# INTEGRATED REPORT

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# 1

# Overview

**Our vision is to be the best cement company in North America with the proper balance of people, profit and the planet.**

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# 1.1. 2024 Highlights

GCC achieved record financial performance in 2024, delivering the highest revenue, EBITDA and net income, in our history, along with an EBITDA margin exceeding our ambitious 2025 target of 36%. This strong performance allowed us to continue investing in our workforce, optimizing and expanding our network, and advancing key sustainability initiatives, aligned with our vision to be the best cement company in North America with the proper balance of people, profit, and the planet.

# 1.1. 2024 Highlights

**100%**
**Safety data coverage**

**32hours**
**Of training / employee**

**12%**
**Women in the workforce**

**13%**
**Women in management**

**531**
**New suppliers**
and contractors aligned to our Code of Ethics and Conduct, and to our ISO 14001 environmental standards

**Certified as**
**GREAT PLACE TO WORK**

**Recognized as a**
**SOCIALLY RESPONSIBLE COMPANY**

# 1.1. 2024 Highlights

**NET SALES**

**$1,366.7M**

**FREE CASH FLOW**

**$321.8M**

**EBITDA**

**$500.4M**

**TOTAL CAPEX**

**$336.9M**

**NET PROFIT**

**$325.9M**

**NET LEVERAGE RATIO**

**-0.67X**

# 1.1. 2024 Highlights

## PLANET

**11.8%**
Reduction in scope 1 $CO_2$ intensity compared to SBTi baseline

**20.6%**
Renewable energy

**73.0%**
Blended cement

**83.7%**
Clinker factor

**9.4%**
Alternative fuels & biomass

**US$52.6M**
Low-carbon decarbonization CapEx

**FEED STUDY FOR OUR CCUS**
(Carbon Capture, Utilization and Storage) project in progress

**ENERGY STAR® CERTIFICATION**
at our Pueblo and Rapid City plants

# 1.2. Letter to Stakeholders

Dear valued stakeholder:

We are pleased to present GCC's Integrated Report, highlighting our efforts, achievements and continued progress on our journey to be the best cement company in North America, with the proper balance of people, profit, and the planet. These pillars guide our approach to sustainable growth and long-term value creation, shaping strategies and priorities across all areas of our business.

Our success is made possible by our people, who are indispensable to GCC's continued growth and to the safety of our operations, enabled by our focus on advancing our team's professional development. Profit fuels our operational excellence and strategic expansion, enabling us to continually improve product and service quality while strengthening customer relationships and solidifying our market position. Finally, sustainability remains our compass to ensure we minimize environmental impacts and actively support the communities where we operate, aligned with global industry commitments and best practices.

2024 was a year of record revenues and profits, a testament to the strength of our long-term strategy and disciplined financial management. Our strong financial standing not only provides stability but also positions GCC to seize new opportunities while maintaining a focus on long-term value creation.

We are more committed than ever to continued sustainable growth, guided by our solid values, business ethics, and our enduring vision of people, profit and planet.

Thank you for your continued partnership as we navigate this journey together.

**FEDERICO TERRAZAS**
**Chairman of the Board of Directors**

# 1.2. Letter to Stakeholders

**ENRIQUE ESCALANTE**
**Chief Executive Officer**

Dear valued stakeholder:

2024 marked another record-breaking year, reinforcing GCC's position as a resilient and forward-looking leader in the cement, aggregates and concrete industry. In a dynamic and evolving market, we achieved record highs in net sales, EBITDA and net income, surpassing our 36% EBITDA margin target a year ahead of schedule. These results highlight the strength of our business model, the agility of our teams, and the company's commercial flexibility and integrated network—key competitive advantages that enable GCC to serve our clients.

Another significant achievement in 2024 was the record reduction in greenhouse gas (GHG) emission intensity, reflecting continued success in our decarbonization efforts and progress toward our 2030 reduction target. Our strategy centers on improving thermal efficiency, lowering clinker factor, and executing our flexible fuel strategy—critical levers in our path to a lower-carbon future.

We recognize the important role we play in creating more sustainable solutions for our customers, fostering a safe environment for our workforce, and supporting our communities. In 2024, we made significant investments in low-carbon decarbonization CapEx and strategic growth initiatives, underscoring our commitment to sustainability and long-term value creation.  We also strengthened our workplace culture, emphasizing safety, professional development, diversity and inclusion—ensuring our employees thrive while contributing to GCC's success.

We will continue to prioritize training, education, innovation and R&D as key elements of a sustainable future, aligned with our focus on long-term excellence. Our path forward is clear: to continue creating value while ensuring a lasting, positive impact on people, profit, and the planet.

Thank you for taking the time to read this report and for your continued trust and partnership. Together, we are shaping a stronger, more sustainable future.

# About this Report

This report has been prepared in reference to the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI) Standards for the construction materials industry (see Index of SASB and GRI contents here). The sustainability and financial disclosure encompass all activities under operational control and all owned entities. The subsidiaries included in the consolidated information are listed in the annex section.

The International Integrated Reporting Framework serves as a reference in compiling this report, including our value creation model. We also adhere to the sustainability and disclosure guidelines issued by:

This report, published in May 2025, covers the period between January 1 and December 31, 2024, and is published annually since 2024. Data and content in this report aim to provide an accurate and balanced account of GCC's 2024 performance in relation to our material topics, including the real and potential, positive or negative impact of our activities on our stakeholders, including financial reporting, environmental indicators and human rights considerations. In this report, references to "GCC" or "the Company" refer to GCC, S.A.B. de C.V.

All data on this report is expressed using the metric system, with financial figures expressed in U.S. dollars (US$), except where otherwise specified.

We appreciate any feedback on this report. Please send your comments or questions to investors@gcc.com.

# 1.3. Who We Are

GCC is an international supplier and producer of cement, aggregates, concrete and construction-related services, serving customers in the United States and Mexico.

## MISSION

To be the **supplier of choice** in cement, concrete and innovative solutions.

