% compared to the level of 1.7 tCO_2e/t produced in 2018.

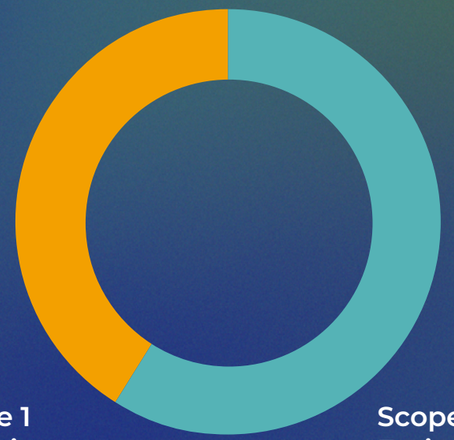
In 2025, direct emissions (Scope 1) decreased 34.9% over 2024, dropping from 506,000 tCO_2e in 2024 to 380,000 tCO_2e in 2025. There was also a 3.5% reduction in total emissions (Scopes 1 and 2) with respect to the 2018 base year, falling from 2.755 million tCO_2e in 2024 to 937,000 tCO_2e in 2025, despite the continuous growth in operations. This progress is the result of accumulated reductions obtained through different initiatives seeking to mitigate and decrease emissions.

[7] The unit used to measure the Organization's emissions intensity is CO_2 equivalent produced per ton of annual production (product).

Emissions 2025
(thousands of tons of CO_2 equivalents)



To learn more about CYDSA's historical results, please visit ESG Data Summary



Scope 1 Emissions 41%

Scope 2 Emissions 59%

Total emissions intensity (Scopes 1 and 2) decreased by 19.7% over 2024.

Circular Economy

GRI 3-3

The circular economy model uses resources to their maximum potential and reduces waste, supporting a more sustainable economic system. Different from the traditional linear model of “extract, produce, consume, and discard,” it reuses, recycles, and repairs products. This decreases the need for new resources, generates less waste, and reduces the environmental impact, thus increasing production efficiency.

To learn more about the methodology used to identify potential risks, opportunities and impacts related to this material topic, please see the sections “About this Report” and “Strategy” in the “ESG Risk Management” section.

Water Management

GRI 3-3, 303-1, 303-2
SASB RT-CH-140a.3, IF-EU-140a.3
SDG 6
IFRS S1: Strategy 29(a-c), 30(a)(b), 32(a) // IFRS S2: Strategy 9(a), 10(a-c)

Managing water is a priority in Mexico, where demand exceeds availability in many regions. Low rainfall, population growth, and agricultural and industrial activity, together with poor management, aggravate pressure on water resources. In states with high water stress where CYDSA operates, such as Estado de México, Nuevo León, and Sonora, it is vital to act immediately to protect and guarantee water supply. Within this context, CYDSA has improved identification of risks associated with water availability and quality as part of its comprehensive sustainability focus.

In accordance with IFRS S1, water management is a strategic opportunity for the Group. Implementing solutions such as reusing water, water efficiency, and restoration practices contribute to improving climate resilience and reducing total consumption of this vital resource.

S1-S2	Description	Type of Impact	Level of Impact	Time Horizon
Risk – S1	Effect on operations due to scarce and unavailable water caused by impacts to the distribution infrastructure and natural events in operating areas that could affect business continuity, increase costs, and impact the Company’s physical assets.	Financial Operating Resources	Critical	1 year
Risk – S2	Logistical interruptions affecting the distribution chain and causing delays in product delivery due to intense precipitation and flooding.	Financial Operating Resources	Acute Physical	0 a 5 años
Risk – S2	Interruption to water supply (potable and/or treated) due to impacts to the water network after severe meteorological phenomena such as tropical cyclones and extreme rains.	Financial Operating Resources	Acute Physical	0 a 5 años

Governance

IFRS S1: Governance 27(a)(b) // IFRS S2: Governance 6(a)

CYDSA's governance model coordinates water initiatives through three management levels, ensuring consistent and responsible administration of water in all its operations. At the strategic and tactical levels, the corporate areas establish the guidelines and methodologies to identify and evaluate the risks associated with water availability and quality, and to define controls, management priorities, and the key indicators for monitoring performance. At the operating level, on-site teams use these guidelines in daily operations, managing the risks particular to each location, monitoring the use and conditions of the resource, and reporting any deviation or relevant event.

Risk Management

SASB RT-CH-410b.2, IF-EU-140a.2, RT-CH-140a.3, IF-EU-140a.3
SDG Goals 6.3, 6.4
IFRS S1: Strategy 29(a-c), 32(a); Risk Management 44(a) // IFRS S2: Strategy 9(a), 10(a-c); Risk Management 25(a)

Water quality and availability are critical factors for the Group's operating continuity, particularly in regions with water stress and exposure to severe meteorological phenomena. Water risks are therefore included in the risk management system, and specific actions are implemented from a preventive focus, using tailored metrics and contingency plans at the different sites.

The risk identification process associated with climate change has been fundamental to understanding possible water-related impacts, which is a materiality issue for CYDSA. To learn more about this process, please go to the section ESG Risk Managment.

Operating Risks	
S1	Impact on operations due to scarce and unavailable water caused by impacts to the distribution infrastructure and natural events in operating areas that could affect business continuity, increase costs, and impact the Company's physical assets.
S2	Interruption to water supply (potable and/or treated) due to impacts to the water network after severe meteorological phenomena such as tropical cyclones and extreme rains.
S2	Logistical interruptions affecting the distribution chain and causing delays in product delivery due to intense precipitation and flooding.

To learn more about the Corporate Governance Model, click here.

Strategy

SASB RT-CH-140a.3, IF-EU-140a.3
SDG Goals 6.3, 6.4
IFRS S1: Strategy 32(a), 33(a)(b) // IFRS S2: Strategy 13(a), 14(a)

CYDSA has improved its water management by extracting, treating and reusing blackwater and treated water in its production processes, thus reducing consumption of potable water and not discharging contaminants into bodies of water. This focus, which integrates circular economy principles, leads to better quality of the water discharged and safe reuse, and contributes to mitigating environmental impacts, especially in regions with high water stress, such as Nuevo León.

CYDSA is committed to managing water responsibly, striving not to affect its availability in the communities where it operates. To this end, it drives strategies, actions and projects focused on the three main areas listed below.

CYDSA's mitigation measures:

A. Investment in water capture and storage: Construction and adaptation of water capture and storage infrastructure to ensure there are alternate sources in contingency situations. This capacity allows operations to continue in the event of external interruptions to supply.

B. Water recirculation: Water recirculation consists of reusing water within the same system, or in different systems after proper treatment. This reduces dependency on fresh water in each production cycle, and decreases wastewater discharge into the environment, helping prevent pollution. It can also create savings in operating costs.

C. Extraction and treatment of blackwater: Supply through extraction, treatment, and use of water from non-potable sources or lowest-quality available (blackwater and treated water) in certain cases, in collaboration with the authorities. Water treatment results in lower-impact discharges into bodies of water, and reuse of previously discharged water.

D. Increase in distribution fleet for product transport (logistical preparation): As preparation against physical water risks arising from climate change, CYDSA is planning on having more rail tank cars to transport its products. This is one way the Company is prepared to handle logistical interruptions that might impact the supply chain due to intense rains, flooding, and/or landslides.

E. Infrastructure and rainwater drainage systems: Ongoing maintenance and steps to improve rainwater drainage, canals, and grating at plants and logistical access points to prevent waterlogging and flooding that might compromise internal mobility and product distribution. This focus reduces stoppage times due to extreme rain events, and mitigates operating risks associated with flooding in critical areas.

Implementation of CYDSA Mitigation Measures

A. Investment in water capture and storage

Purpose: Assure alternate sources and backup capacity in the event of external supply interruptions by building and adapting infrastructure for operating continuity, optimizing water balance by site, and reducing exposure to network failures and extreme climate events.

- Investments are being made to create water capture and storage alternatives for emergency supply.
- At the Pajaritos industrial complex, where IQUISA Coatzacoalcos, Sales del Istmo and Electricity and Steam Cogeneration are located, a sump pump with water capacity of 65,000 m^3 on land owned by CYDSA will be activated, equal to seven days of production. In 2025, the civil works were completed to build the slopes to handle the required storage capacity.
- Construction of a storage tank for treated water is being planned at the IQUISA Noreste plant, with capacity of 2,500 m^3, equal to approximately three days of production.

Impacts/Results: Investment in water capture and storage infrastructure improves water autonomy at the Company's sites and operating continuity in the event of external interruptions by having strategic reserves and planned backup capacities. This focus reduces vulnerability in the event of extreme droughts and rains, saves recovery time in the event of contingencies, and provides operating and cost predictability.

B. Water recirculation

Purpose: Decrease plants' need to use "new" water, or water extracted from different sources, and limit exposure to external network failures, keeping the operation stable through internal reuse cycles.

- In the Electricity and Steam Cogeneration business, where thermal energy is produced in the form of steam, the volume of recycled water in production processes rose to 780,439 m^3 in 2025.
- At IQUISA Santa Clara, wastewater from osmosis processes during fabrication of caustic soda, equipment washing, and the salt-separation process in the wastewater treatment system, is recovered and reused.
- A high percentage of water is recirculated at the IQUISA Coatzacoalcos plant, in the cooling tower and condensate recirculation from evaporation and boilers, supporting continuity even under conditions of water stress. .
- The zero-discharge strategy advanced at both Sales del Istmo and IQUISA Noreste by recovering water from various applications, including pump seals, steam condensate, purges from cooling towers, and the osmosis system, resulted in a 68% recovery volume. The Company projects recovery of 100% once the process is operating at full capacity.

Impacts/Results: These water recirculation activities reduce dependence on external supply and improve production continuity. The operation is less vulnerable to interruptions in the water network, particularly in thermal and cooling processes that require constant supply. This focus also contributes to optimizing water use, and supports compliance with the established sustainability goals.

C. Extraction and treatment of blackwater

Purpose: Replace potable water with treated non-potable sources (blackwater), reducing extractive pressure on municipal networks and aqueducts, and improving water security at production sites.

- The overall volume of blackwater and treated water used in 2025 by the IQUISA Noreste and Quimobásicos plants was nearly 525,000 m^3 per year. A volume of 277,100 m^3 of treated water was used at IQUISA Noreste in 2025.
- Refrigerant Gases Commercialization and Production used 131,962 m^3 of blackwater in 2025.
- Treatment capacity at the Refrigerant Gases Commercialization and Production plant is 12 liters per second. The water resulting from this process is used to manufactured demineralized and re-mineralized water, used in boilers and plasma units, and also used to wash equipment, water landscaping, and to produce hydrochloric acid (HCl) at 30%.

Impacts/Results: Use of blackwater and treated water reduces exposure to scenarios of water scarcity and variable availability. By diversifying supply sources and having greater operating control over the quality and continuity of the water used in processes, water security of the operations is improved, and dependence on conventional sources is decreased, particularly in regions with water stress.

D. Logistical preparation

Purpose: In order to mitigate physical water risks arising from climate change, CYDSA is planning on purchasing more tanker trunks to transport its products. This measure will allow the Company to anticipate possible logistical interruptions in the distribution chain caused by intense rains, flooding, or landslides.

- In 2025, the number of rail tank cars increased significantly, shoring up the fleet that transports the Company's products. The fleet, which had 364 vehicles in 2024, increased to 445 rail tank cars in 2025, and it is projected to rise to 483 units in 2026.

Impacts/Results: Increasing the number of vehicles in the fleet increases response capacity in the event of climate contingencies that might affect roads, accessways, or distribution infrastructure. By having more rail tank cars available, the Company reduces its vulnerability to logistical interruptions, decreases risk of not delivering products, and reinforces operating continuity even under adverse conditions.

E. Infrastructure and rainwater drainage systems

Purpose: Prevent waterlogging and flooding that could affect operations and product distribution by installing and maintaining canals and diversion ditches, cisterns and rainwater capture tanks, rainwater dikes, bilge pumps, routine cleaning and unblocking of drains, and rainwater collectors. This plan seeks to assure internal mobility, protect equipment and infrastructure, and support operating continuity in the event of intense rains.

- Salt for Household Consumption and Industrial Applications has begun repairs to the water sanitation network, changing out damaged pipes, repairing rainwater collectors, and installing rainwater drainage.
- Canals, water diversion ditches, cisterns, and a rainwater capture tank system have been installed at the Hydrocarbons Processing and Underground Storage facility (ASSE).
- The Quimobásicos plant has rainwater dikes and bilge pumps, and it performs routine cleaning and maintenance on its drainage system.
- The Sales del Istmo and IQUISA Coatzacoalcos plants have a rainwater collection and clearing system.

Impacts/Results: Consolidation of these rainwater management systems decreases plant vulnerability in the event of extreme rains, reduces stoppage times due to flooding, maintains logistical efficiency for entry and departure of product, and protects critical assets by preventing water accumulation in sensitive areas.

Performance

GRI 303-3, 303-4, 303-5
SASB RT-CH-140a.1, IF-EU-140a.1
SDG Goal 6.4
IFRS S1: Metrics and Objectives

OBJECTIVE 2030:
Recirculated Water Volumes

IIncrease the Volume of Recirculated Water of the CYDSA Group to a range between 2.40 and 2.80 million m^3 by 2030, which corresponds to an increase in the indicator of between 98% and 131% compared to the level of 1.21 million m^3 in 2018.

OBJECTIVE 2030:
Extraction of Blackwater and Treated Water

Increase the Volume of Wastewater Extracted by the CYDSA Group to a range of between 0.85 and 1.40 million m^3 by 2030, which corresponds to an increase in the indicator of between 46% and 139% compared to the level of 0.58 million m^3 in 2018.

Total water:

- Extracted by plants: 4,627,940 m^3
- Discharged by plants: 612,492 m^3
- Consumed, from zones with water stress: 1,078,674 m^3 (27%)
- Consumed and recirculated: 2,663,967 m^3 (66%)

To learn more about CYDSA's historical results, please visit ESG Data Summary

In 2025, 66% of the water consumed in CYDSA's operations was recirculated. This is a 121% increase over 2018.

Total water consumption

(thousands of cubic meters)

2018 (base year)	2023	2024	2025	Variation % 2024-2025	Variation % 2018-2025
4,815	3,412	2,995	4,015	34.1%	-17%

Volume of Recirculated Water

(thousands of cubic meters)

2018 (base year)	2023	2024	2025	Variation % 2024-2025	Variation % 2018-2025
1,208	1,920	2,239	2,663	+19%	+121%

Extraction volume of blackwater or treated water

(thousands of cubic meters)

2018 (base year)	2023	2024	2025	Variation % 2024-2025	Variation % 2018-2025
585	772	519	525	1%	-10%

The increased water consumption during the year was due to activities at Sales de Istmo. This plant usually has two main sources of water supply: groundwater (wells), and surface water. In 2024, well water was sufficient to supply operating needs. During 2025, however, some wells were unable to supply water, so it was necessary to use a larger volume of surface water.

Waste and Recycling

GRI 3-3, 306-1, 306-2, 306-3, 306-4, 306-5
SASB RT-CH-150a.1
SDG 12

Waste management is key to a circular economy and to making better use of resources. CYDSA has a Hazardous Waste Management Plan and a Special Waste Management Plan, whose objective is to reduce impacts to society and the environment. The Group's plants use comprehensive plans to classify, collect, and dispose of waste, encouraging recycling and reuse, always in compliance with local legislation and safety standards. The Company also aims for the materials used in packaging to be recyclable, including plastic, cardboard and wood.

CYDSA's Actions

GRI 306-1, 306-2
SASB RT-CH-410b.2
SDG Goals 12.5, 12.6
IFRS S1: Strategy

Recovered solid urban waste

A program was put in place to recover solid urban waste in order to reduce the amount of waste sent to landfills. As part of this initiative, waste with potential for reuse or reprocessing is identified, classified, and separated. A third party with whom we have a purchase agreement collects and delivers the materials, ensuring compliance with applicable legal, labor, and environmental requirements.

Collected and recycled materials

In the community near the Hydrocarbons Underground Storage operation in Veracruz, CYDSA implemented two programs focused on collecting and adequately disposing of PET plastic. One of these programs encourages schools to collect waste for proper management. Through the Plastivale program, the schools that collect the most PET from June to December 2025 were recognized.

In the Plastitrueque event, CYDSA delivered more than 800 baskets with basic products in recognition of the volume of waste collected and delivered, with the following results:

Plastitrueque Event

+4 ton
of plastic waste collected and separated

+500
participants

+800
baskets delivered

+400
Products donated

Additionally, at IQUISA Coatzacoalcos, pallets were delivered to the municipal composting center for improvements at that location.

Performance

GRI 306-3, 306-4, 306-5
SASB RT-CH-150a.1
SDG Goal 12.5
IFRS S1: Metrics and Objectives

In 2025, the total amount of waste (both hazardous and non-hazardous) was 6,845 tons, of which 26% was diverted from disposal.

To learn more about CYDSA's historical results, please visit ESG Data Summary

Waste in total tons	2024	2025
Hazardous liquid waste	72	107
Hazardous Solid waste	521	524
Infectious biological hazardous waste	1.3	2
Hazardous waste	**594**	**633**
Special handling waste	5,926	5,873
Municipal solid waste (non hazardous)	306	339
Non-hazardous waste	**6,232**	**6,212**
Waste diverted from disposal	**1,793**	**1,578**
%of waste diverted from disposal	39%	26%
Total weight of hazardous waste diverted from disposal	62	52
Total weigh of non-hazardous waste diverted from disposal	1,731	1,526
Waste direct to disposal (tons)	**4,425**	**4,501**
% of total waste direct to disposal	61%	74%
Total weight of hazardous waste direct to disposal	526	543
Total weight of NON hazardous waste direct to disposal	3,899	3,957

Other Environmental Activities

As part of the Environmental line in its Sustainability Strategy, CYDSA carried out several environmental initiatives that complement its priority areas. These actions were intended to protect the natural environment, with special emphasis on protecting biodiversity.

Reforestation

CYDSA has maintained its commitment to protect native flora through its forest nursery, which is capable of producing up to 30,000 plants per year. Over the years this initiative has become a continuing environmental restoration and recovery effort, contributing to preserving native species in the region. The historical evolution of this reproduction activity is presented below:

Year	2019	2020	2021	2022	2023	2024	2025
Production	8,000	22,000	9,400	17,700	19,300	30,000	12,800

Protection of the Kemp's ridley sea turtle

CYDSA continues supporting efforts to protect the Kemp's ridley sea turtle (Lepidochelys kempii), a species in critical danger of extinction. Its survival depends on protection in its hatching areas in the state of Veracruz.