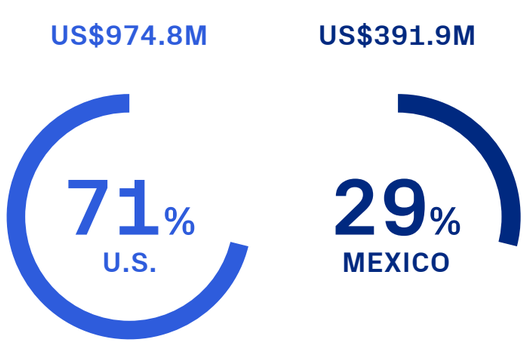
## 2025 VISION

To be the best cement company in North America with the **proper balance** of **people, profit and the planet.**

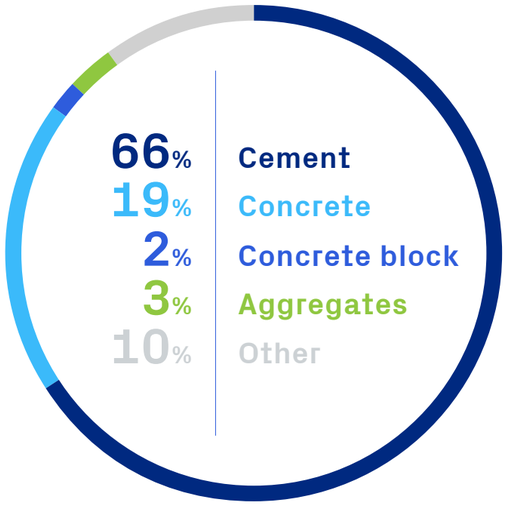
## OUR VALUES

- Health and Safety
- Service
- Integrity
- Teamwork
- Excellence

## NET SALES BY REGION




## SALES BY PRODUCT




We are very proud of the size and scope our company has achieved since our foundation **83 years** ago in Chihuahua, Mexico, with **30 years** of operations in the United States.

**6MMT**

Annual cement **production capacity**

*The securities issued by GCC, S.A.B. de C.V., ticker GCC*, are registered in the Securities Section and are traded in the Mexican Stock Exchange, Bolsa Mexicana de Valores, S.A.B. de C.V. For more information on our company structure, please visit the Who We Are section of the Annex attached to this document.

# 1.3. Who We Are

## Vertically Integrated Operations

We are present at all stages of the cement and ready-mix supply chain.

**Coal mine** in Colorado, owned by us, is a relevant source of fuel for our cement plants, lowering costs and reducing price volatility.

**Fuel**

**Limestone quarries** owned by us, can supply most of our cement, ready-mix and aggregates operations over the long-term.

**Raw materials**

**8 Cement plants** in the U.S. and Mexico close to our sources of raw materials.

**Cement**

**96 Ready-mix plants** supply almost 100% of the cement used in our ready-mix operations.

**23 Aggregates locations** allow us to meet customer demand for special products.

**Ready-mix and aggregates**

**24 Rail-served cement distribution terminals**

**2 Distribution centers and transfer stations** from Chihuahua, Mexico, to the U.S. - Canadian border.

**Cement terminals**

**+2,720 Leased railcars**

**+1,030 Mixer and haul trucks** to transport cement, concrete, aggregates, and coal.

**Transport**

# 1.3. Who We Are

## Cement

**6.0MMT**

**CEMENT PRODUCTION CAPACITY**

**58%** **3.5MMT**

**42%** **2.5MMT**

**0.4 MMT**
**Tijeras, NM**
1992

**1.1 MMT**
**Rapid City, SD**
2001

**1.1 MMT**
**Pueblo, CO**
2008

**0.5 MMT**
**Odessa, TX**
2016

**0.4 MMT**
**Trident, MT**
2018

**1.1 MMT**
**Chihuahua**
1941

**0.2 MMT**
**Juarez**
1972

**1.2 MMT**
**Samalayuca**
1995

MMT: million metric tons

U.S. Mexico

# 1.3. Who We Are

## Active in a wide range of business segments and products

We invest in research and development to constantly adapt to market needs, particularly in more sustainable products.

[1] For more information on our Sustainable Products and Innovation, please visit the Planet section.




Cement is produced by grinding clinker, gypsum and limestone into a fine powder. Clinker is an intermediary product, which results from heating a mixture of iron ore, silica, limestone and clay in a rotary kiln at a temperature of 1,450°C.

Cement is mixed with aggregates and water to make concrete.
Precast concrete provides support infrastructure for commercial and industrial buildings.
Blocks are used in simple/structural masonry systems.

We mine coal for use in some of our cement plants based on our fuel strategy. Aggregates such as stone, sand and gravel are added to concrete to create the final product. We also sell coal and aggregates to other companies.

### PRODUCT USES AND CLIENTS

We offer a wide range of cement products for various uses and industries:

**PORTLAND CEMENT** is the most common type, it is made by grinding clinker with a small amount of gypsum.

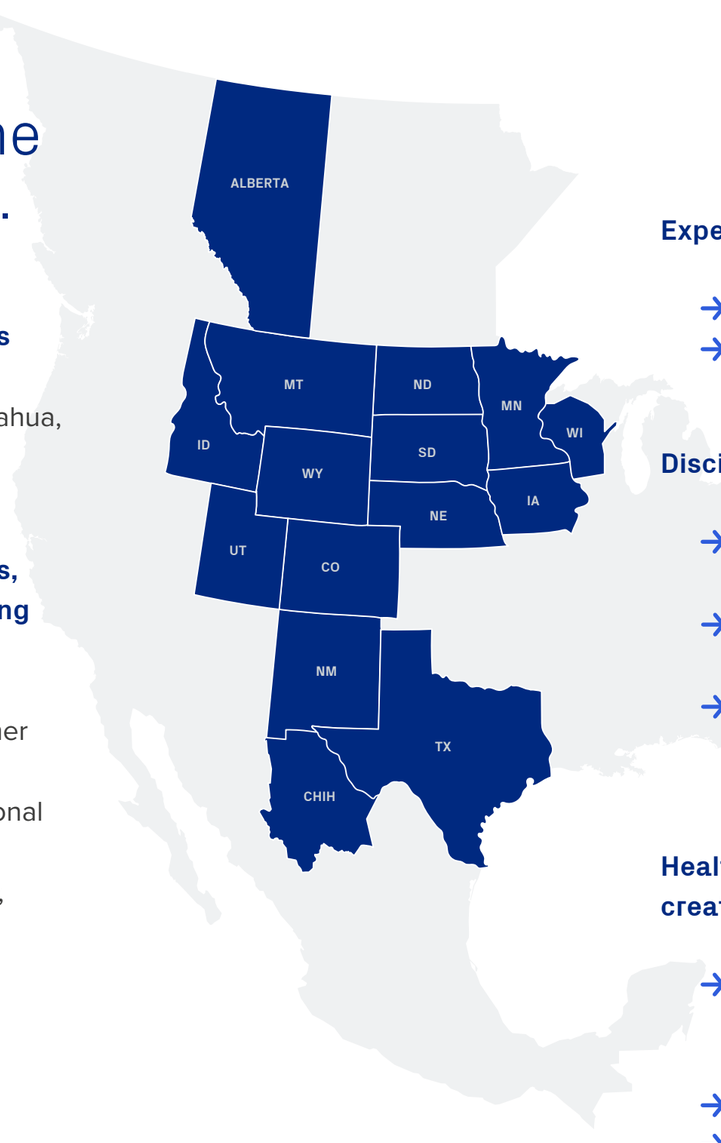
**BLENDED CEMENTS** incorporate different supplementary cementitious materials to reduce the clinker factor, and therefore $CO_2$ emissions, while maintaining long-term durability.

**SPECIALTY CEMENTS** are tailored to specific uses. For example, high-strength, quick set, resistant well cement for the oil and gas industry.

We have **RETAIL DISTRIBUTION** of cement bags and concrete blocks in Mexico, through our **Construred network.**

# 1.4. What Makes us Different

## Cement and ready-mix concrete operations across the “center cut” of North America.




### Leading position and competitive moat in attractive markets

- #1 or #2 in core markets: U.S. regional markets and Chihuahua, Mexico.
- Landlocked states, insulated from seaborne competition.

### Vertically integrated, with best-in-class production facilities, and stable, flexible and efficient logistics and energy sourcing

- GCC has the flexibility to efficiently distribute its products among its plants and distribution terminals to meet customer needs.
- Mexico operations provide a strong base and add operational flexibility and export capacity.
- Investment in energy sourcing flexibility (renewable energy, natural gas, coal and alternative fuels); resulted in more reliability, higher efficiency and lower emissions.

### Experienced and committed senior management

- +28 years of experience in the cement industry.
- Clear roles and responsibilities with compensation tied to short and long-term business and sustainability goals.

### Disciplined approach to growth investments

- M&A strategy focused on value creation and synergies, with strict pre-determined parameters.
- Targeted capacity expansion to drive productivity and operational efficiency.
- +200,000 tons of additional capacity in 2023, increasing cement production and enhancing co-processing capabilities for alternative fuels.

### Healthy balance sheet and strong free cash flow drive value creation

- Efficient and prudent capital structure. US$500 million 10-year Sustainability Linked Bond due 2032 extended debt maturity and reduced cost of debt.
- US$321.8 million of free cash flow generated in 2024.
- Cost and expense reductions throughout the organization.

# 1.5. Our Experienced Senior Leadership Team

## +28 years cement and concrete industry experience.

Dedicated to driving innovation across the company and advancing our sustainability goals, our experienced senior leadership team is a key element of GCC's long-term success. More than two thirds of the team's annual compensation is variable, encouraging enhanced commitment and accountability. Our senior leadership team members participate in various cement and concrete national and international organizations, playing key roles as Directors or Chairs. Their activities are separated from those of the Board of Directors to improve transparency.

**ENRIQUE ESCALANTE**
**CEO**

25 years at GCC

**GCCA Board of Directors**
Sustainability and Ethics Committees

**MAIK STRECKER**
**Chief Financial and Planning Officer**

5 years at GCC

24 years industry experience

**GINA LOTITO**
**Chief Sustainability and Innovation Officer**

18 years at GCC
28 years industry experience

**GCCA's Best Practice Group**
Co-Chair
**PCA's Environmental and Energy Committee**
Chair

**RON HENLEY**
**President of U.S. Division**

13 years at GCC

**PCA Board of Directors**
Chairman of the Board
2021-2022

**MARCOS RAMÍREZ**
**President of MX Division**

34 years at GCC

**ROGELIO GONZÁLEZ**
**Chief Technical Operations Officer**

52 years at GCC

**CANACEM Board of Directors**

**DANIEL HELGUERA**
**Chief Human Resources and Communications Officer**

10 years at GCC

13 years industry experience

**LUIS AMAYA**
**Energy and Procurement Director**

22 years at GCC

**CESAR CONDE**
**General Counsel**

18 years at GCC

For more information on our Senior Leadership Team, please visit the Senior Leadership Team section of the Annex of this report.

# 2

# STRATEGY AND GOVERNANCE

**GCC's founding principles govern our decisions and actions.**

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2.3.3. Senior leadership team expertise
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2.3.7. Compliance

# 2.1. Our Sustainable Business Strategy and Commitments

Our mission is to be the supplier of choice in cement, concrete, and innovative solutions, with our 2025 vision focused on being recognized as the best cement company in North America with the proper balance between people, profit and planet.

To achieve this vision, our business strategy is to grow organically and inorganically, with a focus on providing quality customer service and continuously expanding product offerings through innovation, with particular emphasis on sustainable solutions.

## Our Business Strategy Pillars

To truly become a leader, we must attract and retain qualified talent, as well as optimally balance profitability with people and planet initiatives.

# 2.1. Our Sustainable Business Strategy and Commitments

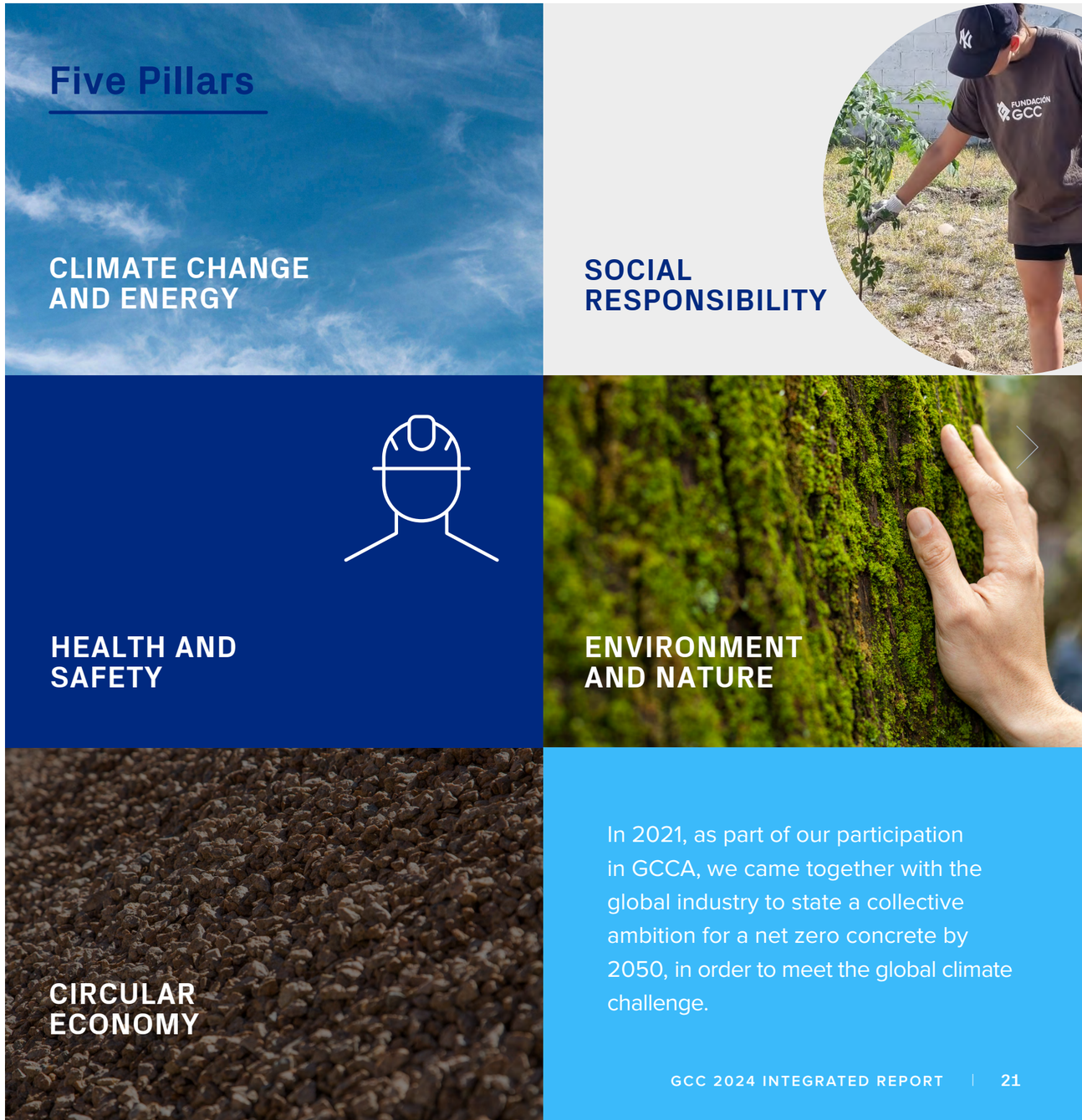
Our **sustainability strategy** focuses on climate protection, promoting social responsibility and ensuring economic sustainability for future generations.