In 2025, the Company maintained its support for local programs dedicated to protecting nests, monitoring females, and releasing hatchlings, thus contributing to preservation of this emblematic species of the Gulf of Mexico. This has resulted in strengthening the capacities of turtle protection camps, and assuring continuation of protection activities that require specialized technical monitoring.

05

PEOPLE

MATERIAL TOPICS
3-2

CRITICAL TOPICS

Employee Health and Safety (IFRS S1)

PRIORITY TOPICS
Diversity and Equity
Talent Development and Retention

TOPICS TO MONITOR
Workplace Well-being

The People action line is centered on the needs of the team of people that form CYDSA's operations. The priority is to ensure worker health and safety, while supporting overall well-being and professional development. CYDSA strives to have an inclusive and equitable environment, with growth opportunities that reinforce personnel commitment and support the Company's long-term success.

A Culture of Health and Safety

GRI 2-23, 3-3, 403-1, 403-2, 403-4, 403-5, 403-7, 416-1
SASB RT-CH-410a.1, IF-EU-320a.2
SGD 3, 8
IFRS S1: Strategy 29(a-c), 30(a)(b), 32(a)

To learn more about the Corporate Governance Model, click here

Occupational health and safety at CYDSA seek to protect employee well-being. The Company works to prevent accidents and diseases, creating a safe work environment. Its management system includes risk identification and control, training, compliance with standards, promotion of health, and incident management.

S1-S2	Description	Type of Impact	Level of Impact	Time Horizon	
Risk – S1	Prevalence of work-related accidents, occupational diseases, exposure to chemical substances, or accidents in industrial facilities that could affect the health and integrity of employees and third parties, leading to sanctions and fines levied by authorities, and impacting the Company's reputation.	Regulatory Reputational	Critical	1 year	6 years

Governance

IFRS S1: Governance 27(a)(b)

Health and safety management at CYDSA is based on a governance model that defines clear responsibilities, supervisory mechanisms, and continuous improvement processes at all business units. This model has three levels to ensure consistent application of preventive policies. At the strategic and tactical levels, the corporate areas establish guidelines and methodologies to identify and evaluate risks, define controls, and monitor key performance indicators. At the operating levels, onsite teams implement those guidelines, manage the risks particular to each process, monitor safety conditions, and report any incident or deviation. In this way CYDSA maintains aligned practices, supports prevention, and ensures that information flows in a timely manner to support decision-making and continuous improvement.

Health and Safety Management System

GRI 2-23, 3-3, 403-1, 403-2, 403-3, 403-4, 403-6
SASB RT-CH-410b.1, RT-CH-320a.2

Risk Management

SASB RT-CH-320a.2
IFRS S1: Strategy 29(a-c), 32(a); Risk Management 44(a)

CYDSA's main objective in health and safety matters is to protect the integrity of employees and communities, and to ensure operating continuity and regulatory compliance. This preventive focus includes early identification of risks, ongoing training, operational supervision, and the systematic improvement of safety controls in highly complex industrial environments.

The Company guarantees the application of health and safety measures[8] through protocols[9] aligned with the Process Improvement Institute. This system allows human-associated risks to be identified, reduced, and controlled. All plants and business units use the Process Safety Management (PSM) system to supervise these activities. Tasks considered to be hazardous are performed under strict protocols and specific authorization levels.

Operational Risks	
S1	Prevalence of work-related accidents, occupational diseases, exposure to chemical substances, or accidents in industrial facilities that could affect the health and integrity of employees and third parties, leading to sanctions and fines levied by authorities, and impacting the Company's reputation.

[8]Issued by the Industrial Safety, Operating Safety, and Environmental Protection Management System (SASISOPA).
[9]Occupational Health, Safety, and Environmental Protocol (SSOMA).

Strategy

SASB RT-CH-320a.2
IFRS S1: Strategy 29(a-c), 32(a), 33(a)(b)

CYDSA has strategic programs to maintain high safety standards at each area and business. Notably, the Internal Emergency and Materials Transport Plans help to prevent and control incidents. In addition, IQUISA Hermosillo, Coatzacoalcos, Noreste, Tlaxcala, Santa Clara and Refrigerant Gases Production and Commercialization are part of the Chemical Industry Emergency Transport System (SETIQ), which provides immediate telephone response to incidents involving chemical products, connecting the plants to specialized emergency care teams.

Safety evaluations:

CYDSA conducts social and labor-related risk assessments at all its plants and on all its products, complying with the strictest international standards such as Dutch Line, Clean Industry, and the Chlorine Institute. If a parameter outside the permitted limits is detected, an action plan is implemented to prevent, reduce or eliminate any condition that might place employee health or safety at risk. CYDSA also conducts an annual corporate audit to ensure compliance with occupational health and safety policies.

Safety and Hygiene Comission

The Safety and Hygiene Commision is comprised of Company and unionized personnel representatives. This Comission meets every quarter, and performs monthly inspectionsm to protect personnel, facilities,

Reporting mechanisms:

Any danger or work-related risk may be reported electronically by employees. The most common events are communicated through the Internal Safety Bulletin.[10] The Company also uses electronic dashboards and screens to share information about risks and best practices, reinforcing awareness about health and safety.

[10] The following types of events are communicated through the bulletin: debilitating accidents (IMSS or internal), minor accidents, industrial accidents, accidents with property damage, operating event accidents.

Operating Safety

GRI 403-7, 416-1
SASB RT-CH-410a.1

Purpose: Improve people's ability to identify, prevent and respond in a timely manner to risks in the work environment, encouraging safe behavior, proper use of protective equipment, and a culture of safety that reduces the probability of operating incidents and accidents.

CYDSA's mitigation measures:

- **Safety protocols:** Emergency simulations that cover different risk scenarios by plant are run at all of CYDSA's plants[11] so that brigades can train in how to respond to different scenarios, and so employees know what to do in real situations.
- **Safety training:** To develop both a philosophy as well as a safe internal work culture, personnel receive training in how to respond safely and efficiently to possible risks, protecting both people and facilities. Furthermore, annual talks focusing on prevention are organized with the safety department. These sessions reinforce correct use of protective equipment and best safety practices. Other training topics include risk analysis, identification of chemical risks, blocking and labeling, waste management, work at height, forklift operation, use of fire extinguishers, and emergency response.
- **Standarization of safe practices:** Standardizing safe practices leads to decreasing exposure to operating risks, strengthening normative compliance, and maintaining safer and more reliable working conditions at all operations. This in turn translates to preventing costs arising from fines due to breach of standards applicable to each business and/or remediation of damage resulting from accidents or occupational disease.
- **Local Mutual Aid Commitee:** Each facility has a local committee that coordinates preventing, responding, and providing support in the event of emergencies for its own personnel and for surrounding communities. An ambulance is available 24/7 for immediate attention.

[11] These are determined in Internal Civil Protection Programs, as well as in its Emergency Response Plans.

Performance

GRI 2-4, 403-9
IFRS S1: Metrics and Objectives

OBJECTIVE 2030:
Operating Safety

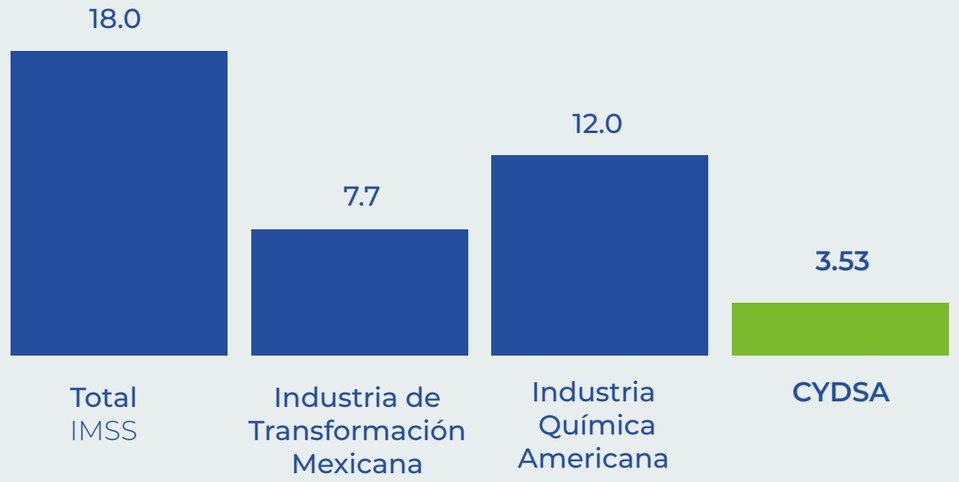
Do not exceed one debilitating accident per 1,000 workers per year.

In 2025, work-related loss-time cases remained below industry average. There were 3.53 loss-time cases per 1,000 affiliated workers.[12]

Loss-time cases with injuries reported to the IMSS were concentrated mainly in musculoskeletal injuries associated with excess force, fractures related to operating machinery, and contusions in the workplace.

[12] As of 2025, CYDSA only reports loss-time cases registered with IMSS to standardize how it is measured at all plants. This official registration assures annual comparability, and comparability between operations, reduces internal classification bias, and improves quality, traceability, and auditability of information. To learn more about this restatement of historical information, please see GRI 2-4 in the GRI index in this report.

Loss-time cases per 1,000 workers, 2025



Mexican Transformation Industry – Source: IMSS Work-Related Risks Report (2024)
American Chemical Industry – Source: OSHA Bureau of Labor Statistics (2024)

CYDSA did not record any leaks or loss-time cases in chlorine production for more than eight years

Safety Excellence Award - The Chlorine Institute

This recognition is given to chloralkali production, packaging, and manufacturing facilities that show exceptional safety and environmental performance. This award is given to facilities that attain the highest safety level and compliance, promoting safe and sustainable industry practices. All IQUISA plants, which produce chlorine, caustic soda and related specialties, have been recognized over the years with diamond and platinum level awards.

Learn more about this in the section on Certifications and Recognition.

Occupational Health

GRI 403-3, 403-6
SASB RT-CH-320a.2
SDG 3-3.5, 3.7, 3.8

Strategy

SASB RT-CH-320a.2
IFRS S1: Strategy 29(a-c), 32(a), 33(a)(b)

At CYDSA, occupational health is a fundamental pillar for operating continuity, sustainable productivity, and people's overall well-being. The Organization recognizes that a healthy workforce is key to maintaining stable, safe and professional operations, and to improving work satisfaction, talent retention, and organizational performance.

CYDSA systematically manages preventive work-related risks, integrating continuous monitoring of work conditions, specialized training, and timely medical care. This focus protects personnel, and anticipates risks before they turn into incidents or impact health.

There are specific areas for medical consultations and first aid within the facilities for employees. Furthermore, the occupational health area is responsible for managing chemical product records and emergency protocols, including ambulance coordination if required.

Accident prevention measures and emergency attention are evaluated through periodic corporate audits, with annual and semi-annual frequency in operations located near residential communities. At some work facilities, medical services operate 24 hours a day, 365 days a year. In locations where medical services are not permanently available, there are agreements with external health providers to guarantee immediate attention in the event of incidents.

CYDSA's mitigation measures:

Comprehensive occupational health and safety assessment

Health conditions are continuously supervised in work areas, and every year a Comprehensive Diagnostic of Occupational Health and Safety is conducted to ensure optimal health conditions for workers inside all facilities. This diagnostic:

- Identifies physical or safety risks in facilities, processes, machinery, equipment, tools, transport, materials and energy.
- Detects physical, chemical, and biological agents that could impact employee health due to concentration, level, or time of exposure.
- Evaluetes hazards around the work location and compliance with occupational health ans safety rules.
- Allows early identification of biochemical, morphological, and functional changes to prevent disease and disability.

Health Campaigns

The Occupational Health area is responsible for conducting scheduled preventive and promotional activities at work locations, with the objective of protecting, maintaining, and improving overall employee health. Through medical evaluations, timely detection, guidance in health matters and preventive actions, these health days allow risk factors to be identified, illnesses prevented, and the physical and mental well-being of personnel to be improved, contributing to a safer, more productive and sustainable work environment.

Occupational Health Surveillance Program

CYDSA has a Health Vigilance Program at all of its operations that identifies, prevents, and monitors factors that could affect employee health. This program monitors sanitary and epidemiological conditions, and provides for early detection of risks associated with biological, physical, and environmental agents present in work places.

Activities are developed as part of this preventive focus, such as awareness campaigns, monitoring hygiene and sanitation conditions, periodic fumigation of facilities, and other measures intended to reduce exposure to contagious diseases, including vector-transmitted illnesses. These activities seek to improve response capacity in the event of breakouts, and to contribute to protecting the health of personnel and the nearby communities.

Diversity, Equity and **Oportunities**

GRI 3-3, 405-1
SDG 5

CYDSA is committed to creating an inclusive environment that prioritizes diversity and equal opportunities. This means that everyone, regardless of gender, can participate and support their teams and work areas.

CYDSA's **Actions**

SDG Goals 5.1, 5.5
IFRS S1: Strategy

Inclusive and equitable practices

CYDSA continues to strengthen a diverse and equitable culture through actions focused on expanding female participation in talent processes. Notable among these initiatives is the goal for at least 50% of open positions to be filled by women, and to support their development towards positions of leadership, including their participation in determining who will step into their positions when they receive promotions or retire. With this, the Organization strives to have more representative and fair processes that align with its succession planning.

In addition, an internal communication effort has been consolidated to raise awareness regarding the benefits of diversity and its positive impact on decision-making. Furthermore, senior management supports cultural change through training in unconscious bias, with training provided to leaders and personnel. These actions contribute to building an inclusive corporate culture.

Stronger management

CYDSA's Sustainability Committee has included diversity and equity as one of the priority matters to be managed as part of the corporate strategy, and it works hard to make operations inclusive. This year a tracking system with a digital dashboard was implemented to monitor the percentage of women in each work center. Senior management reviews this information periodically, in conjunction with progress towards reaching objectives.

Age-inclusive workforce practices

CYDSA recognizes the importance of expanding the scope of its inclusive practices, considering not only hiring, but also retaining personnel older than 65 within the Organization. Although hiring within this group is not the main line of action, special emphasis is placed on keeping older personnel who are already part of the Company, as their experience and contributions are highly valued.

People with a great deal of experience, particularly those in management positions, are a strategic asset for the Organization. Their experience and knowledge contribute significantly to value creation and to building strong teams, favoring generational diversity and facilitating the transfer of critical knowledge for the Company's sustainable development.

Performance

GRI 2-7, 405-1
IFRS S1: Metrics and Objectives

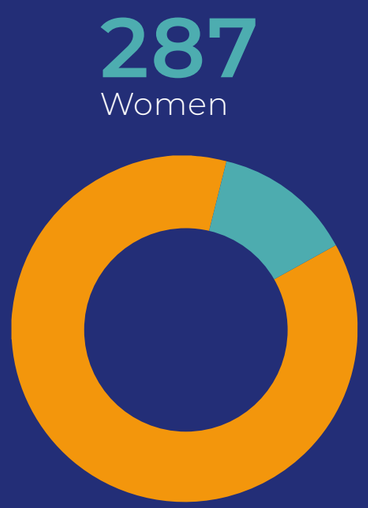
In 2025, CYDSA had

2,221

employees, of whom:

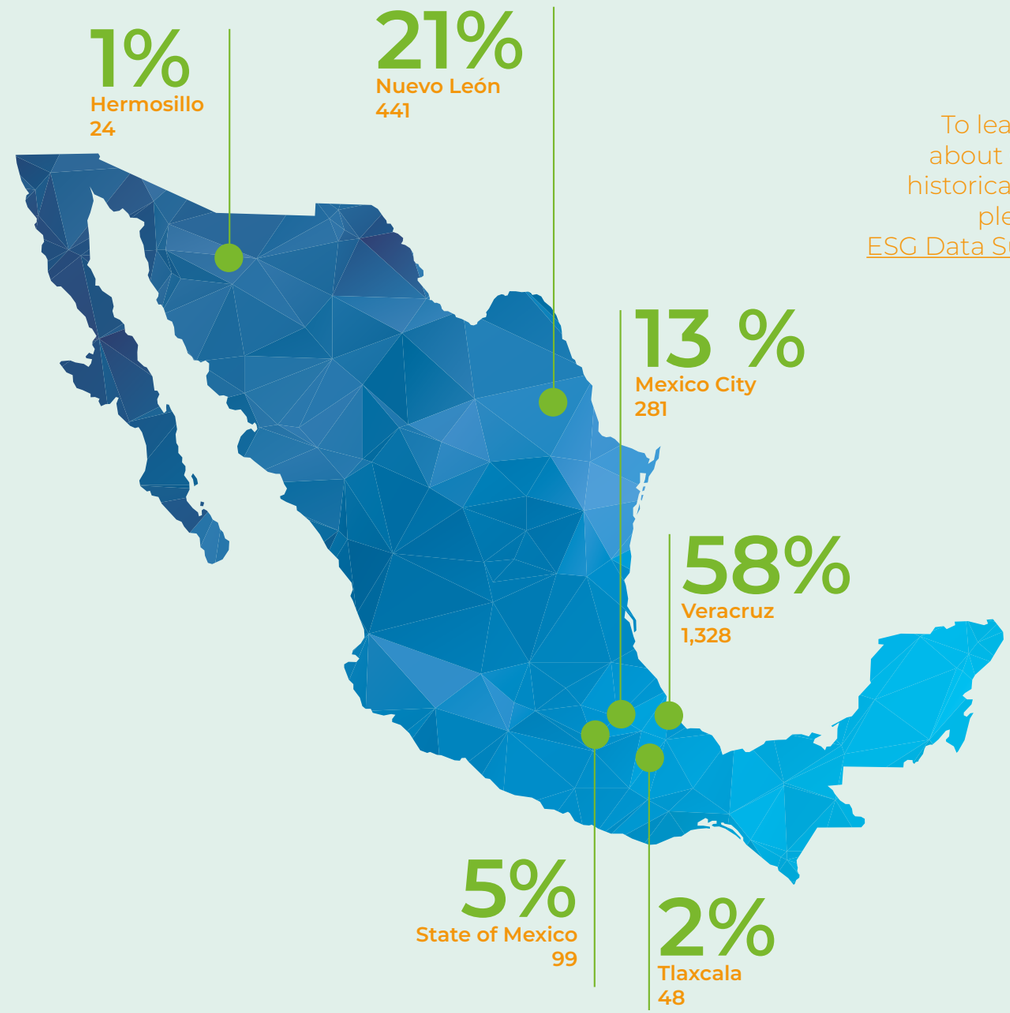
1,200

were unionized



OBJECTIVE 2030:
Percentage of Non-Unionized Women Employe

Increase the percentage of non-unionized women employed with respect to the total number of non-unionized employees within CYDSA from 18.8% in 2018, to a range of 27% - 34% in 2030.