We evaluate our progress on the company's sustainability strategy to achieve our 2030 targets multiple times every year:

- At our annual corporate planning session, we review the vision, plan strategic initiatives, and establish relevant action items.
- Our Senior Leadership Team meets monthly.
- Our CEO provides quarterly updates to the Board of Directors.

Since 1941, GCC has been developing a business model that not only focuses on maximizing shareholder value, but also contributes positively to the society and the environment. Our sustainability strategy was developed to reduce our overall impact on surrounding communities and the environment while creating value for all our stakeholders.

We understand that making a true impact in addressing society's challenges requires collaboration at scale. As such, our sustainability strategy not only is aligned with our 2025 vision, but it was also redesigned in 2018 to better align with the Global Cement and Concrete Association's (GCCA). Since then, our strategy has focused on five pillars: climate change and energy, health and safety, social responsibility, and environment and nature.




In 2021, as part of our participation in GCCA, we came together with the global industry to state a collective ambition for a net zero concrete by 2050, in order to meet the global climate challenge.

# 2.1. Our Sustainable Business Strategy and Commitments

We also aligned our goals and targets with the United Nation's Sustainable Development Goals (SDGs), which address global challenges such as climate change, water and food crises, poverty, conflict, and inequality. Within these topics, we have identified 9 SDGs aligned with our 2030 sustainability targets. When compared to large cement and concrete peers, we differentiate ourselves by including in our alignment SDG 4, quality education, and SDG 7, affordable and clean energy. We currently focus on five of the nine SDG we align with, as key priorities for our 2025 vision:

## Alignment with SDGs

PRIORITY SDGS

Please visit the People and Planet sections for more information on the progress we have made toward these goals.

With the shared goal of reducing emissions across all scopes, we have a clear action plan, ambitious near-term targets, and a long-term vision for achieving a net-zero future. We have also been a signatory and active participant in the United Nations Global Compact since 2007.

We actively collaborate with other partners in sustainability to help us improve our sustainability performance, as well as to contribute to a more comprehensive development of sustainability initiatives. We are members of various associations that represent member's interests in sustainability and promote an exchange with other companies and organizations with a common determination to achieve greater sustainability. Topics addressed focus on social and environmental issues, as well as more industry-specific topics such as policies for the secure supply of raw materials, energy conservation, occupational health and safety, and labor issues.

# 2.1. Our Sustainable Business Strategy and Commitments

## Key Partnerships

| | |
|---|---|
| **THE CEMENT INSTITUTE OF NEW YORK** | To develop the GCC Cement Technical Institute's (GCTI) training programs. |
| **GLOBAL CCS INSTITUTE** | International think tank to stay updated on Carbon Capture and Storage (CCS) technologies. |
| **ICAMI (CENTRO DE FORMACIÓN Y PERFECCIONAMIENTO DIRECTIVO)** | To design our global leadership program. |

Please visit the **Sustainability Strategy and Commitments section** of the Annex to see the complete list of organizations and our involvement with them.

# 2.1. Our Sustainable Business Strategy and Commitments

## 2.1.1. How We Create Value

We create value by continuing to strengthen our leadership in the markets in which we operate, as we enhance the solutions we offer to our customers, investing in our people and communities, and ultimately maximizing stakeholder value by implementing our business strategy and sustainably growing our business. Our business strategy is focused on increasing revenue and margins by leveraging our existing geographic footprint, vertically integrated operations, customer service, product offering, and the GCC team. Our strategy can be divided into the following key elements to show how we plan to continue delivering value to our stakeholders:

### Our Strategy to Continue Creating Value

**PEOPLE**

- Further enhance **health and safety** by promoting a hazard exposure control mindset and fostering a H&S culture throughout the organization.
- Develop human capital and implement **education and training** initiatives.
- Enhance **gender diversity** in our workforce.
- Proactively **invest in local communities**, with a focus on education, sustainable development and vulnerable groups.

**PROFIT**

- Continue to **enhance margins** by further improving **cost efficiencies** and a **customer-focused go-to-market** strategy.
- Further strengthen and expand our **operational and geographical footprint.**
- Continue to develope and expand by **acquiring and integrating new businesses.**
- Provide **outstanding technical and logistical support** services to customers.
- Broaden product and service offerings through i**nnovative solutions** with higher margins.

**PLANET**

- **Reduce carbon emission** by using cleaner energy, improving thermal efficiency, and developing more sustainable products (blended cements).
- Increase the use of affordable and **clean energy** in our operations.
- Increase the use of **alternative fuels** utilizing recycled materials.
- Explore and implement technology for **carbon capture** alternatives.

# 2.1. Our Sustainable Business Strategy and Commitments

## 2.1.2. Materiality Analysis

In order to create value for all our stakeholders, and align our priorities, we evaluate which topics are material to them, as well as to GCC management. We use this materiality to establish our priorities for value creation. In 2023, we updated our 2022 in-depth materiality analysis to include any changes in the topics relevant to us and our stakeholders, and to gather insights and evaluate trends in global cement industry sustainability concerns.

For the update, we considered peer materiality SASB and GRI standards, ESG ratings and scores for GCC, as well as international and industry specific publications such as the Sustainability Yearbook and GCCA's 2023 publications. We also considered investor feedback, obtained during meetings with our Senior Management and Investor Relations Department during the year.

Following our assessment of all these sources, we confirmed that key material topics remain unchanged:

- BUSINESS ETHICS
- PRODUCT QUALITY, SAFETY AND CUSTOMER EXPERIENCE
- CLIMATE CHANGE AND GREENHOUSE GASES
- ENERGY MANAGEMENT
- AIR EMISSIONS
- HEALTH AND SAFETY
- EMPLOYEE ATTRACTION, TRAINING AND DEVELOPMENT
- SUSTAINABLE PRODUCTS INNOVATIONS AND DIGITAL TRANSFORMATION

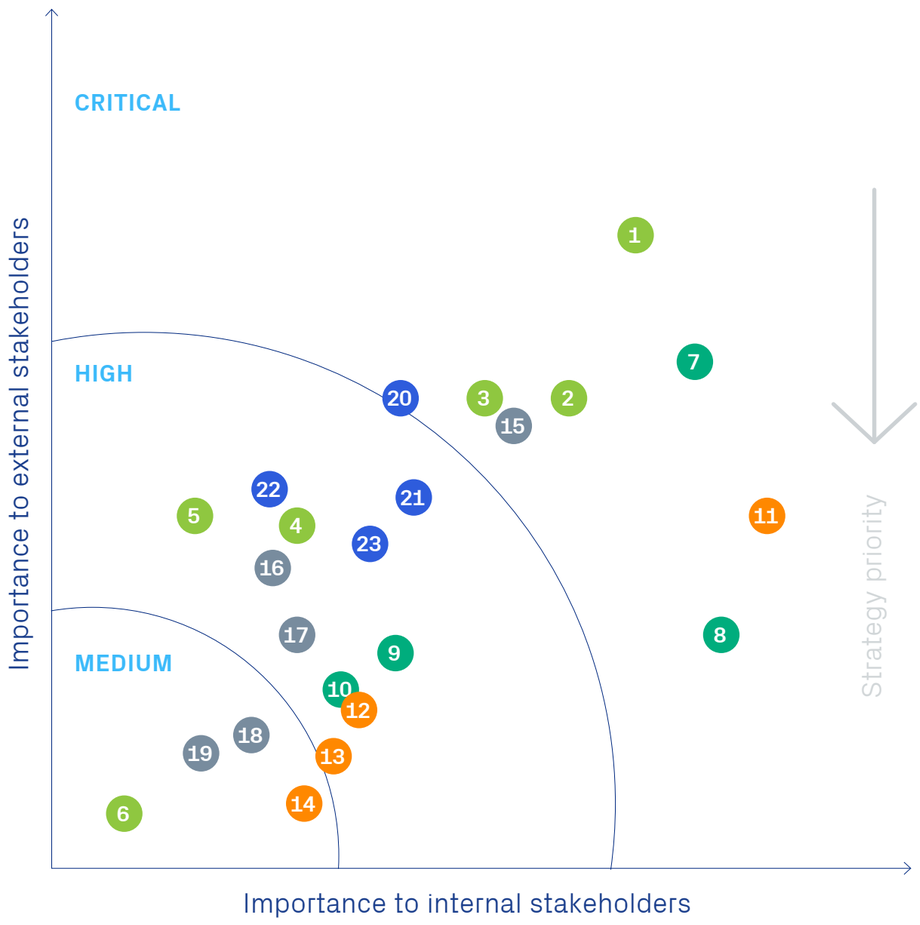
We also confirmed that the pillars of our sustainability strategy constitute the right path toward reducing our impact on people and the planet. As a result of the update, we adjusted some material topics to include wider concepts in alignment with industry trends.

Our materiality matrix is the result of the topics and concerns surveyed in-depth among internal and external stakeholders in 2022. It includes 23 topics across five areas.

Survey participants were asked to evaluate ESG factors based on their importance to our business strategy/financial success and our core values, as well as the perceived current state of the company's performance. Each stakeholder group was weighted equally in the materiality analysis. The results from the materiality assessment enabled us to align our sustainability strategy with our stakeholders' priorities, refining our decision-making and enhance our reporting and disclosures.

# 2.1. Our Sustainable Business Strategy and Commitments

## Materiality Matrix




**ENVIRONMENT**

1. **Climate change and GHGs**
2. **Energy management**
3. **Air emissions**
4. Water management
5. Waste and materials management
6. Biodiversity

**HUMAN CAPITAL**

7. **Health and safety**
8. **Employee attraction, training and development**
9. Diversity, equity, and inclusion
10. Labor practices

**SOCIAL CAPITAL**

11. **Product quality and safety, and customer experience**
12. Data security and privacy
13. Human rights
14. Community relations

**GOVERNANCE**

15. **Business ethics**
16. Governance of “ESG”
17. Systemic risk management
18. Stakeholder engagement
19. Board independence and diversity

**BUSINESS MODEL AND INNOVATION**

20. **Sustainable products, innovation and digital transformation**
21. Competitive behavior
22. Product life cycle and circular economy
23. Supply chain management

# 2.1. Our Sustainable Business Strategy and Commitments

## 2.1.3. Stakeholder Engagement

Daily | As required | Quarterly, annually and request

| STAKEHOLDER | HOW WE ENGAGE | | FREQUENCY | RESPONSIBLE AREAS | OUTCOMES |
|---|---|---|---|---|---|
| **GCC People** | • Safety talks<br>• Humand network<br>• Surveys<br>• Performance evaluations<br>• Technology systems | • Negotiations<br>• Team meetings<br>• One-on-one meetings<br>• Corporate website<br>• Project assignments | | Divisions, Human Resources and Corporate Communications | Engaging with our employees helps us to attract, develop, motivate and retain our most important asset, our people.<br>During 2024, use of our internal communications platform Humand ascended to 1,934 new active users. New initiatives and company-wide engagement and synergies resulted from the exchange of information and projects on Humand. |
| **Customers** | • Surveys<br>• Industry associations<br>• Formal market research | • Corporate website<br>• Product information<br>• One-on-one engagement<br>• Technical support | | Commercial Area and Senior Leadership | Engaging with our customers and listening to their needs, leads us to deliver innovative solutions and develop products that meet their sustainability goals.<br>During 2024, we continued to assist our clients in understanding blended cement performance. |
| **Communities** | • Local event assistance<br>• Site tours<br>• Website<br>• Public meetings<br>• Permit processes | • Community advisory groups/panels (U.S.)<br>• Donations<br>• Joint projects: reclamation, volunteering | | Multiple | GCC Foundation, along with our volunteer program and through our partnerships and memberships, developed a considerable number of events, donations and impacts. For more information, please visit the Communities section in this report. |
| **Investors** | • Annual and extraordinary general meetings<br>• Non-deal road shows<br>• One-on-one meetings | • Investor conferences<br>• Quarterly reports and conference calls<br>• Website<br>• Telephone calls | | Investor Relations and Senior Leadership | Our investors help us to understand their expectations regarding our ESG performance and risk management. During 2024, we launched our first Integrated Report.<br>**4** earnings calls **6** conferences and broker events **137** meetings attended |
| **Government relations and NGOs** | • Industry associations<br>• Third party audits<br>• Multi-stakeholder forums<br>• Permit processes<br>• Lobbying | • Public meetings<br>• Local event participation<br>• Presentations<br>• Website<br>• Meetings | | Multiple | Our engagement with local and national regulators, governments and industry associations, ensured that we contributed to issues relevant to our activities and improved our sustainability performance.<br>We discussed our Health and Safety program with union leaders, who agreed with the changes we are implementing. |
| **Suppliers** | • Coupa portal<br>• Suppliers portal<br>• Negotiations<br>• RFP/RFO | • Product information<br>• Surveys<br>• Corporate website | | Multiple | New suppliers must align with GCC policies that apply ISO 45001, ISO 14001 and ISO9001, as well as with our 5S System, Code of Ethics and Conduct and Privacy Policy.<br>Engagement through Coupa Portal simplified communications, onboarding and payments. |