To learn more about CYDSA's historical results, please visit ESG Data Summart

Gender-based diversity	2018 (base year)	2023	2024	2025	Variation % 2025 vs 2025
% Non-unionized women vs total non-unionized	18.8%	23.7%	25.8%	26.6%	+0.8%

Other Social Matters

Talent Development and Retention

GRI 3-3, 404-1, 404-2
SDG 4

At CYDSA, developing employees' abilities and skills drives their professional and personal growth. Training programs allow individual progress and contribute to a skilled labor force, which is key to the Group remaining an industry leader.

CYDSA's Actions

SDG Goals 4.4, 5-5.5
IFRS S1: Strategy

Improving training

Basic training focuses on developing the skills necessary for each position, protecting worker integrity, and supporting their growth within the Company. In addition, employees identified as capable of stepping into positions with more responsibility receive training and support for their future development within the Career Plan.

Hard skills:

The training program for improving technical skills and compliance continued during the year at all plants. Training was provided on operating risks, cybersecurity, occupational health and safety, environmental control, emergency response, and first aid. These sessions were provided through virtual workshops and in-person courses in different locations, reinforcing content already established in prior training cycles.

Soft skills

The first phase of training for supervisors and middle management was implemented at most plants in order to improve key soft skills for daily team management. This phase included content on motivation at work, interpersonal communication, and managing the working climate, focusing on serving areas of opportunity detected through NOM-035 on psychosocial risks, and other internal indicators. The main objective was to provide leaders with tools to improve communication, prevent risks, and create a multiplying effect in team development.

Going forward, the plan is to integrate both focus points and advance towards a second phase centered on strengthening strategic leadership and developing digital capabilities. This phase will focus on preparing leaders to face operating challenges, and encourage efficient use of technologies (Artificial Intelligence) in internal processes, decision-making methodologies, and organizational agility.

Sustainability training at all plants

General training was also provided at the group level: 1) Introduction to Sustainability, and 2) Climate Change Management, with nearly 50% of personnel participating. The first course focused on raising awareness about sustainability principles and their relevance from work and individual perspectives, and serves as the basis of the Group's efforts to comply with standards IFRS S1 and S2.

The second course was on Climate Change Management, and its effects both on the Organization and on employees' personal environment. This training was fundamental to identifying and prioritizing risks and opportunities related to climate change.

The two sessions provided a common knowledge base for all operating and administrative personnel, reinforcing institutional alignment in priority matters for a sustainable organizational and operating culture.

Feedback as a growth vehicle

At CYDSA, feedback sessions are provided at the executive level, including managers and directors. This process evaluates compliance with objectives, and the team's perception of every director. The Office of the President participates in individual sessions to review achievements and results, and to recognize good performance.

In the future, the Company plans to extend these sessions to employees who report to managers in order to support their development. Thus points for improvement can turn into growth opportunities at all levels of the Organization.

Average annual hours of training per employee: 69 hours (unionized)

100% of managers and directors at CYDSA receive professional performance evaluations.

Workplace Well-Being

GRI 2-7, 2-23, 3-3
SDG Goals 8.3, 8.5, 8.8

The Group has a policy and actions to ensure respect for human and labor rights, to comply with rules and ethical principles, and to promote inclusion and equal opportunities. There is also a focus on protecting health by reducing risks and preventing accidents, encouraging the collaboration of all personnel, both internal and external, in order to have a safe working environment. CYDSA places special importance on respecting the privacy and dignity of its workers.

Aware of the impact of psychosocial conditions, CYDSA complies with Official Mexican Standard NOM-035-STPS-2018, whose purpose is to prevent psychosocial risks through identification, analysis, and control. The Company is committed to having a workplace free from violence, harassment and intimidation. It uses labor climate surveys and reports to identify opportunities for improvement, and it acts on them continuously.

TURNOVER	2023	2024	2025	Layoffs 2025	Turnover Rate 2023	Turnover Rate 2024	Turnover Rate 2025	Variation 2024-2025
Unionized plant employees	1,107	1,127	1,200	197	11.4%	36%	16.9%	15.1 pp
Plant employees	976	1,001	1,021	153	8.3%	26.3%	15.1%	-19.1 pp

NPS satisfaction results in the work environment survey: 80%

CYDSA's Actions

SDG Goals 3.5, 3.7, 3.8
IFRS S1: Strategy

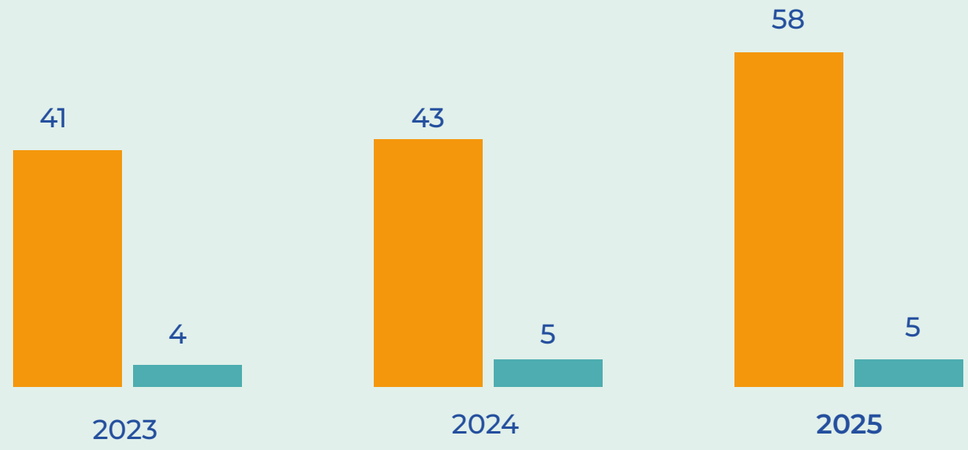
Benefits

GRI 401-2, 401-3

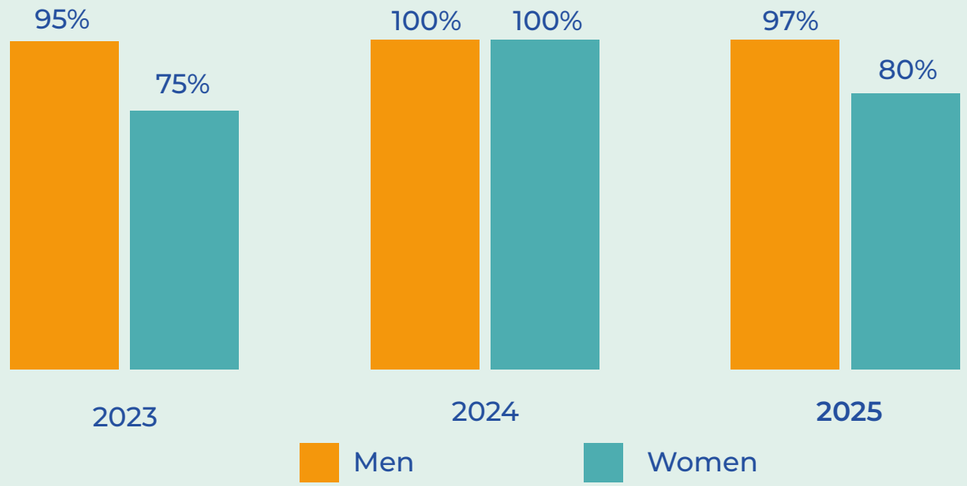
CYDSA offers its employees competitive benefits that are superior to those established by law, such as a savings plan, financial training, medical assistance, coverage and subsidy due to incapacity and disability, life insurance, meal vouchers, recognition for seniority, bonus, vacation premium, medical check-ups, and retirement.

The Company's remuneration and benefits plan is designed to cover its employees' needs, and to motivate their performance. Salaries and benefits are in accordance with each employee's profile and responsibilities, thus guaranteeing equity without gender distinction.

Use of Parental Leave (Number of Employees)



Return-to-work rate



3% of the workforce took parental leave.

Health and well-being services

GRI 403-3, 403-6
SASB RT-CH-320a.2

At CYDSA, employee health and well-being is a strategic element for sustainability of the business. Comprehensive programs to prevent disease, promote healthy lifestyles, and protect the ability to work are developed through the Occupational Health area, in line with current Mexican rules and internal safety, health, and environmental standards.

The management model is based on a preventive focus and risk administration, integrating corporate rules, medical surveillance programs, health education activities, and the use of digital tools, with the objective of strengthening an organizational culture that prioritizes overall well-being.

Health surveillance program

The Company has a medical surveillance program that evaluates and monitors the health status of employees as a function of the risks associated with their position. This system includes:

- Medical exams upon entry, to assure aptitude in conformance with the risks of the position.
- Periodic medical exams for early detection of work-related diseases
- Medical monitoring programs for employees with chronic-degenerative illnesses or health conditions that requiere continous monitoring

These processes allow timely detection and implementation of preventive measures to help protect employee health and the Company's operating continuity.

Preventive management and corporate standards

Occupational health management is backed by internal corporate standards, in line with applicable Mexican legislation and international occupational health and safety standards. These standards establish guidelines for:

- Occupational medical surveillance
- Preventing addiction and substance control
- Emergency medical care in the work environment
- Promoting physical and mental health, with an emphasis of detecting and preventing work-related stress
- Integrating preventive programs focused on occupational risks

This normative framework allows practices to be standardized in the different work areas, assuring consistent management throughout the Organization.

Promoting health and a preventive culture

In addition to medical surveillance, CYDSA supports education initiatives and healthy living through communication and awareness strategies intended to increase participation in healthy activities, for both employees and their families, encouraging habits that contribute to overall well-being.

The following are among the principal actions:

- **Health webinars** on nutrition, preventing chronic diseases, and digestive and mental health, with voluntary participation of **97%** of personnel in 2025.
- **Health campaigns**, including detecting chronic diseases, parasite prevention, oral health, visual health, and mass vaccination campaigns for employees and their families.
- **Mental health and nutrition educational programs**, intented to strengthen a preventive culture, through more than 10 virtual courses focused on managing stress and mindfulness practices. In addition, the nutrition area provided more than 800 nutritional consultations to CYDSA employees.
- **Multidisciplinary assitance**, developed in collaboration with areas such as nutrition and human resources.

Relevant investments in healthcare infrastructure

As part of the improvement to healthcare services, the following investments were made during the year:

- Expansion of the medical department at the Underground Storage facility

Human Rights

GRI 2-23, 2-24, 2-28, 407-1, 408-1, 409,-1

CYDSA is committed to the United Nations' Global Compact, aligning its operations with the 10 Universal Principles on Human Rights, Labor Standards, the Environment and Anti-Corruption. It also drives specific actions to support the Sustainable Development Goals (SDG). This commitment is also reflected in the Suppliers' Principles Guide, which states that all CYDSA suppliers, both current and future, must promote a work environment free of discrimination, slave or child labor, guarantee freedom of association, protect health and safety, and offer well-being and development opportunities.

In 2025, the new human rights policy was implemented at the Group level. It is based on international principles included in the Universal Declaration of Human Rights, the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work, the United Nations' Guiding Principles on Human Rights and Corporations, as well as in the constitution and federal labor law.

06

COMMUNITY

MATERIAL TOPICS
3-2

PRIORITY TOPICS
Safe Environment
Community Relations

OTHER RELEVANT TOPICS
Responsible communication about products and consumer health

CYDSA has defined a Safe Environment and Community Value as key priorities in its strategy and sustainability model. The Company participates actively in local development projects, protecting health, safety, and education in the communities where it is present.

Safe Environment

The Group works closely with the communities and authorities to maintain good relationships, ensuring that its operations are safe, and that its products and services meet consumers' expectations. To fulfill this commitment, emergency simulations are regularly conducted, and strict safety protocols are applied at all facilities in order to prevent impacts to the neighboring communities.

Operational Safety

(Community)

GRI 2-23, 3-3, 403-1, 403-2, 403-4, 403-5, 403-7, 416-1
SASB RT-CH-410a.1, IF-EU-320a.2
SDG 3

CYDSA is solidly committed to safety. It complies with strict regulations, and constantly evaluates environmental risks. It also uses preventive measures to reduce accidents and manage the safety risks that could impact communities.

During 2025, no safety incidents in operational processes impacting the community were reported.

OBJECTIVE 2030:
Safe Environment

Zero safety incidents in operational processes impacting the community.

Responsible communication about products and consumer health

GRI 417-1
SASB RT-CH-410a.2

CYDSA ensures that its products and services are safe through information and clear labeling. It provides safety data sheets to the public, created in accordance with the Chemical Risk Identification Standard, detailing risks, precautions, and emergency measures. These documents are also given to transport operators, together with emergency protocols for distribution, in compliance with the Globally Harmonized System and the regulations of the Secretary of Communications and Transport.

It also guarantees that clients and operators receive the necessary training on labeling and safety. The data sheets are updated every year, and are available for both transport and plant personnel. CYDSA follows the highest standards in the chemical and food industry, including FSSC-22000 certification, and NSF International public health standards.

Community Value

CYDSA is firmly committed to actively helping communities at the sites where it has operations. Through initiatives focused on social development, health, environmental protection, education and culture, the Company seeks to create a positive and sustainable impact on the regions where it is present, strengthening its ties to society, and contributing to building more prosperous areas.

OBJECTIVE 2030
Community Value

Support progress and well-being of the communities where CYDSA operates, encouraging social, health-related, educational, and cultural development, as well as ecological awareness

Community Ties

GRI 3-3, 203-1, 203-2, 413-1, 413-2
SGD 3, 4
SASB RT-CH-210a.1

The Group drives sustainable development through community projects that support health, education, leisure, and well-being in the regions where it operates. It has also created a system to manage complaints from neighbors, so that any deviations in relation to its operations are addressed effectively.

Complaints are classified into three levels:

- **Major:** These involve authorities, neighbors or the media, including protests or multiple complaints about the same issue.
- **Minor:** Expressed by just one neighbour.
- **Incidents:** No basis in CYDSA operations, or operations comply with current standards.

From 2019 to 2025, no complaints from the community were recorded with respect to operations at the business units.

Supporting Health

SDG Goal 3.7

CYDSA supports health and well-being in the communities where it operates through preventive and comprehensive actions, as a function of the context and local needs of each facility.

At the industrial complex in Coatzacoalcos, IQUISA participates actively in the Local Mutual Aid Committee (CLAM), working with different sectors of society in activities focused on preparing and responding to emergencies. As part of these activities, it provides civil protection training programs and runs simulations, strengthening the culture of prevention and the ability to respond to incidents. The IQUISA Noreste, IQUISA Hermosillo, IQUISA Tlaxcala and IQUISA Santa Clara plants are also part of the Local Mutual Aid Committees in their respective locations, reinforcing inter-institutional coordination to handle emergencies.

At the work locations that have an ambulance or emergency transport, the service is available 24/7 in its industrial parks, contributing to timely attention in the case of incidents.

As part of its activities to strengthen communities, a comprehensive first aid training day was given at schools in the community of Nanchital, Veracruz, where the Hydrocarbons Underground Storage facility is located, contributing to development of basic capacities to handle emergencies in a school environment.

Furthermore, in the housing division located near the Quimobásicos work location, actions promoting overall health are provided through the Community Care Center (Centro de Atención a la Comunidad – CAC). These include general medical consultations, nutritional consultations, and specialized allergy care, which are available to more than 3,000 residents in the area.

Education

SDG Goals 4.1, 4.4, 4.a

Education and skills improvement are priority areas for CYDSA, which supports initiatives to train, prevent risks, and create ties with educational institutions in the communities where it is present.

Academic ties and technical training:

Through the "*Escuela Segura*" (Safe School) program at IQUISA Coatzacoalcos, training is provided at local schools in civil protection, first aid, emergency response, fire extinguisher signage and maintenance, and advisory services are provided to prepare civil protection programs for schools. These activities are developed in coordination with the CLAM, and contribute to creating safer school environments.

The plant also strengthens academic ties by receiving school visits from Instituto Tecnológico de Minatitlán (ITM), which allows students to complement their theoretical training with practical experience in an industrial environment. As a complement to these visits, it encourages new talent development through scholarship programs, including students from different careers in projects and professional practices within the plant.

There were four school visits from ITM in 2025, promoting professional development by incorporating more than 15 scholarships; those students participated actively in operating projects and activities and improved their technical and professional skills.

Community Development

SASB RT-CH-210a.1
SDG Goal 3.5

CYDSA maintains close and collaborative relationships with the communities where it operates, participating in initiatives that contribute to strengthening the social fabric and improving the community environment.

In Coatzacoalcos, IQUISA actively collaborates in environmental and social activities through the CLAM, with recycling days and beach clean-up days, as well as support in kind for environmental education activities. It also encourages harmonious coexistence and the well-being of employees and their families through recreation, sports, and cultural activities organized through non-profits.

In Ecatepec, Estado de México, IQUISA Santa Clara participated in a municipal clean-up campaign, and attempted to create a Guinness Record for the largest number of people collecting trash simultaneously. The initiative gathered together more than 148,000 participants throughout the municipality, exceeding the previous record. The plant provided help by making a trash truck available for the clean-up activities.

Although there are no formal community participation programs at the Salt Processing and Distribution Facility, there is constant communication with the coordinators of the Atlampa–Santa María La Ribera neighborhood association, and the Company actively supports programs and events the community organizes. Community-strengthening initiatives directly benefited 295 people in the Atlampa area, 135 students in a primary school, 60 local entrepreneurs, while 12 volunteers participated in a clean-up day, and 35 participated in reforestation activities in common spaces.

At the Quimobásicos industrial location, quarterly meetings held with community leaders function as spaces for dialogue to identify common needs, and to follow up on community concerns. In addition, physical activity events such as dance therapy were developed to encourage healthy lifestyles among the local population, complemented with donations to maintain parks in the area.

Actions related to promoting health, education, and community development contribute to achieving the objective of community value by fostering its well-being.

07

CORPORATE GOVERNANCE

MATERIAL TOPICS
3-2

CRITICAL TOPICS
Corporate Ethics

PRIORITIY TOPICS
Organizational Structure and Management

TOPICS TO MONITOR
ESG Risk Management (Crisis Management)
Responsible Supply Chain

CYDSA is guided by solid principles, with corporate ethics as the basis of all its processes. The Company constantly monitors ESG risk management, crisis management, and a responsible supply chain. This focus assures integrity in its operations, and reinforces its commitment to long-term sustainability.

Organizational Structure and Management

GRI 2-9, 2-10, 2-12, 3-3

CYDSA's Corporate Governance defines the structures and processes that underlie Company management. Its Board of Directors guarantees accountability, fairness, and transparency, ensuring that decisions benefit all stakeholders.

The Company complies with the Securities Market Law, the Law of Corporations, CNBV standards, the Interior Regulation of the Mexican Stock Exchange, and the Corporate Code of Best Practices, reporting compliance every year to authorities and investors.

Board of Directors

GRI 2-9, 2-13

The Board of Directors is CYDSA's highest governing body, defining the objectives, values and strategies that guide the Group's operations. Its members, appointed in the General Annual Ordinary Shareholders' Meeting, provide experience in strategic planning, business, finance, commercialization and marketing, assuring comprehensive and visionary leadership for the Organization.

The principal functions of the Board of Directors are to:

A. Define the strategic direction
B. Guarantee honest and responsible corporate conduct
C. Create economic and social value for shareholders
D. Evaluate and approve management by the Company's chief executive officer and senior directors
E. Promote responsible issuance of information
F. Assure mechanisms are established to identify, analyze, administer and control strategic risks
G. Support the Company's social resposability, protecting the natural environment and encouraging personal development
H. Promote ethical and transparent management

Committes of the Board of Directors

GRI 2-17, 405-1

CYDSA's Board of Directors has the support of three key committees: the **Corporate Practices and Audit Committee**, the **Compensation Policies Committee**, and the **Planning and Finance Committee**. These committees meet periodically to assure solid management in line with the Company's objectives.

Committee Responsibilities:

Corporate Practices and Audit Committee

The main functions of the Corporate Practices and Audit Committee are the following:

- **Internal control and audit**

Oversees the financial statements, the internal control system, and the work of both internal and external auditors, recommending approvals to the Board.

- **Compliance and risks**

Oversees legal and regulatory compliance, evaluating the Company's main risks and how to manage them.

- **Corporate and transparency practices**

Provides opinions on relevant, unusual, and related-party transactions, assuring best corporate governance practices.

- **Accountability to the Board and shareholders**

Informs the Board of Directors, and presents an annual report of its activities to the Shareholders' Meeting.

Compensation Policies Committee
(Consultative Committee for the Board)

Evaluates performance of executives and directors against the goals for the year, which may be production-related, economic, or related to environmental and social performance.

Planning and Finance Committee
(Consultative Committee for the Board)

Manages the Company's resources to ensure efficient use in the areas with the highest need.

The Board of Directors is above these committees, and receives their support in supervising directors and executives. Through regular meetings, the Board and strategic directors analyze sustainability matters, regulatory changes, and stakeholder needs, monitoring the most relevant issues. Minority shareholders may also communicate with the Board through the Investor Relations area.

- **17 proprietary board members** comprised the Board of Directors in 2025
- **6 board members are independent**, representing 35%
- **3 female board members,** representing 18%
- **5 board members** are part of **upper management 24% are non-executive**

NAME	GENDER	AGE	SENIORITY	INDEPENDENT	COMMITTEES	EXPERIENCE	PARTICIPATION ON OTHER BOARDS
1. Tomás Gonzalez Sada, President	M	82	31 years	NO	· Planning and Finance	· Administration and Finance · Strategic Planning	8 boards
2. Edmundo Rodarte Valdés	M	59	1 year	NO	· Planning and Finance	· Administration · Commercial Logistics · Corporate Affairs · Chemical and Manufacturing · Marketing	1 board
3. Herminio Blanco Mendoza	M	75	11 years	YES	· Compensation Policies · Corporate Practices and Audit	· International Relations · Public Administration	2 boards
4. Álvaro Fernández Garza	M	57	14 years	YES	· Corporate Practices and Audit	· Administration and Finance · Strategic Planning	6 boards
5. Eugenio Garza Herrera	M	69	9 years	YES	· Corporate Practices and Audit	· Administration and Finance · Strategic Planning · Art and Culture	15 boards
6. Francisco Javier Garza Zambrano	M	70	13 years	YES	· Corporate Practices and Audit	· Administration and Finance · Strategic Planning · Art and Culture	15 boards
7. Gabriela González Casas	F	52	12 years	NO	· Planning and Finance	· Government · Education · Civil Society Organizations	4 boards
8. Laura González Casas	F	56	13 years	NO	· Planning and Finance	· Government · Education	3 boards
9. Verónica González Casas	F	55	11 years	NO	· Planning and Finance	· Administration and Finance · Strategic Planning · Art and Culture	11 boards

NAME	GENDER	AGE	SENIORITY	INDEPENDENT	COMMITTEES	EXPERIENCE	PARTICIPATION ON OTHER BOARDS
10. Tomás González Casas	M	55	21 years	NO	· Planning and Finance	· Administration	3 boards
11. Mario Laborín Gómez	M	73	21 years	YES	· Corporate Practices and Audit · Compensation Policies	· Administration and Finance · Health	9 boards
12. Humberto F. Lozano Vargas	M	68	8 años	NO	· Planning and Finance	· Finance	1 boards
13. Abelardo Morales Purón	M	70	19 años	NO	· Planning and Finance	· Administration and Finance · Strategic Planning · Real Estate · Art and Culture	7 boards
14. Roberto B. Rubio Barnes	M	70	12 años	NO	· Planning and Finance · Compensation Policies	· Administration and Finance · Sustainable Development · International Relations	6 boards
15. Adrián G. Sada González	M	81	40 años	NO	· Planning and Finance · Compensation Policies	· Administration and Finance · Strategic Planning	3 boards
16. Alejandro von Rossum Garza	M	78	20 años	NO	· Planning and Finance	· Administration · Strategic Planning · Chemical and Manufacturing	1 boards
17. Carlos Salazar Lomelín	M	74	4 años	SI	· Corporate Practices and Audit	· Administration and Finance · Economy · Discretional Consumption · Food and Beverages	2 boards

*The independence of the board members identified as Independent was approved at the General Shareholders' Meeting, and was not objected to by the regulator, the National Banking and Securities Commission (CNBV).

From a strategic leadership perspective, all Board members have vast experience and skills in the areas indicated. Independent board members also make contributions from an industry or sector level, helping establish recommendations for CYDSA's financial, operating, and environmental sustainability.

The Board's accumulation of skills, experience and abilities is particularly relevant considering sustainability-related risks and opportunities and climate change. Management is through a comprehensive focus on internal and external effects, as well as potential mitigation measures in line with industry and sector standards.

During 2026, the Board will be gathering information and complementary knowledge about sustainability management and compliance with IFRS S1 and S2. Their recommendations and directives will contribute to improving CYDSA's sustainability strategy in terms of its governance mechanisms, and in compliance with objectives and metrics.

ESG Governance

GRI 2-12, 2-13
IFRS S1 and S2: Governance

Structure and functioning

The Board of Directors and the Sustainability Committee perform a fundamental role in defining the Organization's vision and strategic priorities, establishing the direction that will guide environmental, social, and governance (ESG) efforts. They are in charge of outlining the principal guidelines for the Company's sustainable and responsible management.

To translate that vision into concrete actions, the Strategic Planning Division, in conjunction with the Sustainability team and general departments, assume responsibility for consolidating the relevant information, designing and applying the corporate risk management methodology, and coordinating action plans derived from the strategic objectives. This coordination ensures effective alignment between the goals defined at the director level, and their implementation at all levels of the Organization.

The operating units, in turn, implement the necessary controls, monitor the advance of initiatives, and activate alerts if risks are detected. Thus comprehensive and continuous supervision is assured, allowing timely reaction in the event of situations that might affect compliance with ESG commitments.

Three-level governance model

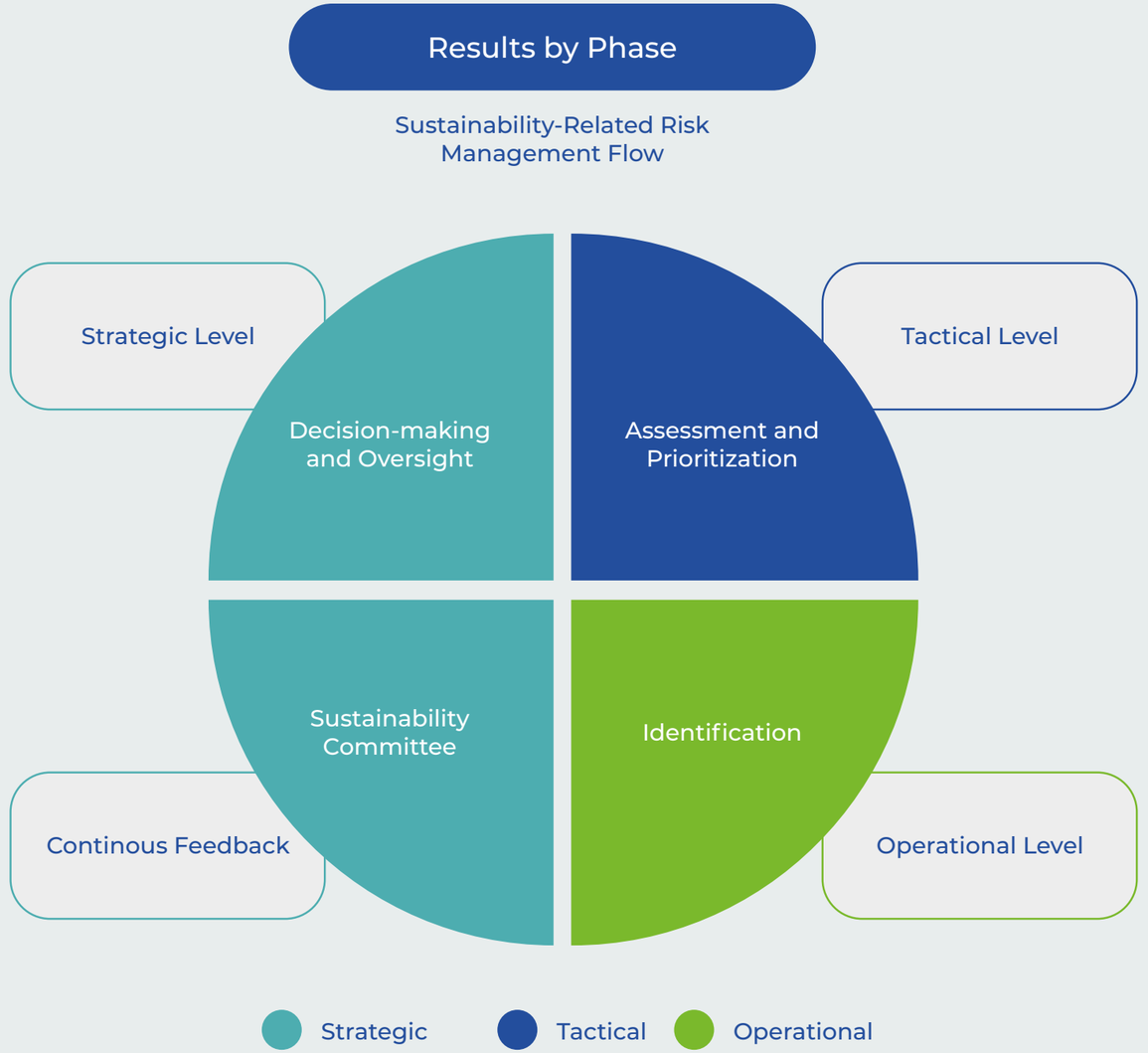
Since 2023, internal structures have been improved with a three-level governance model: strategic, tactical, and operational. This system oversees sustainability, from the highest governing body to daily management, integrating ESG risks and opportunities in decision-making, and assigning clear responsibilities. This ensures alignment between strategy and operations, solidifying a culture focused on sustainability and responsible management.

At the strategic level, the Board of Directors, with the support of the Sustainability Committee, defines the priority risks, establishes the appetite and tolerance for sustainability risks, and supervises the evolution of material topics. The Sustainability Committee, comprised of directors, corporate managers, and the sustainability team, has been pushing strategic initiatives in periodic meetings with corporate areas and business leaders since 2023.

At the tactical level, the Strategic Planning Department, together with corporate sustainability teams and key areas, translates these directives into common methodologies to identify, evaluate, and prioritize risks, as well as into plans, indicators, and reporting mechanisms.

At the operating level, sustainability leaders and site managers implement the directives in the field, manage day-to-day risks, monitor indicators, and report incidents or deviations.

This model is complemented by a structured and continuous flow of risk management, beginning with identification in the operation, continuing with evaluation and prioritization at the tactical level, and culminating in supervision and decision-making at the strategic level. The entire process is supported by ongoing feedback between levels, allowing emerging risks to be anticipated, and assuring that the sustainability strategy remains aligned with business continuity and corporate expectations. As a whole, this system improves coherence, consistency, and the effectiveness of sustainability management in all of the Group's operations.



Identification → Prioritization → Governance → Strategy

Performance Evaluation of the **Board and Committes**

GRI 2-17, 2-18
IFRS S1: Governance

A performance evaluation of the highest governing body in the Company in environmental, social, and corporate governance matters is conducted every year between the first and second quarters. A board comprised of external consultants reviews the achievements and results of the Office of the President.

CYDSA also has a Competitiveness and Growth Strategic Plan that defines the measures to take following the evaluation. This might include changes in the composition of the governing body, or in Company practices. It also aims to improve the Board's collective knowledge in economic, environmental, and social matters in order to improve performance in these areas.

Remuneration **Policies**

GRI 2-19, 2-20, 2-23

The remuneration policies of the Board and CYDSA's senior executives are designed in accordance with industry best practices, and comply with local regulations. The policies are based on information from specialized firms such as Mercer, and compensation groups such as ATECO and G18, ensuring competitiveness and fairness.

CYDSA's Job Valuation Methodology defines remuneration plans considering responsibility, impact on the business, and relationships. Each business unit has specific tabulators by region and position, adapted to their local particularities.

The Compensation Policies Committee, comprised of external advisers, supervises and defines salary increases and bonuses for the Office of the President, based on performance and market analysis.

For more information, please see the 2025 Annual Report.

Corporate Ethics

GRI 2-16, 2-23, 2-26, 3-3
SDG Goals 16.5, 16.6

CYDSA has a Code of Conduct that reflects its commitment to clients, employees, shareholders, suppliers, and communities. This document establishes how personnel are expected to act, from board members and directors to employees, based on compliance with local and international laws, and on the principles of the Corporate Policies.

Each business or corporate unit director is responsible for distributing this code. With the support of Human Resources, it is assured that everyone in operating areas understand and apply the code.

Complaint Handling and Corrective Action Mechanisms

GRI 2-16, 2-25

In 2024, an ethics line managed by Lética, a specialized third party, was implemented as part of CYDSA's commitment to transparency and integrity. This channel is an addition to other already-existing channels, such as physical boxes at each business unit, an exclusive email, and a dedicated telephone line.

The anonymous complaint line allows anyone tied to the Group to report violations to the Code of Conduct, policies, procedures, or Company rules. It ensures confidentiality, protects anonymity, and facilitates more organized and effective case management, improving CYDSA's culture of transparency.

The Surveillance Committee, created in previous years, continues to be key to evaluating, resolving, and following up on cases. It is in constant communication with the Corporate Practices Committee, and the Audit Committee of the Board of Directors, providing clear reports on cases and actions taken.

Conflicts of Interest

GRI 2-15, 2-23

CYDSA encourages honesty and transparency with its Conflicts of Interest Policy in order to prevent fraud and corruption. Every year it visits its business units to verify the Code of Conduct has been distributed and complied with.

When there are conflicts that violate market regulations, the Corporate Practices Committee, the Audit Committee, and the Board of Directors get involved, following market protocols and publicly reporting confirmed cases, thus ensuring transparency and accountability.

Regulatory Compliance

The Mexican government can change laws, policies, or regulations in a way that impacts the political and economic situation of the country; this could also impact CYDSA's businesses. The time and scope of these changes are unpredictable. The government's decisions on the economy, and regulation of sectors such as the chemical and energy sectors, could have a significant impact on the Company and on the local market. CYDSA therefore strives to be prepared to adapt its operations to possible changes.

For example, in 2025, the National Banking and Securities Commission (CNBV) established mandatory compliance with International Financial Reporting Standards in sustainability, specifically IFRS S1 and S2, in annual reports. This regulatory change means that companies must release detailed information on risks, opportunities, and metrics related to sustainability and climate change. This has required CYDSA to improve its internal processes to guarantee compliance and transparency in its reports.

Anti-corruption

GRI 205-1, 205-2, 205-3

Evaluation of operations in light of corruption risks

CYDSA reviews its operations regularly to identify corruption risks in all business areas, such as Purchasing, Production, Inventory, Sales, Human Resources, Finance, and Normative Compliance. The entire operation is monitored to prevent and reduce risks, based on policies and procedures that detect and prevent suspected corrupt activities.

Identification of significant corruption-related risks

The Annual Internal Audit Program evaluates corruption risks at all business units, applying preventive and corrective measures. Among the reviewed risks are kickbacks in contracts, conflicts of interest, falsification of documents, sales or improper credits, nepotism, accounting fraud, and payroll manipulation, among others.

Anti-corruption communication and training

CYDSA supports communication and training on anti-corruption policies for employees and contractors. It uses anonymous complaints, internal audits, codes of ethics, bulletins, signage at facilities, awareness programs, online courses, workshops, and organizational climate surveys.

Responsible **Supply Chain**

GRI 3-3, 308-2, 407-1, 414-2

Building relationships with suppliers based on common objectives, transparency, and ethics is a priority for the Company, following the Group's Código de Conducta. To that end, it created the Guiding Principles for Suppliers, inspired by its Code of Ethics and Purchasing Policies. They establish the minimum expectations in areas such as Human and Labor Rights, Sustainability, Culture of Legality, and Information Safety.