# 2.1. Our Sustainable Business Strategy and Commitments

## 2.1.4. GCC Commitments and Progress

# PEOPLE

### TRAINING (HOURS/EMPLOYEE)

**2023** 26

**2024** 32

**2030 Target** 25

### WOMEN IN THE WORKFORCE

**2023** 12%

**2024** 12%

**2030 Target** 20%

### WOMEN IN MANAGEMENT

**2023** 14%

**2024** 13%

**2030 Target** 25%

# 2.1. Our Sustainable Business Strategy and Commitments

## Our climate and energy goals [1]

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

| | BASE YEAR 2015 | 2024 | 2030 | 2050 |
|---|---|---|---|---|
| **Scope 1 reduction**<br>Kg net $CO_2$ \| ton cementitious material | 766.8 | 11.8%<br>676.3 | 30.7%<br>531.7 | Achieve net zero concrete along our concrete value chain by 2050. |
| **Scope 2 reduction**<br>Kg $CO_2$ \| ton cementitious material | 77.0 | 44.6%<br>44.2 | 57.0%<br>33.0 | |
| **Scope 3** (category 11)<br>million ton $CO_2$ | 1.238 | 1.127 | 0.774 | |
| **Clinker factor** | 88.5% | 83.7% | 80.0% | |
| **Circular economy goals**<br>% Substitution for alternative fuels at GCC plants | 5.9%<br>2015 | 9.4%<br>2024 | 25.0%<br>2030 | |

[1] Scope 1, scope 2 and scope 3 were validated by SBTi in alignment with a well below 2°C scenario in January 2023.

**RATINGS AND ESG DISCLOSURE SCORING**

S&P Global
CDP
SUSTAINALYTICS

# 2.1. Our Sustainable Business Strategy and Commitments

## 2.1.5. Disciplined Resource Allocation

During 2024, we invested a total of US$337 million in our operations to upgrade equipment, increase production capacity and improve logistics, a 106% increase when compared to 2023. Over the past four years, we have consistently increased our investments. In 2024, most of our investment was allocated to the Odessa cement plant expansion and to modernizing and automating our cement plants. A portion of the total investment in our plants was dedicated to more flexible and cleaner energy sourcing.

| CONCEPT (US$ MILLION) | 2024 | 2023 | 2022 |
|---|---|---|---|
| Expansion of the Odessa, Texas, cement plant | 224 | 67 | 8 |
| Modernization and automation of cement plants | 53 | 55 | 45 |
| Transportation equipment | 25 | 17 | 16 |
| Property and land investments | 25 | 8 | 9 |
| Solar plants | 6 | 3 | 0 |
| Debottlenecking at Samalayuca plant | 2 | 13 | 17 |
| Information systems equipment | 2 | 1 | 1 |
| **Total** | **337** | **164** | **96** |

Our investments reflect GCC's commitment to increasing return on capital and enhancing our asset portfolio, focusing on reinforcing our competitive advantages and long-term excellence and growth, by activating the following levers:

- **Expanding in existing markets:** increasing market share through higher vertical integration and more value-added products.
- **Productivity through efficiency and scale:** we invest in disciplined capacity expansion, efficiency improvements, and in optimizing our distribution network. This includes, for example, our successful debottlenecking of the Samalayuca plant in 2023.
- **Entering new markets:** continue our successful U.S. expansion and focus on synergistic contiguous markets.
- **Value accretive M&A:** to generate higher shareholder value, we analyze opportunities that can help us consolidate our network or create a new one.

# 2.1. Our Sustainable Business Strategy and Commitments

Our resource allocation framework involves disciplined and stringent long-term value analysis, as we remain focused on strengthening our integrated and flexible network. An example is our strategic realignment in the U.S. ready-mix business through network optimization in Oklahoma and Montana. In 2018, we started by exchanging our non-integrated ready-mix and transportation assets in Oklahoma and northwest Arkansas for our Trident, Montana cement plant without increasing debt. We continued by divesting the rest of our non-integrated ready-mix assets in that area as of 2020 and acquiring five ready-mix plants in the upper Midwest, which we integrated into our cement supply from the expanded Rapid City cement plant.

As a result, we have accumulated significant expertise in developing integrated cement and concrete ecosystems given our previous experience in investing in asset development, integrating acquisitions and adding synergies.

## 2.1.6. Economic Value Created and Distributed

During 2024, we generated US$1,366.7 million in direct economic value in the form of net sales, of which we retained US$268.8 million (20%), and distributed US$231.9 million in the form of employee wages and benefits; US$51.6 million to providers of capital in the form of interest and dividends. Additionally, we invested US$1.1 million in our communities and paid US$78.1 million in the form of taxes, US$64 million paid to the government of the United States and US$14.1 million paid to the Mexican government.

GCC's operations, and our overall business, are subject to various laws and regulations, as well as licenses, concessions and government permits. As of the date of this report, we are in full compliance with our tax obligations. Futhermore, we consider an important commitment to contribute to our societies in which we operate by paying our taxes as a local business.

In 2024, we returned US$30 million to shareholders through dividends.