Suppliers are expected to adopt methods and practices that guarantee:

- A safe work environment that respects and protects human rights.
- An active commitment to the communities where it operates.
- Use of best practices to manage and protect confidential information.
- Compliance with standards and transparent and fair relationships with third parties, amoung other essential aspects.

ESG Risk Management

To learn more about the structure and mechanisms for delegating responsibilities within CYDSA's corporate governance bodies, please visit here.

GRI 3-3

ESG risk management is key to companies in the chemical sector, as their operations have the ability to impact the environment, society, and reputation. Within a context in which sustainability and responsibility are increasingly important, CYDSA seeks to balance innovation and growth with preventing risks to health, environmental safety, and compliance with standards.

Governance

IFRS S1 and S2: Governance

The Sustainability Committee, comprised of directors, corporate managers, and the sustainability team, has been pushing strategic initiatives in periodic meetings with corporate areas and business leaders since 2023. It has also established a formal process for monitoring the sustainability strategy and decision-making every quarter, with participation of the Group's Chairman of the Board, the Chief Executive Officer, and other Top executive leaders.

Strategy

IFRS S1 and S2: Strategy

For sustainable growth, CYDSA has defined strategies that center on operating efficiency, clean technologies, and responsible resource management, seeking to strengthen its competitiveness and reduce environmental and social impacts.

- **Reducing emissions:** clean technologies, efficient cogeneration, and lower energy consumption with the implementation of artificial intelligence and cleaner energy alternatives.
- **Water management:** minimize consumption and pollution by better water treatment and recirculation.
- **Waste management:** recycling and adequate disposal of operating waste
- **Industrial safety:** strict protocols in risky activities, annual audits, and electronic complaint-reporting system.
- **Occupational health:** annual diagnostics, first aid training, and control of absenteeism.
- **Diversity and equity:** training, inclusive recruitment and encouraging female participation.
- **Safe environment:** international safety and sustainability standards, responsible communication, and preventing environmental incidents.
- **Community value:** improving relationships, ongoing dialogue, and programs for health, education, and community development.

In 2025, CYDSA formalized alignment of its sustainability strategy with IFRS standards S1 and S2 of the ISSB[13], in order to improve the quality, comparability, and utility of information for financial report users. In this process, risks and opportunities of material sustainability topics were identified (in accordance with IFRS S1, which covers topics that could impact cash flows, access to financing or cost of capital), as were those derived from climate change (in conformance with IFRS S2, focused on physical risks and climate-related transition, as well as opportunities).

CYDSA evaluated prioritization of risks, opportunities, and impacts identified with the support of a third-party expert, considering their materiality for the Company and their relevance to stakeholders. This process included determining which topics require immediate attention, and which may be addressed in the medium and long term, as a function of their potential impact on operations and on strategic decision-making. This phase of selection considers:

- **Probability of occurrence**
- **Degree of severity and nature of potential impacts**
- **Type and degree of possible operating interruptions**
- **Financial and associated regulatory costs**

[13] The trustees of the IFRS Foundation announced the creation of the International Sustainability Standards Board (ISSB) on November 3, 2021. The IFRS Foundation is part of the International Accounting Standards Board (IASB).

De esta forma, CYDSA identificó los 4 temas principales que son doblemente materiales (materialidad de impacto y financiera) para la organización:

S1:

1. Effect on operations due to scarce and unavailable water caused by impacts to the distribution infrastructure and natural events in operating areas thar could affect business continuity, increase costs, and impact the Company's physical assets.

2. Prevalence of work-related accidents, occupational diseases, exposure to chemical substances, or accidents at industrial facilities that could affect the health and integrity of employees and third parties, leading to sanctions and fines levied by authorities, and impacting the Company's reputation.

S2:

3. Interruption to water supply (potable and/or treated) due to impacts to the water network after severe meteorological phenomena such as tropical cyclones and extreme rains.

4. Logistical interruptions affecting the distribution chain an causing delays in product delivery due to intense precipitation and flooding

Governance of these topics, strategy, risk management, and metrics and objectives are available in the sections “Water Management” and “Health and Safety Culture.” Defining these priorities will be key to continue allocating resources to the most critical areas, and assuring effective management that aligns with corporate objectives.

The following analysis goes into greater detail about IFRS S2, which is focused on all risks, opportunities, and potential impacts arising from climate change.

Risk Management

IFRS S2: Risk Management

In 2024, CYDSA began to identify the challenges, risks and opportunities it faces, as well as their possible impacts. It also evaluated the existing structures, policies, and corporate governance mechanisms to manage them.

In 2025, the Company focused its efforts on consolidating a comprehensive sustainability risk management strategy. The objective was to identify potential adverse impacts, and create specific plans to prevent or mitigate them, while capitalizing on opportunities that could strengthen the business model. As a result, a more exhaustive analysis of the physical risks was conducted, and progress was made in evaluating transition risks.

The Company sought to formalize the process according to the parameters and requirements dictated by IFRS S1 and S2. To that end, a third-party expert was hired to improve the analysis and migrate from a focus by general location, to one more oriented to the potential risks, opportunities, and impacts that could occur in each business area.

Listed below are the types of risks identified, as well as the potential impacts and ways to manage them:

Type of Risk	Definition	Potential Impact at CYDSA	CYDSA's Risk Management
Physical – from climate change	Extreme events and adverse climate conditions, such as heat waves, intense storms, drought, and rising sea levels, which may cause material damage, economic losses, and impact infrastructure and human safety.	- Physical impacts to production plants - Scarce resources - Increasingly expensive raw materials - Health impacts to personnel	CYDSA has identified the regions where it operates that are more affected by climate effects. Its initiatives for efficient water use and energy will allow it to face this risk as it intensifies.
Transition and adaptation to climate change	Challenges that face companies and communities when adjusting to changes in policies, technologies, and practices to reduce greenhouse gas emissions, and adapt to already-present climate impacts.	- Investment in new technologies and systems - Obsolete production equipment - Adaptation to regulatory changes	In response, CYDSA is investing to adopt the most efficient and environmentally friendly production technologies.
Macroeconomic	Inflation, unemployment, exchange rate volatility, financial crises and fluctuations in the prices of basic products, among other things, that may have a significant impact on economic growth and financial stability.	- Increased production costs - Higher financing costs - Supply chain disruption	CYDSA has procedures to analyze and incorporate the impacts of macroeconomic variables in financial planning.

Type of Risk	Definition	Potential Impact at CYDSA	CYDSA's Risk Management
Changes in market demand	Adjustments in the preferences, needs, and demands of served and potential markets.	- Obsolete products and/or services offered - Capital required for innovation	Although the Group understands that certain products have stable elasticity of demand, it seeks to innovate in the complementary services it can offer, such as incineration of fluoride gases using plasma arc technology.
Social	The health, safety, and well-being of employees, conflicts with local communities due to environmental or health concerns, and questions related to safety risks due to organized crime in the areas surrounding operations, and human rights in the supply chain.	- Costs for socioeconomic failures - Costs to remediate impacts - Loss of clientele / commercial relationships	The implementation of health and safety policies, psychosocial risks, diversity, equity and inclusion, as well as human rights underlie safe and healthy working conditions, as well as access to attractive benefits.
Regulatory changes	Adaptation to modifications in regulatory frameworks, laws, and standards that govern ethical and transparent business operation.	- Adaptation of internal processes - Possible suspension of activities	The understanding and daily application of the highest operating standards allows the Company to adapt to new standards and modify existing ones.
Corporate governance	These may include anti-corruption practices, lack of transparency when releasing information, conflicts of interest, inadequate accounting practices, and failure to comply with standards.	- Damage to reputation - Costs due to regulatory breach - Costs to remediate impacts - Loss of external capital	CYDSA has a robust policy framework that allows it to fully comply with regulations, and to have adequate identification mechanisms.

Risks related to climate change

Following the in-depth analysis of the physical and transition risks related to climate change, an adjustment was made to the time horizons, from 2026 to 2030 (short term), 2031 to 2040 (medium term), and 2041 to 2050 (long term).

Work continues according to IPCC models and literature:

Optimistic Scenario (Low Emissions)	Intermediate Scenario (Average Emissions)	Pessimistic Scenario (High Emissions)
SSP1-2.6, IPCC 2021APS, IEA 2024 **1.3-2.4 °C by 2100** The optimistic scenario considers that all Net Zero objectives announced in 2024, including NDC, will be met on time. Temperature limited to approximately 1.8°C. Medium transition.	**SSP2-2.4| IPCC 2021** **2.1-3.5°C by 2100** Delay in reaching announced objectives, renewable generation is not sufficient to reduce fossil fuels at the pace required. Temperature increases by 2.7°C. Slow transition.	**SSP3-7.0| IPCC 2021** **2.6 a 4.6°C by 2100** Associated with socioeconomic route 3 (SSP3) with high regional competititon that assumes serious challenges for transition. Temperature increases more than 3°C. Very slow transition.

To fine-tune the exposure levels of each business in the different operating locations, nine physical risks and nine different transition risks were analyzed, which are connected to hazardous climate conditions studied during the first approach to this exercise in 2024. However, after performing an exhaustive analysis on the degree of impact and potential financial materiality of each, it was decided that CYDSA's focus will remain on managing water risks.

To learn more about how the material topic of water is managed, as well as the list of risks and opportunities for the business in this area, please see the section "Water Management"

Physical risks

SDG 13 – Goal 13.1
IFRS S2: Strategy 8-12, 22, Risk Management 24-25

The physical risks of climate change refer to the direct threats that environmental phenomena derived from the changing climate represent to human health, infrastructure, ecosystems, and economic stability, manifesting as tangible impacts requiring adaptation measures to reduce losses and damages.

CYDSA conducted a first analysis on exposure to physical climate risks based on TCFD (Task Force on Climate-Related Financial Disclosures) directives in 2023. During 2025, the analysis was complemented by considering the locations where production plants operate. The objective of the analysis was to understand and quantify the level of exposure of the different production locations in light of future climate scenarios.

The following table lists the physical risks and time horizons to which the businesses are exposed due to climate change impacts:

Type of Physical Risk	Businesses with Exposure	Time Horizon
Heat waves	IQUISA / QUIMOBÁSICOS / SALES DEL ISTMO	Short Medium
Prolonged drought followed by intense rains	IQUISA / QUIMOBÁSICOS	Short Medium
Extreme rain, wind, or electrical discharges	IQUISA / QUIMOBÁSICOS / SALES DEL ISTMO	Short Medium
Rising sea levels	ASSE/ IQUISA / SALES DEL ISTMO/ COGENERACIÓN	Medium Long

Close (2026-2030) || Medium (2031-2040) || Distant (2041- 2050)

Transition risks

SDG 13 – Goal 13.1
IFRS S2: Strategy 8-12, 22, Risk Management 24-25

Transition risks are those that arise from efforts to transition to an economy with low-carbon emissions. These risks include political, legal, technological, market, and reputational risks. They could have financial implications for an entity, such as increased operating costs, or impairment of assets due to new or modified climate-related regulations. Operating costs due to carbon tax payments could also be higher, reducing profit margins.

After detailed studies about what could happen due to the identified climate risks, it was concluded that the main impacts to CYDSA could include:

- Investment in new technologies and systems
- Obsolescence of production equipment
- Adaptation to regulatory changes

In response, CYDSA is investing in adaptation of the most efficient and environmentally friendly production technologies. Please visit the chapter on “Medio Ambiente” to learn about strategies, such as applicable risk management mechanisms.

Metrics and Objectives

IFRS S1: Metrics and Objectives

CYDSA has established measurable objectives out to 2030, evaluating its strategies and ensuring they are aligned with its sustainability and social responsibility commitments. These metrics allow the Company to monitor progress and make data-based decisions. For more detail, please see the section “Quantitative Objectives”

08

ANNEXES

Summary of ESG Data

Performance

	Ambiental	2019	2020	2021	2022	2023	2024	2025	VARS % A-c-A	SASB Equivalent
*	Production (thousand tons)	-	-	-	1,539	1,681	1,693	1,909	12.7%	
	SISA + Salt Processor and Distributor (Domestic and Industrial Consumption)	-	-	-	707	716	715	690	-3.5%	
	IQUISA (Chlorine, Caustic Soda, and Derivative Specialties)	-	-	-	824	960	975	1,216	24.7%	
	Quimobásicos (Refrigerant Gases)	-	-	-	7.81	4.43	3.43	2.22	-35.3%	
GRI 302	Energy - 2016									
302-1	Energy Consumption within the organization (thousand GJ)	-	-	-	8,308	9,192	9,153	8,426	-7.9%	RT-CH-120a.1
	Consumption from **non-renewable** resources	-	-	-	8,210	9,171	9,094	8,085	-11.1%	
	Purchased electricity (outside the organization)	-	-	-	469	313	791	1,651	108.7%	
	Purchased fuels	-	-	-	7,741	8,858	8,303	6,434	-22.5%	
	Natural gas	-	-	-	7,737	8,806	8,233	6,371	-22.6%	
	LP gas	-	-	-	34.05	28.49	39.76	33.97	-14.6%	
	Diesel	-	-	-	6.77	20.01	25.82	23.97	-7.2%	
	Gasoline	-	-	-	1.72	3.23	4.35	4.82	10.8%	
	Consumption from **renewable** or **clean** sources	-	-	-	301	236	213	360	68.8%	
	Purchased electricity (outside the organization)	-	-	-	108	36	98	245	151.5%	
	Hydrogen generated (within the organization)	-	-	-	192	201	116	115	-1.0%	
	Electricity **sold (outside the organization)**	-	-	-	-223	-215	-155	-18	-88.1%	
302-3*	Energy intensity									
	Energy consumption per unit of production (GJ/ton)	-	-	-	5.45	5.47	5.40	4.41	-18.3%	
	Energy consumption per unit of SES energy production (GJ/GJ)	-	-	-	1.74	1.79	1.79	1.62	-9.5%	
	Energy supplied to SES	-	-	-	7,821	8,855	8,126	6,208	-23.6%	
	Purchased fuel (natural gas)	-	-	-	7,386	8,422	7,694	5,772	-25.0%	
	Electricity used (steam auxiliaries)	-	-	-	39	40	47	64	34.6%	
	Condensate return (condensed steam)	-	-	-	395	393	385	373	-3.1%	
	Energy delivered by SES	-	-	-	4,482	4,953	4,542	3,837	-15.5%	
	Electricity generated	-	-	-	2,190	2,676	2,310	1,673	-27.6%	
	Thermal energy generated	-	-	-	2,293	2,278	2,232	2,164	-3.1%	

		2019	2020	2021	2022	2023	2024	2025	VARS % A-c-A	SASB Equivalent
302-4	Variation in energy consumption compared to base year 2021				3%	12%	10%		-10.0 pp	
GRI 303	Water and effluents - 2018									
303-3	Water withdrawal (thousand m^3)									
	Total water withdrawal from all areas	-	-	-	4,183	4,777	3,570	4,628	29.6%	
Water as a national asset	Surface water	-	-	-	3,666	1,915	958	1,983	107.0%	
	Groundwater	-	-	-		2,067	2,075	2,091	0.8%	
	Seawater	-	-	-	0	0	0	0	NM	
	Produced water	-	-	-	0	0	0	0	NM	
	Third-party water	-	-	-	516	795	537	554	3.2%	
	Total water withdrawal from all water-stressed areas	-	-	-	-	1,306	765	1,198	56.6%	
	Surface water	-	-	-	-	0	0	0	NM	
	Groundwater	-	-	-	-	510	619	643	3.9%	
	Seawater	-	-	-	-	0	0	0	NM	
	Produced water	-	-	-	-	0	0	0	NM	
	Third-party water	-	-	-	-	795	146	554	279.6%	
	Percentage of water withdrawn from water-stressed areas	**-**	**-**	**-**	**-**	**27%**	**21%**	**26%**	**4.4 pp**	
303-4*	Water discharge (thousand m^3)	-	-	-	-					
	Total water discharged in all areas					430	574	612	6.7%	
	Surface water	-	-	-		355	531	495	-6.8%	
	Groundwater	-	-	-		0	0	0	NM	
	Seawater	-	-	-		0	0	0	NM	
	Third-party water	-	-	-		75	43	117	-42.8%	
	Total water discharged in water-stressed areas	-	-	-		287	379	346	-8.8%	
	Surface water	-	-	-		212	336	228	-32.0%	
	Groundwater	-	-	-		0	0	0	NM	
	Seawater	-	-	-		0	0	0	NM	
	Third-party water	-	-	-		75	43	117	171.8%	
	Percentage of water discharged in water-stressed areas	**-**	**-**	**-**		**67%**	**66%**	**56%**	**-9.6 pp**	
303-5	Water consumption (thousand m^3)									RT-CH-140a.1
	Total water consumption in all areas	4,862	3,548	3,366	4,183	4,347	2,995	4,015	34.1%	
	Total water consumption in water-stressed areas	-	-	-	-	1,019	1,047	1,079	3.0%	
	Percentage of water consumption from water stressed areas (%)	**-**	**-**	**-**	**-**	**23%**	**35%**	**27%**	**-8.1 pp**	

		2019	2020	2021	2022	2023	2024	2025	VARS % A-c-A	SASB Equivalent
GRI 305	Emissions - 2016									
305-1	Direct GHG emissions (Scope 1)	1,813	962	1,945	856	550	506	380	-24.9%	
305-2	Indirect GHG emissions from energy generation (Scope 2)	424	422	482	391	484	529	557	5.3%	IF-EU-110a.2
	Total GHG emissions (Scopes 1 and 2), CO_2 equivalent (thousand tons CO_2e)	2,237	1,384	2,427	1,246	1,034	1,035	937	-9.4%	RT-CH-110a.1
305-4	GHG emissions intensity (thousand tons CO_2e / thousand tons produced)									
	Direct GHG emissions intensity (Scope 1)	-	-	-	0.56	0.33	0.30	0.20	33.4%	
	Indirect GHG emissions intensity from energy generation (Scope 2)	-	-	-	0.25	0.29	0.31	0.29	6.5%	
	Total GHG emissions intensity (Scopes 1 and 2)	-	-	-	0.81	0.62	0.61	0.49	-19.7%	
	Reduction in GHG emissions intensity (vs. base year 2018)	**-**	**-**	**-**	**-52.0%**	**-63.6%**	**-63.9%**	**-71.0%**	**-7.1 pp**	
305-5	Reduction of GHG emissions (%, vs. base year 2018)									
	Total GHG emissions (Scopes 1 and 2)	-18.8%	-49.8%	-11.9%	-54.7%	-62.5%	-62.4%	-66.0%	-3.5 pp	
	Direct GHG emissions (Scope 1)	-23.8%	-59.5%	-18.2%	-64.0%	-76.9%	-78.7%	-84.0%	-5.3 pp	
	Indirect GHG emissions from energy generation (Scope 2)	12.5%	11.9%	27.9%	3.8%	28.4%	40.3%	47.8%	7.5 pp	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions (tons)				114	501	387	151		RT-CH-120a.1
	NOx: Nitrogen oxides (NOx) NOx: Nitrogen oxides (NOx)	-	-	-	106	483	377	147	-61.0%	
	SOx: Sulfur dioxide (SO_2)	-	-	-	1.20	12	10	1	-91.1%	
	Persistent organic pollutants (POPs)	-	-	-	0	0	0	0	NM	
	Volatile organic compounds (VOCs)	-	-	-	-	3.22	0	2	NM	
	Hazardous air pollutants (HAPs)	-	-	-	0	0	0	0	NM	
	Particulate matter (PM): total suspended particles (TSP)	-	-	-	6.30	2.41	0	1	NM	

		2019	2020	2021	2022	2023	2024	2025	VARS % A-c-A	SASB Equivalent
GRI 306	Waste - 2020									
306-3	Total weight of waste (tons)	-	-	-	7,012	6,785	6,826	6,845	0.3%	RT-CH-150a.1
	Hazardous liquid waste	-	-	-	120	418	72	107	48.3%	
	Hazardous solid waste	-	-	-	957	650	521	524	0.7%	
	Infectious hazardous biological waste	-	-	-	-	0.4	1.2	2.0	61.3%	
	Hazardous waste (total)	-	-	-	1,077	1,069	594	633	6.6%	
	Special handling waste	-	-	-	5,617	5,349	5,926	5,873	-0.9%	
	Municipal solid waste (non-hazardous)	-	-	-	319	366	306	339	10.7%	
	Non-hazardous waste (total)	-	-	-	5,936	5,716	6,232	6,212	-0.3%	
306-4	Waste **diverted** from disposal (tons)	-	-	-	2,105	2,525	1,793	1,578		RT-CH-150a.1
	% of total waste diverted from disposal	-	-	-	30%	39%	29%	26%	-2.9 pp	
	Total weight of **hazardous** waste diverted from disposal	-	-	-	7.00	45	62	52	-15.9%	
	Total weight of **non-hazardous** waste diverted from disposal	-	-	-	2,098	2,479	1,731	1,526	-11.9%	
306-5	Waste direct to disposal (tons)	-	-	-	4,908	4,005	4,425	4,501		RT-CH-150a.1
	% of total waste direct to disposal	-	-	-	70%	61%	71%	74%	2.9 pp	
	Total weight of **hazardous** waste direct to disposal	-	-	-	1,070	753	526	543	3.3%	
	Total weight of **non-hazardous** waste direct to disposal	-	-	-	3,838	3,252	3,899	3,957	1.5%	

303-1: In previous years, there was no breakdown of water consumption from national sources. Starting in 2023, and for all subsequent years, it will be reported as surface water and groundwater, in accordance with the reporting standards of GRI 303: Water and Effluents 2018.

Social								
		2021	2022	2023	2024	2025	VARS % A-c-A	SASB Equivalent
GRI 2	General Disclosures - 2021							
2-7	Employees							
	Total employees (no.)	**1,885**	**1,929**	**2,083**	**2,128**	**2,221**	**4.4%**	
	Employees by gender (total)							
	Women	226	237	249	277	287	3.6%	
	Men	1,659	1,692	1,834	1,851	1,934	4.5%	
	Employees by employment category (total)							
	Employees	893	911	976	1,001	950	-5.1%	
	Unionized employees	992	1,018	1,107	1,127	1,030	-8.6%	
	Employees by region (total)							
	State of Mexico	97	94	95	95	99	4.2%	
	Hermosillo	19	21	24	23	24	4.3%	
	Mexico City	265	260	279	276	281	1.8%	
	Nuevo León	393	407	422	452	441	-2.4%	
	Tlaxcala	45	45	44	44	48	9.1%	
	Veracruz	1,066	1,102	1,219	1,238	1,328	7.3%	
	New Hires (No.)	135	181	387	376	443	17.8%	
	Hiring employees	36	100	126	149	1677	12.1%	
	Contrataciones sindicalizados	99	81	261	227	276	21.6%	
	New hires by gender (No.)	36	100	126	149	167	12.1%	
	Women	10	28	35	49	68	38.8%	
	Men	26	72	91	100	99	-1.0%	
	New unionized hires by gender (No.)	99	81	261	227	276	21.6%x	
	Women	0	1	5	15	7	-53.3%	
	Men	99	80	256	212	269	26.9%	
	New hires by age (No.)	36	100	126	14	16	12.1%	
	People under 30	19	49	52	66	90	36.4%	
	Between 30 and 50 years old	17	49	65	71	65	-8.5%	
	People over 50	0	2	9	12	12	0.0%	
	New hires by age (union members)	99	81	261	227	276	21.6%	
	People under 30	78	54	170	159	192	20.8%	
	Between 30 and 50 years old	20	27	86	61	80	31.1%	
	People over 50	1	0	5	7	4	-42.9%	

Social						
New hires by region (No.)	36	100	126	149	167	12.1%
State of Mexico	1	1	1	1	2	100.0%
Hermosillo	2	3	2	2	2	0.0%
Mexico City	7	15	20	23	21	-8.7%
Nuevo León	11	21	46	52	42	-19.2%
Tlaxcala	0	3	1	1	4	300.0%
Veracruz	15	57	56	70	96	37.1%
New unionized hires by region (No.)	99	81	261	227	276	21.6%
State of Mexico	0	0	5	1	12	1100.0%
Hermosillo	6	7	5	6	14	133.3%
Mexico City	22	12	70	82	53	-35.4%
Nuevo León	32	25	38	45	39	-13.3%
Tlaxcala	4	4	6	7	6	-14.3%
Veracruz	35	33	137	86	152	76.7%
Total number of departures (no.)	114	144	199	262		-100.0%
Number of employee departures	43	76	78	97	100	3.1%
Number of unionized departures	71	68	121	165	133	-19.4%
Number of employee departures by gender (no.)	43	76	78	260	153	-41.2%
Women	10	19	20	78	51	-34.6%
Men	33	57	58	182	102	-44.0%
Number of unionized departures by gender (no.)	71	68	121	402	197	-51.0%
Women	5	0	6	16	11	-31.3%
Men	66	68	115	386	186	-51.8%
Number of employee departures by age (no.)	43	76	78	130	153	17.7%
Under 30 years	11	29	22	44	49	11.4%
Between 30 and 50 years	18	31	36	68	73	7.4%
Over 50 years	14	16	20	18	31	72.2%

	2021	2022	2023	2024	2025	VARS % A-c-A	SASB Equivalent
Number of unionized departures by age (no.)	71	68	121	201	197	-2.0%	
Under 30 years	34	31	49	115	96	-16.5%	
Between 30 and 50 years	26	25	47	71	79	11.3%	
Over 50 years	11	12	25	15	22	46.7%	
Number of employee departures by region (no.)	43	76	78	260	153	-41.2%	
State of Mexico	1	2	1	0	2	100%	
Hermosillo	2	3	1	6	1	-83.3%	
Mexico City	16	10	14	52	17	-67.3%	
Nuevo Léon	12	21	32	62	34	-45.2%	
Tlaxcala	1	1	1	4	2	-50.0%	
Veracruz	11	39	29	136	97	-28.7%	
Number of unionized departures by region (no.)	71	68	121	402	197	-51.0%	
State of Mexico	0	1	3	4	8	100.0%	
Hermosillo	5	5	4	12	14	16.7%	
Mexico City	21	22	43	164	52	-68.3%	
Nuevo león	25	14	41	72	58	-19.4%	
Tlaxcala	5	6	5	12	4	-66.7%	
Veracruz	15	20	25	138	61	-55.8%	
Employee turnover rate (%)							
Turnover by gender							
Women	6.6%	8.2%	10.7%	35.7%	22.0%	-13.8 pp	
Men	6.0%	7.5%	9.8%	30.8%	15.2%	-15.6 pp	
Turnover by job category							
Employees	5%	8.4%	8.3%	9.8%	10.3%	0.4 pp	
Unionized employees	7%	6.8%	11.4%	14.8%	12.3%	-2.4 pp	
Turnover by region							
State of Mexico	1.0%	3.1%	4.2%	4.2%	10.3%	6.1 pp	
Hermosillo	36.8%	40.0%	22.2%	18.9%	63.8%	44.9 pp	
Mexico City	14.0%	12.2%	21.7%	77.8%	24.8%	-53.1 pp	
Nuevo León	9.4%	8.8%	17.6%	30.7%	20.6%	-10.1 pp	
Tlaxcala	13.3%	15.6%	13.5%	36.4%	13.0%	-23.3 pp	
Veracruz	2.4%	5.4%	4.7%	22.3%	12.3%	-10.0 pp	

		2021	2022	2023	2024	2025	VARS % A-c-A	SASB Equivalent
401-3	Parental leave							
	Women							
	Employees who took parental leave (No.)	10	10	4	5	5	0.0%	
	Employees who returned to work after parental leave ended (No.)	7	8	3	5	4	-20.0%	
	Return-to-work rate of employees who took parental leave (%)	70%	80%	75%	100%	80%	-20.0%	
	Employees who remained at work 12 months after parental leave ended (No.)	-	-	2	5	4	NM	
	Retention rate 12 months after parental leave ended (%)	-	-	50%	100%	80%	NM	
	Men							
	Employees who took parental leave (No.)	59	56	41	43	58	34.9%	
	Employees who returned to work after parental leave ended (No.)	59	55	39	43	56	30.2%	
	Return-to-work rate of employees who took parental leave (%)	100%	98%	95%	100%	97%	-3.4%	
	Employees who remained at work 12 months after parental leave ended (No.)	-	-	36	42	56	NM	
	Retention rate 12 months after parental leave ended (%)	-	-	88%	98%	97%	NM	
	Total							
	Employees who took parental leave (No.)	69	66	45	48	63	31.3%	
	Employees who returned to work after parental leave ended (No.)	66	63	42	48	60	25.0%	
	Return-to-work rate of employees who took parental leave (%)	95%	95%	93%	100%	95%	-4.8%	
	Employees who remained at work 12 months after parental leave ended (No.)	-	-	38	47	6000.0%	NM	
	Retention rate 12 months after parental leave ended (%)	-	-	84%	98%	95.2%	NM	

		2021	2022	2023	2024	2025	VARS % A-c-A	SASB Equivalent
GRI 403	**Occupational health and safety – 2016**							
403-9	Work-related injuries							RT-CH-320a.1
	Fatalities from work-related injuries (No.)	0	0	0	2	0	0.0%	
	Fatality rate (per 200,000 hours worked)	0	0	0	0.16	0	-16.0 pp	
	High-consequence work-related injuries [excluding fatalities] (No.)	11	7	6	21	8	-61.9%	
	Rate of high-consequence injuries (per 200,000 hours worked)	0.60	0.41	0.37	1.65	0.60	-104.9 pp	
	Recordable work-related injuries (No.)	23	24	20	39	8	-79.5%	
	Recordable injury rate (per 200,000 hours worked)	1.25	1.41	1.23	3.06	0.49	-256.7 pp	
	Hours worked	3,673,265	3,415,856	3,262,672	2,551,147.5	2,676,421	4.9%	
GRI 404	**Training and education – 2016**							
404-1	Average training hours per employee per year (No.)	76	59	60	48	60	25.0%	
	Unionized employees (man-hours per person)	103	90	77	69	69	0.0%	
	Employees (man-hours per person)	47	25	24	25	43	72.0%	
404-3	Percentage of employees receiving performance evaluations							
	Total employees (%)	-	-	2.7%	3.2%	3.2%	NM	
	Men (%)	-	3.7%	2.8%	3.4%	3.4%	0.0 pp	
	Employees	-	0	0	0	0	NA	
	Professionals	-	0	0	0	0	NA	
	Officers	-	0	0	0	0	NA	
	Managers	-	100%	100%	100%	100%	0.0 pp	
	Directors	-	100%	100%	100%	100%	0.0 pp	
	Women (%)	-	1.3%	1.2%	2.3%	2.1%	-0.2 pp	
	Employees	-	0	0	0	0	NA	
	Professionals	-	0	0	0	0	NA	
	Officers	-	0	0	0	0	NA	
	Managers	-	100%	100%	100%	100%	100.0 pp	
	Directors	-	100%	100%	100%	100%	0.0 pp	

		2021	2022	2023	2024	2025	VARS % A-c-A	SASB Equivalent
GRI 416	Customer health and safety – 2016							
416-1	Assessment of the health and safety impacts of product categories							
	Significant product categories for which health and safety impacts are assessed for improvement (%)	100%	100%	100%	100%	100%	0.0 pp	
CORPORATE GOVERNANCE								
GRI 201	Economic Performance - 2016							
201-1	Direct economic value generated and distributed							
	EVG (millions of pesos)	**-**	**13,612**	**14,160**	**15,039**	**16,299**	**7.7%**	
	Sales to external customers		13,612	14,160	15,039	16,299	7.7%	
	EVD (millions of pesos)		**-12,542**	**-12,288**	**-14,825**	**-16.072**	**7.8%**	
	Dividends paid to majority shareholders		-200	-250	-300	-350	14.3%	
	Dividends paid to minority shareholders		-42	-8	0	0	NM	
	Cost of sales		-8,157	-7,681	-8,579	-9,492	9.6%	
	Selling expenses		-1,877	-2,033	-2,228	-2,777	19.8%	
	Administrative expenses		-1,053	-1,170	-1,389	-1,584	12.3%	
	Other management products		-43	-110	-272	-60	-353.3%	
	Net financial expenses		-594	-503	-1,064	-1861	42.8%	
	Income taxes		-576	-533	-993	52	2009.6%	
	EVR (millions of pesos)		**1,070**	**1,872**	**214**	**227**	**5.7%**	
GRI 405	Diversity and equal opportunity - 2016							
405-1	Diversity in governing bodies and employees							
	Male board members (%)		81%	81%	81%	81%	0.0 pp	
	Female board members (%)		19%	19%	19%	19%	0.0 pp	
	By age (%)							
	Under 30 years		0%	0%	0%	0%	0.0 pp	
	Between 30 and 49 years		20%	6%	6%	6%	0.0 pp	
	Over 50 years		80%	94%	94%	94%	0.0 pp	

Certifications and Recognitions

The Group has a Comprehensive Environmental Management System that defines guidelines based on international environmental standards. These guidelines must be complied with by all work locations and operating processes to guarantee an adequate and sustainable operation.
One of the Company's priorities is to voluntarily adhere to domestic and international initiatives that certify its responsible practices with the environment, adapted to the characteristics of each operating area. It also looks continuously for new solutions to reduce its environmental impact. The main achievements in environmental and social certifications and recognitions are in Annex 3.

Salt for Household Consumption and Industrial Applications

In compliance with Food Safety Standards, the Company maintained certification of standard FSSC-22000:2013 at the Sales del Istmo plant, and at the distribution facilities in Mexico City. Its salt was also recertified as Kosher Quality and Halal Quality.
Certifications were renewed under standards ISO-9001:2015 and ISO-14001:2015 at all production and distribution facilities. In addition, Clean Industry Certification was renewed by the Secretary of the Environment and Natural Resources of the Mexican Government (SEMARNAT).

Chlorine, Caustic Soda, and Related Specialties

The five plants in this business, located in Coatzacoalcos, Santa Clara, Noreste, Tlaxcala and Hermosillo, again received the highest recognitions from the president of the Chlorine Institute of the US, awarded for Safety Excellence in handling chlorine, both in operating processes as well as among personnel.

ISO-9001:2015 and ISO-14001:2015 certifications were renewed. Recertifications were received from NSF International (National Sanitation Foundation of the USA) and Comprehensive Responsibility from ANIQ (National Chemistry Industry Association), for the Coatzacoalcos, Santa Clara, Noreste, Tlaxcala and Hermosillo plants. Similarly, recertification was obtained for the Kosher Quality product, at the Coatzacoalcos plant.

Clean Industry Certification, granted by the Federal Prosecutor for Environmental Protection (PROFEPA) was renewed at the Coatzacoalcos, Noreste, Tlaxcala and Hermosillo plants. The Tlaxcala plant also has Environmental Excellence Recognition, granted by SEMARNAT.

Socially Responsible Company Certification was maintained, granted by the Mexican Center for Philanthropy, at the business' five production plants.

Safe Company Certification through the Self-Management Program in Occupational Health and Safety was granted by the Secretary of Labor and Social Security to the Santa Clara, Noreste, Hermosillo and Tlaxcala plants.

Refrigerant Gases Manufacturing and Commercialization

The Quimobásicos plant obtained recertification under standards ISO-9001:2015 and ISO-14001:2015. Comprehensive Responsibility Certification from ANIQ (Asociación Nacional de la Industria Química), originally obtained in 2013, was also received.

For the tenth consecutive year Quimobásicos maintained its Level 1 Clean Industry certification. In 2004 and 2015, this business also received Environmental Excellence Recognition, granted by the Federal Prosecutor for Environmental Protection (PROFEPA).

Certification continued as a Safe Company Certification through the Self-Management Program in Occupational Health and Safety, granted by the Secretary of Labor and Social Security.

The Quimobásicos plant obtained the TRe award for the second consecutive year, granted by the Government of Nuevo León through the Secretary of Labor. This recognition highlights its commitment to responsible work, and its excellent compliance in three pillars: working conditions, human resources management, and occupational health and safety.

Electricity and Steam Cogeneration

The two plants in the Electricity and Steam Cogeneration business have Investment in Efficient Cogeneration certification, granted by the Energy Regulatory Commission (CRE) of Mexico.

Clean Industry Certification granted by the Federal Prosecutor of Environmental Protection (PROFEPA) was maintained.