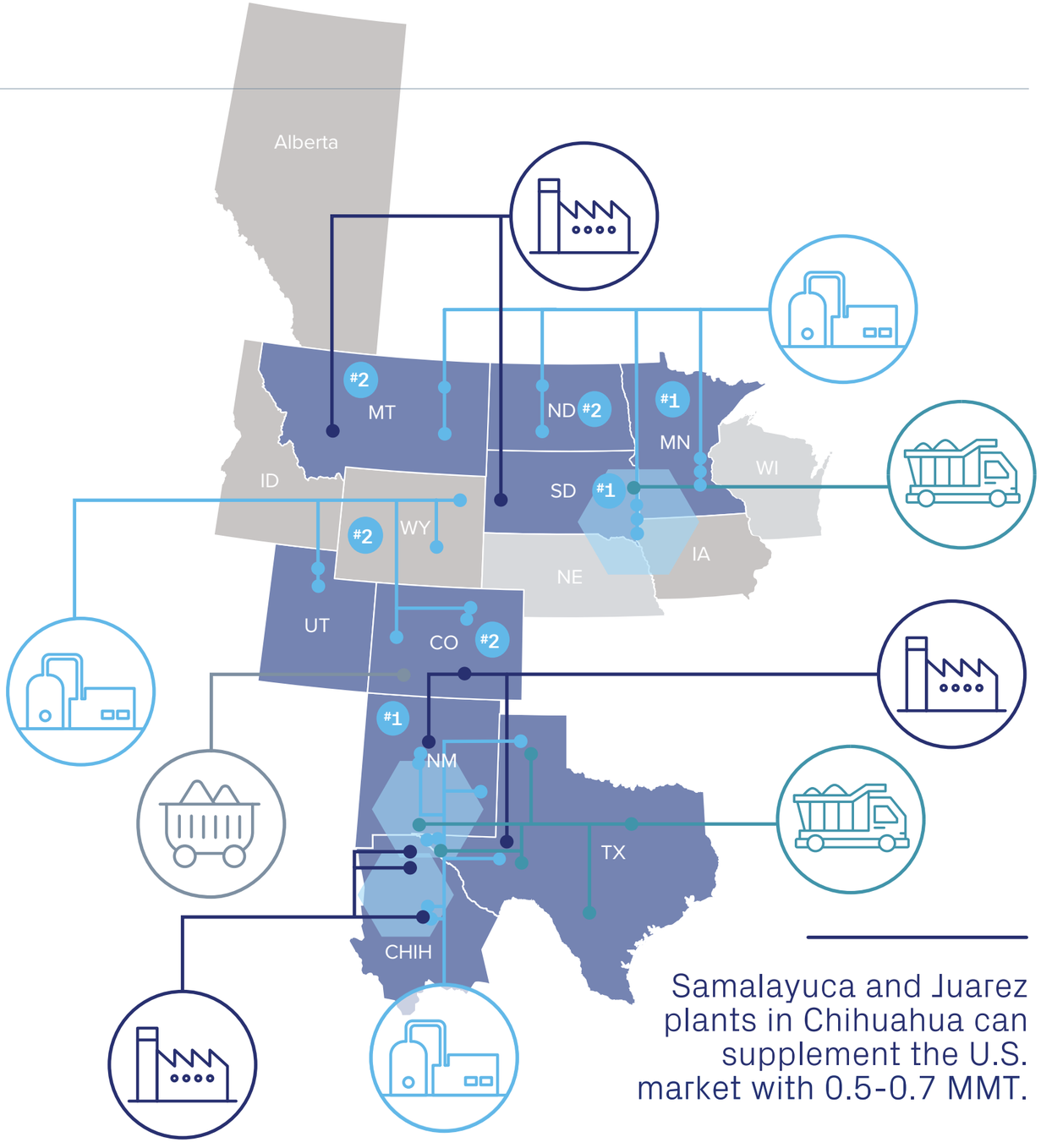
| VALUE CREATED AND DISTRIBUTED (US$ MILLION) | 2024 | 2023 | 2022 |
|---|---|---|---|
| **Direct economic value generated: revenues** | **1,366.7** | **1,363.9** | **1,168.3** |
| **Economic value distributed: operating costs** | **735.2** | **755.1** | **703.7** |
| • Employee wages and benefits | 231.9 | 225.6 | 196.2 |
| • Payments to providers of capital | 51.6 | 45.7 | 37.6 |
| • Payments to government – United States | 64.0 | 59.4 | 18.1 |
| • Payments to government – Mexico | 14.1 | 16.4 | 8.8 |
| • Community investments | 1.1 | 1.0 | 1.0 |
| **Economic value retained** | **268.8** | **260.7** | **202.9** |

# 2.2. Risks and Opportunities

GCC is the regional leader in the U.S. center-cut markets, operating in 13 contiguous states. No other producer competes with GCC across our markets, which are diversified regional economies, with low unemployment, offering a clear upside to U.S. construction recovery.

We are the leading producer of cement and ready-mix concrete in the Mexican border state of Chihuahua. There are close economic ties between Chihuahua and the United States, which provide us with a clear benefit for cyclical recovery and, at the same time, makes us a target for foreign direct investment. Our demand growth in Mexico is driven primarily by the private sector. Additionally, the Mexico Division exports a portion of its sales volume to the United States, providing us with the flexibility to supply Texas and New Mexico demand from our Samalayuca and Juarez plants. Our plant in Chihuahua also supports oil-well cement demand in Texas.

Main risks associated with this opportunity include country, operational and climate related risks.




Samalayuca and Juarez plants in Chihuahua can supplement the U.S. market with 0.5-0.7 MMT.

- Larger sales
- Mid sales
- Lower sales
- Concrete
- # Market position in each state

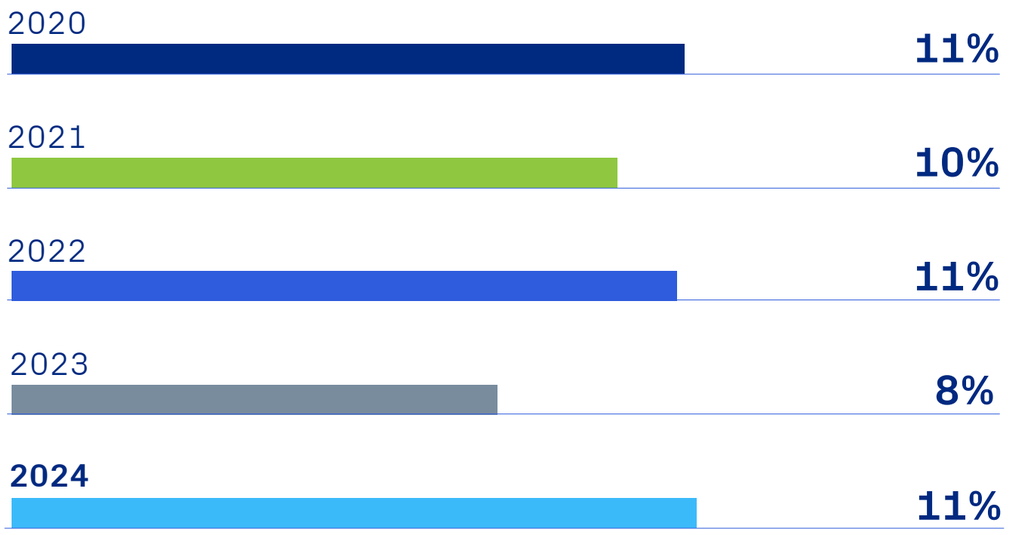
- Cement plant
- Cement terminal
- Aggregates sites
- Coal mine

# 2.2. Risks and Opportunities

During 2024, the Mexico Division saw strong export growth, driven by the resolution of the Mexican-U.S. border closure. This development allowed GCC to return to cost-effective routes, freeing up product from the Pueblo plant and increasing capacity at the Samalayuca plant to support the growing Odessa market.