GRI
Table of Contents

Content	Disclosure name	Answer in table, omission, and/or modfication	Pages
CYDSA has prepared the report in accordance with the GRI Standards for the period from January 1 to December 31, 2024.			
GRI 1 Used GRI 1: Foundations 2021			
GRI 2: General Disclosures 2021			
1. The organization and its reporting details			
2.1	Organizational details	Nature of ownership and legal form: CYDSA, S.A.B. de C.V. is a publicly traded stock corporation (Sociedad Anónima Bursátil de Capital Variable) incorporated on September 1, 1965. The Issuer has 600 million Series "A" common nominative shares with no par value, listed on the BMV since 1973 and registered in the National Securities Registry, identified by the ticker symbol "CYDSASA". Avenida Ricardo Margáin Zozaya no. 335, Tower 2 Floor 6, Col. Valle del Campestre, in San Pedro Garza García, Nuevo León, Mexico	4, 10, 11. 12
2-2	Entities included in the organization's sustainability reporting	Sales del Istmo, S.A. de C.V.; Industria Química del Istmo, S.A. de C.V.; IQUISA Santa Clara, S.A. de C.V.; IQUISA Noreste, S.A. de C.V.; Sistemas Energéticos SISA, S.A. de C.V.; Almacenamientos Subterráneos de México, S.A. de C.V.; Tenedora Almacenamiento LP 206, S.A. de C.V.; Almacenamientos Subterráneos del Sureste, S.A. de C.V.; Quimobásicos, S.A. de C.V.	Answer in table
2-3	Reporting period, frequency and contact point	Period: January 1 to December 31, 2025 Frequency: Annual Point of contact: Alfonso López Lira Arjona, Mario Luis González Cruz, Hans Edgar Fritz Cea, Alberto Balderas Calderón	
2-4	Restatements of information	For GRI 302-Energy: Following the enhancement of the information used to calculate CYDSA's historical energy consumption, and considering year-over-year variations in the energy factors of the different sources consumed, energy consumption, intensity, and reduction values for the years 2021 to 2025 were restated in 2025. For GRI 403-9: CYDSA reports only recordable lost-time injuries registered with the IMSS to standardize measurement across all plants. This official registry ensures year-over-year and cross-operational comparability, reduces internal classification bias, and strengthens the quality, traceability, and auditability of the information.	Answer in table
2-5	External assurance	This Report has not been verified by a third party.	Answer in table

Content	Disclosure name	Answer in table, omission, and/or modfication	Pages
2. Activitines and Workers			
2-6	Activities, value chain and other business relationships		10-12
2-7	Employees	Please refer to the Social Performance table, pp. 90 for a detailed breakdown.	90
2-8	Workers who are not employees	CYDSA currently has no workers other than its direct employees.	Answer in table
3. Governance			
2-9	Governance structure and composition	The implementation and session of the Sustainability Committee was formalized during 2022.	67
2-10	Nomination and selection of the highest governance body		67
2-11	Chair of the highest governance body	Tomás González Sada serves as Chairman of the Board, and Edmundo Rodarte Valdés as Chief Executive Officer of CYDSA.	Answer in table
2-12	Role of the highest governance body in overseeing the management of impacts		4
2-13	Delegation of resposibility for managing impacts	CYDSA has established a specific Sustainability Committee with responsibility for economic, environmental, and social matters. In addition, the Board of Directors and its committees, given their role in overseeing the company's risks, opportunities, and strategic direction, are likewise involved in and accountable for these matters.	76
2-14	Role of the highest governance body in sustainability reporting		4
2-15	Conflicts of interest		68, 74
2-16	Communocation of critical concerns	CYDSA operates a whistleblowing hotline managed by Lética, which enables more formal and anonymous reporting, thereby improving the integrity of information and strengthening controls in the resolution of cases.	75
2-17	Collective knowledge of the highest government body		74
2-18	Evaluation of the performance of the highest government body		74
2-19	Remuneration policies		
2-20	Process to determine remuneration	Currently, employees and other stakeholders are not involved in these types of compensation decisions.	Answer in table
2-21	Annual total compensation ratio	**Confidentiality Issues.** **The annual total compensation rate, the annual total compensation percentage increase rate, and any contextual information supporting such data have been omitted. This data is confidential for the security of CYDSA personnel. Publishing compensation information places individuals' security and privacy at risk.**	Answer in table
4. Strategy, policies and practices			
2-22	Statement on sustainable development strategy	Please see "Message from the Chariman of the Board and CEO", pp 14-16.	14
2-23	Policy commitments	CYDSA applies the precautionary principle to environmental risk management. If a risk of serious or irreversible damage is identified, effective measures to mitigate its effects will not be postponed on a cost-effective basis and prevent environmental degradation.	14, 44, 45, 55, 59, 61, 74-76
2-24	Embedding policy commitments		

Content	Disclosure name	Answer in table, omission, and/or modfication	Pages
2-25	Processes to remediate negative impacts	As part of the mechanisms through which the Company seeks to minimize the negative impacts of operations, CYDSA has a system for handling neighborhood complaints. A neighborhood complaint is defined as any nuisance, claim, denunciation, report, or disagreement expressed by a neighbor regarding the manufacturing operations of the Company, authority, or media. The Company's protocol for dealing with complaints states that all reports must be fully addressed and resolved. Complaints are separated into three categories, so they can be properly addressed: · Serious: presence of authorities, neighbors, or media in the plant or community; meeting, march, or demonstration against the Company; presence of two or more calls from neighbors for the same reason. · Minor: call from a neighbor to express their disagreement. · Incidents: call from a neighbor to express their dissatisfaction, where the nuisance does not originate within the Company or the nuisance is within the regulations or legislation in force.	75
2-26	Mechanisms for seeking advice and raising concerns	CYDSA operates a whistleblowing hotline managed by Lética, which allows for more formal and anonymous reporting, thereby enhancing the integrity of information and strengthening controls over case resolution. Please refer to page 75 for further details.	75
2-27	Compliance with laws and regulations	Zero cases of non-compliance with laws or regulations and zero fines for non-compliance	26
2-28	Afiliación a asociaciones	Refer to Annual Report: https://www.cydsa.com/informes-anuales/	20, 26, 59, 110
5. Stakeholder engagement			
2-29	Approach to stakeholder engagement		13, 19
2-30	Collective bargaining agreements	The right of employees to freedom of association and collective bargaining is respected. In 2024, the percentage of unionized personnel was 54%.	Answer in table
GRI 3: Material Topcis 2021			
3-1	Process to determine material topics		19, 23
3-2	List of material topics		19

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Contenidos Materiales

Disclosure	Disclosure name	Answer in table, omission, and/or modification	Page(s)
Strategic pillar: Environment			
Net Emissions Reduction			
Energy Consumption and Management			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics		26
GRI 302: ENERGY 2016			
302-1	Energy consumption within the organization	The year 2018 was considered as the base year for measurement, as this is the year when CYDSA began reporting this metric in its Sustainability Reports. Please refer to the response in the GRI 2-4 table on restatements of historical information for this disclosure, also available in the Environmental Performance table on page 86.	28
302-3	Energy intensity		28
302-4	Reduction of energy consumption		28
302-5	Reductions in energy requirements of products and services		26
Climate Change and GHG Emissions			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics		29
GRI 305: EMISSIONS 2016			
305-1	Direct (Scope 1) GHG emissions	The year 2018 was considered as the base year for measurement, as this is when CYDSA began reporting this metric in its Sustainability Reports. The calculation methodology is based on Articles 7 and 8 of the Regulation of the General Law on Climate Change regarding the National Emissions Registry, issued by SEMARNAT.	26, 31
305-2	Energy indirect GHG emissions (Scope 2)		26, 31
305-3	Other indirect GHG emissions (Scope 3)		30
305-4	GHG emissions intensity		31
305-5	Reduction of GHG emissions	The year 2018 was considered as the base year for measurement, as this is when CYDSA began reporting this metric in its Sustainability Reports. The monitoring and accounting of this metric are a formal and integral part of the Group's sustainability management system.	26, 31
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Steam is required in several plant processes; therefore, boilers fueled by natural gas are used, generating emissions of NOx and TSP (Total Suspended Particles). At Quimobásicos, steam is used to maintain the temperature of refrigerant gases; at IQUISA, it is used in the solidification of caustic soda; and at Sales del Istmo, it is used to evaporate water from brine (saltwater) to obtain the final product, which is salt.	88

Disclosure	Disclosure name	Answer in table, omission, and/or modification	Page(s)
Circular economy			
Water Management			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics		32, 39
GRI 303: WATER AND EFFLUENTS 2018			
303-1	Interactions with water as a shared resource		32
303-2	Management of water discharge-related impacts		32
303-3	Water withdrawal		39, 87
303-4	Water discharge		39, 87
303-5	Water consumption	The year 2018 was established as the base year for measurement, as this is when CYDSA began disclosing this metric in its Sustainability Reports. The monitoring and accounting of this metric constitute a formal and integral component of the Group's sustainability management system.	39, 87
Waste and Recycling			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics		40
GRI 306: WASTE 2020			
306-1	Waste generation and significant waste-related impacts		40
306-2	Management of significant waste-related impacts		40
306-3	Waste generated		40, 41, 89
306-4	Waste diverted from disposal		40, 41, 89
306-5	Waste directed to disposal		40, 41, 89
STRATEGIC PILLAR: PEOPLE			
Health and Safety Culture			
Health and safety of the employees			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics		44, 45
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2016			
403-1	Occupational health and safety management system	CYDSA implements an Industrial Safety, Operational Safety, and Environmental Protection Management System (SASISOPA) to identify, reduce, and control health and safety risks in its hydrocarbon processing and storage operations. Joint safety committees are established to assess risks, and safety protocols are followed to investigate and prevent incidents, using tools such as Job Safety Analysis (JSA), What-if analysis, HAZOP, and TASC. Occupational Health and Safety policies are implemented, and periodic inspections are conducted in accordance with NOM-019-STPS-2004. The Group holds international certifications such as SARI and PASST, and uses innovative technologies such as Safer software to simulate hazardous material releases. Civil Protection authorities recognize CYDSA's expertise in chlorine handling and its industrial safety practices.	44, 45, 61
403-2	Hazard identification, risk assessment, and incident investigation		
403-3	Occupational health services		45, 49, 57

Disclosure	Disclosure Name	Answer in table, omission, and/or modification	Pages
403-4	Worker participation, consultation, and communication on occupational health and safety	Until 2023, employees could report non-compliance with the Code of Conduct and internal regulations through a transparency mailbox, a designated email address, and a telephone reporting channel. In 2024, a whistleblowing hotline operated by Lética was introduced, enabling more formal and anonymous reporting, thereby strengthening information integrity and case management controls.	44, 45, 61
403-5	Worker training on occupational health and safety		44, 61
403-6	Promotion of worker health		45, 49, 57
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		44, 47, 61
403-8	Coverage of the occupational health and safety management system	100% of employees are covered by CYDSA's occupational health and safety management system. No employees have been excluded from this disclosure.	Answer in table
403-9	Work-related injuries	It is relevant to note that recordable work-related injuries typically involve falls, sprains, or on-site impacts, and in some cases are associated with the use of machinery, such as electrical shocks. Lost-time injuries reported to the Mexican Social Security Institute (IMSS) per 1,000 employees in 2025: 3.53.	48, 94
Diversity, Equity and Opportunity			
Diversity and equity			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics		51
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016			
405-1	Diversity of governance bodies and employees	In 2025, the Board of Directors was composed of 17 proprietary directors. Six directors are independent, representing 35%. Three women serve on the Board of Directors, representing 18%. Five directors are part of senior management. Twenty-four percent of the Board members are non-executive directors.	51, 52, 68, 95
GRI 406: NON-DISCRIMINATION 2016			
406-1	Incidents of discrimination and corrective actions taken	No cases of discrimination were reported within CYDSA's business unit operations during 2025.	Respuesta en tabla
Talent development and retention			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics		53
GRI 201: ECONOMIC PERFORMANCE 206			
201-3	Defined benefit plan obligations and other retirement plans	At CYDSA, all employees receive competitive wages above the legally mandated minimum wage in the regions where the company operates. Entry-level wage categories are established by region, and are not determined by the employee's gender.	Respuesta en tabla

Disclosure	Disclosure Name	Answer in table, omission, and/or modification	Pages
GRI 404: TRAINING AND EDUCATION 2016			
404-1	Average hours of training per year per employee	In 2025, the average training hours per employee were 64.62 hours: an average of 86.42 hours for unionized employees and 45.24 hours for non-unionized employees.	53, 94
404-2	Programs for upgrading employee skills and transition assistance programs	Although there are no programs specifically dedicated to supporting employees in job transition processes, all training initiatives are designed to strengthen their skills and knowledge, enabling them not only to perform their current roles effectively, but also to prepare them for continued growth within CYDSA.	53
404-3	Percentage of employees receiving regular performance and career development reviews	100% of CYDSA's managers and directors receive regular performance and professional development evaluations. This represents 3.4% and 2.1% of the male and female workforce, respectively, receiving such feedback. Overall, this corresponds to 3.2% of the total workforce.	94
STRATEGIC PILLAR: COMMUNITY			
Safe Environment			
Safe Environment			
GRI 3: TEMAS MATERIALES 2021			
3-3	Management of material topics		61
GRI 416: CUSTOMER HEALTH AND SAFETY 2016			
416-1	Assessment of the health and safety impacts of product and service categories.	Please also refer to SASB disclosure RT-CH-410b.1 for further information on products containing hazardous substances. Please refer to the Social Performance table on pages 72-75 for a detailed breakdown.	44, 47, 61, 95
416-2	Incidents of non-compliance concerning the health and safety impacts of product and service categories.	No incidents of non-compliance concerning the health and safety impacts of CYDSA's product and service categories were reported during 2025.	Answer in table
GRI 417: MARKETING AND LABELING 2016			
417-1	Requirements for information and labeling of products and services	100% of our products comply with and are evaluated against the regulatory requirements established by the Ministry of Communications and Transportation, as well as the Official Standards issued by the Ministry of Labor and Social Welfare governing product transportation and delivery at supplier facilities.	61
417-2	Incidents of non-compliance concerning product and service information and labeling.	No incidents of non-compliance related to product information and/or labeling were reported for any products in 2025.	Answer in table
417-3	Incidents of non-compliance concerning marketing communications.	No incidents of non-compliance related to marketing communications were reported during 2025.	Answer in table
Community value			
Community value			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics		62
GRI 202: MARKET PRESENCE 2016			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	At CYDSA, all employees receive competitive wages above the legally mandated minimum wage in the regions where the company operates. Entry-level wage categories are defined by region and are not determined by the employee's gender.	Answer in table
GRI 203: INDIRECT ECONOMIC IMPACTS 2016			
203-1	Infrastructure investments and services supported		62
203-2	Significant indirect economic impacts		62
GRI 413: LOCAL COMMUNITIES 2016			
413-1	Operations with local community engagement, impact assessments, and development programs		62
413-2	Operations with significant actual and potential negative impacts on local communities		62

Disclosure	Disclosure name	Answer in table, omission, and/or modification	Pages
Organizational Structure and Management			
Safe Environment			
Safe Environment			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics		61
GRI 416: CUSTOMER HEALTH AND SAFETY 2016			
416-1	Assessment of the health and safety impacts of product and service categories.	Please also refer to SASB disclosure RT-CH-410b.1 for further information on products containing hazardous substances. Please refer to the Social Performance table on pages 72-75 for a detailed breakdown.	44, 47, 61, 95
416-2	Incidents of non-compliance concerning the health and safety impacts of product and service categories.		Answer in table
GRI 417: MARKETING AND LABELING 2016			
417-1	Requirements for information and labeling of products and services	100% of our products comply with and are evaluated against the regulatory requirements established by the Ministry of Communications and Transportation, as well as the Official Standards issued by the Ministry of Labor and Social Welfare governing product transportation and delivery at supplier facilities.	61
417-2	Incidents of non-compliance concerning product and service information and labeling.	No incidents of non-compliance related to product information and/or labeling were reported for any products in 2025.	Answer in table
417-3	Incidents of non-compliance concerning marketing communications.	No incidents of non-compliance related to marketing communications were reported during 2025.	Answer in table
Community value			
Community value			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics		62
GRI 202: MARKET PRESENCE 2016			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	At CYDSA, all employees receive competitive wages above the legally mandated minimum wage in the regions where the company operates. Entry-level wage categories are defined by region and are not determined by the employee's gender.	Answer in table
GRI 203: INDIRECT ECONOMIC IMPACTS 2016			
203-1	Infrastructure investments and services supported		62
203-2	Significant indirect economic impacts		62
GRI 413: LOCAL COMMUNITIES 2016			
413-1	Operations with local community engagement, impact assessments, and development programs		62
413-2	Operations with significant actual and potential negative impacts on local communities		62

Disclosure	Disclosure Name	Answer in table, omission, and/or modification	Pages
STRATEGIC PILLAR: CROSS-CUTTING APPROACH			
Organizational Structure and Management			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics		67
Well-being at Work			
GRI 401: EMPLOYMENT 2016			
401-1	New employee hires and employee turnover		91
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		56
401-3	Parental leave	Parental leave is granted to all employees of the organization, consisting of 84 days for mothers and 5 days for fathers. In 2025, 63 employees took parental leave, representing 2.76% of the workforce.	56, 93
GRI 402: LABOR-MANAGEMENT RELATIONS 2016			
402-1	Minimum notice periods regarding operational changes	Depending on the work site, the minimum notice period provided to employees ranges from 1 to 4 weeks.	Answer in table
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Currently, none of CYDSA's business unit operations or suppliers face risks of non-compliance with, or violations of, the rights to freedom of association and collective bargaining by the Organization.	Answer in table
Corporate Ethics			
GRI 3: MATERIAL TOPICS 2021			
3-3	Management of material topics		75
GRI 205: ANTI-CORRUPTION 2016			
205-1	Operations assessed for risks related to corruption		77
205-2	Communication and training about anti-corruption policies and procedures		77
205-3 I	Confirmed incidents of corruption and actions taken	No incidents of corruption were reported within CYDSA's business unit operations during 2025.	77
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Currently, none of CYDSA's business unit operations or suppliers are exposed to significant risks of non-compliance with, or violations of, the rights to freedom of association and collective bargaining as a result of the Organization's activities.	59, 77
Corporate Governance			
Responsible Supply Chain			
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016			
308-2	Negative environmental impacts in the supply chain and actions		77
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016			
414-2	Negative social impacts in the supply chain and actions taken		77

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Code	Metric	Unit of measure	Answer in table, omission, and/or modofication	Page(s)
Greenhouse Gas Emissions and Climate Change				
RT-CH-110a.1 EM-MD-110a.1	Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	Metric tons (t) CO_2-e, Percentage (%)	(thosudands) Tons CO_2e Direct emissions (Scope 1) 380 Tons CO_2e Indirect emissions (Scope 2) 557 Total tons CO_2 (Scope 1 and 2) 937	26, 31
RT-CH-110a.2 IF-EU-110a.3 EM-MD-110a.2	Discussion of long- and short-term strategy or plan tomanage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	N/A	Based on the Company's efforts to reduce the environmental impact of its operations, in line with the Sustainability Strategy, the following target has been set for 2030: to reduce the intensity of scope 1 and 2 GHG emissions to a range between 0.65 and 0.85 tCO_2e/t produced (tons CO_2 equivalent divided by tons produced) by 2030, which corresponds to a reduction in the indicator of between 50% and 62% compared to the level of 1.7 tCO_2e/t produced in 2018. Details on emissions can be found in the "Climate Change and GHG Emissions" section.	26, 31
RT-CH-120a.1	Air emissions of the following pollutants: (1) NOX (excluding N2O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	Metric tons (t)	(thousands) Nitrogen oxide (N0x) 90 Sulphur dioxide (SO2) 1 Persistent organic pollutants (POPs) 0 Volatile organic compounds (VOCs) 2 Hazardous air pollutants (HAP) 0 Tons of Total suspended particulate matter (TSP) 1	86
Energy Consumption				
RT-CH-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable and (4) total self-generated energy	Gigajoules (GJ), Percentage (%)	(miles) Total energy consumption (GJ) 8,426 Porcentage of grid electricity (%) 19.6% Porcentage of renewable energy (%) 4.3% Total self-generated energy (GJ) 3,837	28
Water Management				
RT-CH-140a.1 IF-EU-140a.1	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Thousand cubic meters (m^3), Percentage (%)	Total water withdrawal (m^3) 4,628 Percentaje of water withdraw from water-stressed areas (%) 25.9% Total water consumption (m^3) 4,015 Percentage of water consumption from water-stresed areas (%) 26,9%	39
RT-CH-140a.2 IF-EU-140a.2	Number of incidents of non-compliance associated with water quality permits, standards and regulations	Number	Zero	Answer in table
RT-CH-140a.3 IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	N/A	Please refer to the referenced content in the pagination	32, 33, 34

Code	Metric	Unit of meseaur	Answer in table, omission, and/or modofication		Pages
Waste and Recycling					
RT-CH-150a.1	(1) Amount of hazardous waste generated, (2) percentage recycled	Metric tons (t), Percentage (%)	Liquid hazardous waste	107	40, 41
			Solid hazardous waste	524	
			Biological-infectious hazardous waste	2	
			Hazardous waste	**633**	
			Special handling waste	5,873	
			Municipal solid waste (non-hazardous)	366	
			Non-hazardous waste	**6,212**	
			Total waste generated	**6,845**	
			Percentage of waste recycled (%)	26%	
			Total tonnes of waste recycled	**1,578**	
Community Relations					
RT-CH-210a.1	Discussion of engagement processes to manage risks and opportunities associated with community interests	N/A	CYDSA has a Community Attention Center (CAC) where any type of complaint, non-conformity, claim, demand, or need the community might express in relation to manufacturing operations is addressed to their satisfaction. To that end, the Company has a telephone number the community can call 24/7 The Company conducts community surveys so community members can freely and anonymously express their individual or collective needs which, if met, would improve their quality of life The main community complaints the Company has historically received are: Insecurity Poor roads Poor primary services (garbage collection) The CAC works as a solution manager between the community and the applicable public authority.		62, 64
Workforce Health & Safety					
RT-CH-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Rate	(1) A total of 8 recordable incidents were reported across all CYDSA business units, with a Total Recordable Incident Rate (TRIR) of 0.60, based on total hours worked and all incidents across the different plants. (2) No work-related fatalities were reported in any of CYDSA's business units during 2025; therefore, the fatality rate was 0.0.		answer in table
RT-CH-320a.2	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	N/A	CYDSA has a comprehensive strategy to assess, control, and reduce the exposure of its employees and contracted workers to chronic health risks, based on a rigorous Industrial Safety, Operational Safety, and Environmental Protection Management System (SASISOPA). This strategy, fully aligned with current legislation, is primarily aimed at identifying, mitigating, and controlling long-term health and safety risks. Details of these efforts can be found in the "Employee Health and Safety" section.		44, 45, 46, 49, 57, 61
Product Design for Use-phase Efficiency					
RT-CH-410a.1	Revenue from products designed for resource efficiency / to increase fuel efficiency and/or reduce emissions.	Reference currency	Savings were recorded from projects in the IQUISA Santa Clara and IQUISA Noreste boilers as a result of incorporating advanced technology to optimize the production of chlorine, caustic soda, and derivative products. This led to a reduction in operating costs by using derivative products as internal energy sources. It has also generated revenue from the production and sale of hydrogen. The use of plasma arc technology for the incineration of hazardous gases has also proven to be a successful innovation, allowing CYDSA to offer this service to third parties in addition to internal use, thereby reducing toxic air emissions.		answer in table

Code	Metric	Unit of measurement	Answer in table, omission, and/or modofication	Pages
Safety & Environmental Stewardship of Chemicals				
RT-CH-410b.1	(1) Percentage of products that contain Globally Harmonised System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment	Percentage (%) by revenue, Percentage (%)	See table below	
RT-CH-410b.2	Debate sobre la estrategia para (1) gestionar las sustancias químicas preocupantes y (2) desarrollar alternativas con menor impacto humano y/o medioambiental	N/A	Please refer to the content indicated in the page references.	27, 30, 33, 40, 61
Genetically Modified Organisms				
RT-CH-410c.1	Percentage of products by revenue that contain genetically modified organisms (GMOs)	Percentage (%) by revenue	No CYDSA products contain GMOs as CYDSA produces and markets only inorganic products.	Answer in table

Plant	Product	% Category 1 (product portfolio by plant)	Category 2 (product portfolio by plant)	Categories 1 and 2 (product portfolio by plant)
IQUISA Coatzacoalcos	Ácido Clorhídrico 100%		20%	
	Cloro 100%			20%
	Hidrógeno 100%	60%		
	Hipoclorito de sodio 100%			
	Hidróxido de sodio 100%			
IQUISA Hermosillo	Cloro			20%
	Hipoclorito de sodio	67%		
	Hidróxido de sodio			
IQUISA Noreste	Ácido Clorhídrico		20%	
	Cloro			20%
	Hidrógeno	60%		
	Hipoclorito de sodio			
	Hidróxido de sodio			
IQUISA Santa Clara	Ácido Clorhídrico		20%	
	Cloro			20%
	Hidrógeno	60%		
	Hipoclorito de sodio			
	Hidróxido de sodio			
IQUISA Tlaxcala	Cloro			20%
	Hipoclorito de sodio	67%		
	Hidróxido de sodio			
Quimobásicos	Genetronâ 22, Genetron® AZ 20, Genetronâ 404A, Genetronâ AZ 50, Genetronâ 1341a, Genetronâ MP39, Genetronâ 422D, Genetronâ Performax LT, Genetronâ 408A, Genetronâ HP 80, Genetronâ HP 81, Genetronâ MP 66, Genetronâ 409A, Genetronâ MP 66, Genetronâ 407C, Genetronâ 23, Genetronâ 508B, SOLSTICEâ 1234yf, SOLSTICEâ 1233zd, Genetronâ 124, Genetronâ 141b, Evetoneâ (R-254fa), Genetronâ 123, SOLSTICEâ 1234ze, ECOFLUSH 1233zd, AQUION 507, AQUION 600a	100%		

Code	Metric	Unit of measurement	Answer in table, omission, and/or modofication	Pages
Management of the Legal & Regulatory Environment				
RT-CH-530a.1	Discussion of corporate positions related to government regulations or policy proposals that address environmental and social factors affecting the industry	N/A	CYDSA's corporate governance has always established regulatory compliance across all areas—economic, legal, social, and environmental—as mandatory and non-negotiable. In cases where compliance is particularly challenging, efforts are made to engage with governmental authorities or industry associations to mitigate the negative impacts of non-compliance, as well as to ensure appropriate sanctions are applied in response. Please also refer to GRI 2-27 for further details on CYDSA's compliance performance during 2025.	Answer in table
Operational Safety, Emergency Preparedness & Response				
RT-CH-540a.1	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	Number, Rate	Please refer to the responses for RT-CH-320a.1 to review the recordable incidents reported during 2025. No accidents were related to process safety, and all recorded incidents were classified as Severity Level 1.	Answer in table
RT-CH-540a.2	Number of transport incidents	Number	No transportation-related incidents were reported in any of CYDSA's business units during 2025.	Answer in table
Competitive Behavior				
EM-MD-520a.1	Total amount of monetary losses as a result of legal proceedings associated with pipeline and storage regulations	Reference currency	$0.00 Mexican pesos	Answer in table
ACTIVITY METRIC				
RT-CH-000.A	Production by reportable segment	Cubic meters (m^3) and/or metric tons (t)	Thousands SISA + Salt Processing and Distribution (Domestic and Industrial Salt) 690 IQUISA (Chlorine, Caustic Soda, and Derived Specialties) 1,216 Quimobásicos (Refrigerant Gases) 2 Total 1,909	Answer in table

ANNEX 1

GRI 2-28

National Associations

Asociación Nacional de la Industria Química, A.C. (ANIQ)
Mexican-German Chamber of Commerce and Industry (CAMEXA)
Confederation of National Chambers of Commerce, Services and Tourism (CONCANACO)
Commission of Private Sector Studies for Sustainable Development (CESPEDES)
Equity Confederation of the Mexican Republic (COPARMEX)
Corporate Coordination Board (CCE)
Consejo Empresarial Mexicano de Comercio: Exterior, Inversión y Tecnología, A.C. (COMCE)
National Consultative Board for Comprehensive Management of Chemical Substances, Persistent Organic Compounds, and Hazardous Waste Subject to International Agreements in Environmental Matters, Mexican Business Board (CMN)
CAINTRA Nuevo León
Local Committee for Mutual Aid (CLAM)
Industrial Mutual Aid Plan (PAMI)
Municipal Alliance for a Culture of Civil Protection
Metropolitan Environmental Fund of Monterrey (FAMM)
Institute for Environmental Protection of Nuevo León (IPA)
Water and Drainage Services of Monterrey
Chipinque Ecological Park

International Associations

United Nations Program for the Environment (UNEP)
Global Environmental Fund (GEF)
United Nations Framework on Climate Change
United Nations Organization for Industrial Development (UNIDO)

Alianzas Nacionales

CAINTRA, organismo empresarial que representa a los Industriales de Nuevo León y el Consejo de participación Ciudadana de la Secretaría de Desarrollo Sustentable del Estado de Nuevo León.

International Partnerships

Montreal Protocol (UN Montreal Protocol on Ozone Layer-Depleting Substances)
Minamata Convention
COP II (Convention on Environmental Biological Biodiversity)
GRULAC – Latin American and Caribbean Group for COP 1 Minamata
Salt Institute USA
The Chlorine Institute USA
Clorosur (Latin American Association of the Chlorine, Alkali, and Derivatives Industry)
Climate Action Reserve (California)
COP Minamata Convention Meetings
IETA (International Emissions Trading Association)

National Forums

AMCHAM Forum
COPARMEX
CCE
CAMEXA Assembly
ANIQ National Forum
Environmental Commission of ANIQ
COMCE National Forum
MASH Forum (Environment, Health and Safety)
National Day for Preparation and Emergency Response – PROFEPA
Energy and Climate Change Forum of Neuvo León
Chipinque Ecological Park
Consultative Board of the System, Environmental Protection Institute of Nuevo León
Emissions Trading of Mexico

International Forums

Global Compact Network Mexico
Conference of COP Minamata Parties
COP UNCCC (United Nations Framework Convention for Climate Change)

ANNEX 2

Environmental Management Certifications

A. ISO 9001 Quality Certification. ISO-14001:2015 certification, Environmental Management Systems (EMS): due to their commitment to protect the environment, the Sales del Istmo, IQUISA Coatzacoalcos, Tlaxcala, Hermosillo, Santa Clara and Noreste plants, and Quimobásicos and Hydrocarbons Underground Storage all received certification.

B. The Electricity and Steam Cogeneration business maintained accreditation as an Efficient Cogeneration System, granted by the CRE (Energy Regulatory Commission).

C. Integrated Responsibility Management System (SARI): granted by Asociación Nacional de la Industria Química, A.C. (ANIQ), is a certificate in safety management and environmental systems for the chemical industry. IQUISA Coatzacoalcos, Tlaxcala, Hermosillo, Santa Clara and Quimobásicos received certification.

D. Clean Industry: Clean Industry Performance Level I certification is awarded for complying with applicable environmental standards; the plants with this certification are Sales del Istmo, IQUISA Hermosillo, IQUISA Coatzacoalcos, IQUISA Noreste and Electricity and Steam Cogeneration.

E. Clean Industry Performance Level II certification is awarded for exceeding applicable environmental standards. The plants with this certification are Quimobásicos, and IQUISA Tlaxcala. Hydrocarbons Underground Storage began the certification program in 2022.

F. Environmental Excellence: the highest recognition PROFEPA awards for demonstrating commitment, maximum compliance levels in performance, and being certified with Environmental Performance Level 2 (NDA2).

G. Industrial Safety, Operating Safety, and Environmental Protection Management System (SASISOPA): this is the guiding principle used by the Safety, Energy and Environmental Agency (ASEA) to manage risks from regulated activities in the hydrocarbons sector. The Electricity and Steam Cogeneration, and Hydrocarbons Underground Storage businesses were certified.

H. Socially Responsible Company (SRC): recognition granted by the Mexican Center for Philanthropy (CEMEFI) to IQUISA Coatzacoalcos, Tlaxcala, Hermosillo, Santa Clara and Noreste for their best social and environmental practices with their stakeholders.

I. NSF Certificates: Quality certificates held by Sales del Istmo, IQUISA Coatzacoalcos, IQUISA Santa Clara, and IQUISA Noreste.

J. ECOVADIS (Chemours): certificate obtained by IQUISA Noreste covering a wide range of non-financial management systems, including environmental impacts, labor practices and human rights, ethics, and sustainable procurement.

K. Recycling Certificate: obtained by Industria Química del Istmo (IQUISA), granted by Grupo Ambiental del Noreste.

Social Management Certifications

INTERNAL

- AST: Work Safety Analysis, a monthly evaluation to locate and rank risks associated with tasks performed, and the corresponding preventive measures.
- SSOMA: Corporate Occupational Health and Safety and Environmental Protocol

EXTERNAL

- ISO 9001:2015 – Quality Management
- ISO 14001:2015 – Environmental Management
- NOM-010-STPS-2014: Regarding contaminant chemical agents present in work areas
- NOM-011-STPS-2001: Evaluation of noise levels in different parts of work facilities
- NOM-017-STPS-2008: Regarding Personal Protective Equipment for workers, including an analysis by work position, following established guidelines
- NOM-019-STPS-2011: Creation, formation, organization, and operation of health and hygiene commissions
- NOM-025-STPS-2008: Recognition and evaluation of lighting levels
- NOM-030-STPS-2009: For every physical agent, such as noise, lighting, and vibration, an evaluation is performed according to current industrial hygiene standards in Mexico
- NOM-035-2018: Regarding identifying and preventing psychosocial risk factors
- PASST: Occupational Health and Safety Self-Management Program, certification granted by STPS
- SARI: Comprehensive Responsibility Administration System (SARI): granted by Asociación Nacional de la Industria Química A.C.
- SASISOPA: Industrial Safety, Operating Safety, and Environmental Management System, certificate granted by ASEA (Agencia de Seguridad, Energía y Ambiente)
- Dutch Line Technique: Risk management model that also encompasses social risks to the community
- HAZOP Technique: Hazard and Operability, granted by Imperial Chemical Industries (ICI)
- Compliance with requirements for the REPSE registry (Specialized Service Provider Registry)

Plant	Certificate	Granted by
IQUISA Coatzacoalcos	Comprehensive Responsibility	ANIQ
	Clean Industry	PROFEPA
	ISO 14001	Bureau Veritas
	ISO 9001	Bureau Veritas
Hydrocarbons Processing and Underground Storage	Authorization from SASISOPA	ASEA
	ISO 9001	Bureau Veritas
	ISO 14001	Bureau Veritas
IQUISA Hermosillo	Comprehensive Responsibility	ANIQ
	Clean Industry	PROFEPA
	PASST (occupational health and safety)	STPS
	ISO 14001	Bureau Veritas
	ISO 9001	Bureau Veritas
IQUISA Noreste	ISO 9001	Bureau Veritas
	ISO 14001	Bureau Veritas
	Comprehensive Responsibility	ANIQ
	Clean Industry	PROFEPA
	PASST (occupational health and safety)	STPS
	PASST (occupational health and safety)	STPS
IQUISA Santa Clara	PASST (occupational health and safety)	STPS
	ISO 14001	Bureau Veritas
IQUISA Tlaxcala	Comprehensive Responsibility	ANIQ
	ISO 14001	Bureau Veritas
	Clean Industry	PROFEPA
	Environmental Excellence	PROFEPA
	ISO 9001	Bureau Veritas
Procesadora y Distribuidora de Sal	ISO 14001	DNV
	ISO 9001	SGS
Quimobásicos	Comprehensive Responsibility	ANIQ
	Responsible Work	Secretaria de Trabajo (Nuevo León)
	PASST (occupational health and safety)	STPS
	Environmental Excellence	PROFEPA
	Recognition (Implementation of the Montreal Protocol in Mexico)	SEMARNAT
	Clean Industry	PROFEPA
	ISO 14001	Bureau Veritas
	ISO 9001	Bureau Veritas
Cogeneración	ISO 14001	Bureau Veritas
	Clean Industry	PROFEPA
	ISO 9001	Bureau Veritas

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Sustainability
REPORT

2025