GCC's differentiated network connectivity enables us to overcome challenges and mitigate climate-related events. We have contingency plans in place to address these risks.

**EXPORT SHARE OF TOTAL CEMENT VOLUME SALES**




## 2.2.1. Market Opportunities

GCC has a leading market position coupled with very fragmented competition in its core U.S. markets.

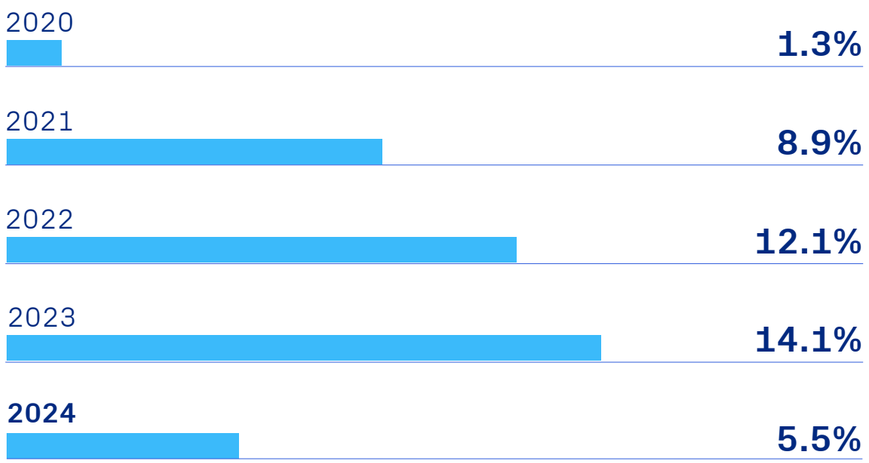
**GCC MARKET POSITION AND COMPETITORS IN CORE MARKETS**

| | Colorado | N. Mexico | N. Dakota | S. Dakota | W. Texas | Wyoming | Montana |
|---|---|---|---|---|---|---|---|
| GCC market position | #2 | #1 | #2 | #1 | #1 | #2 | #2 |
| GCC cement plant in state | ✓ | ✓ | | ✓ | ✓ | | ✓ |
| Competitor in-state plant | LHN,CX | | | | BZU | EXP | CRH |
| Other principal competitors | EXP | LHN | HEI, LHN CRH | LHN, CRH | SRMG | | LHN |

# 2.2. Risks and Opportunities

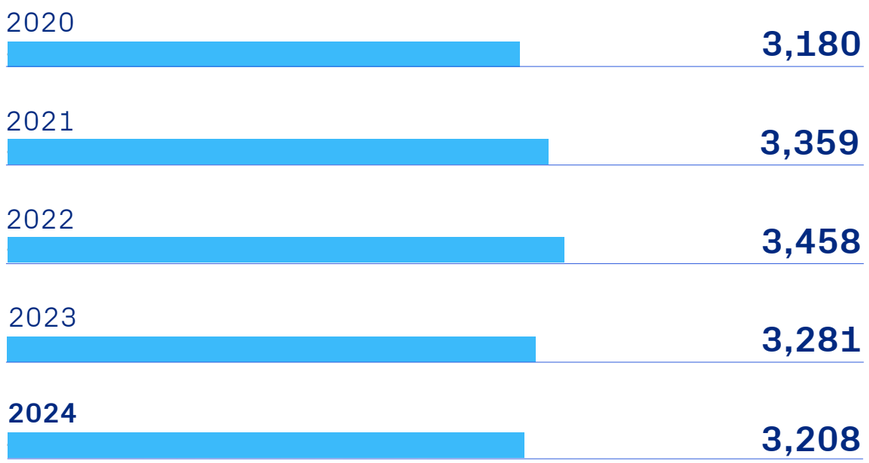
**GCC U.S. CEMENT PRICES**
(Change, year over year)

4yr CAGR +10.1%




**GCC U.S. CEMENT SALES**
('000 MT)

4yr CAGR +0.2%

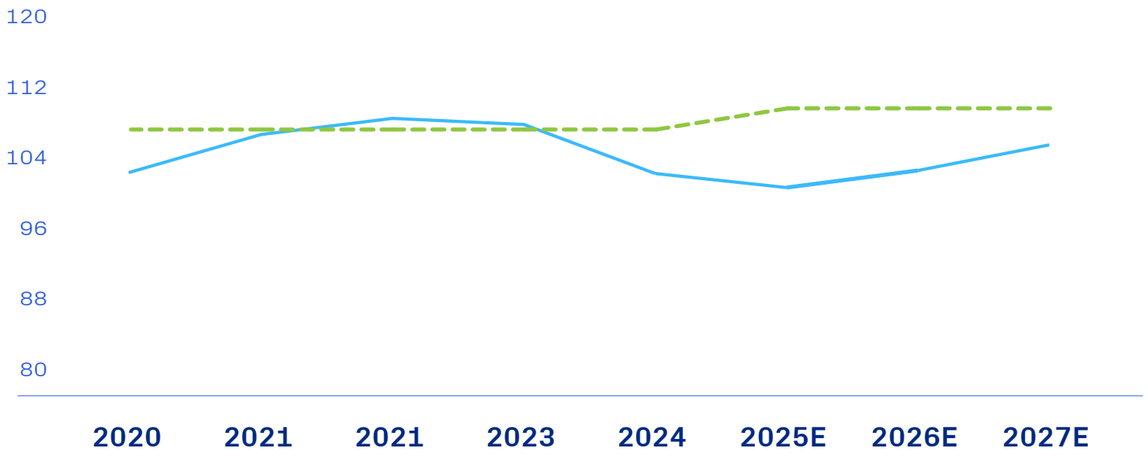



Our core markets represent a clear business opportunity, given their proven capacity for volume and price recovery. GCC's U.S. cement markets showed a 10.1% compounded annual growth in prices over the last four years. Cement sales in the same markets showed a modest recovery during the same period, with a compounded annual growth rate of 0.2% per year between 2020 and 2024.

The main opportunity looking forward is in the positive outlook for U.S. demand, as cement consumption in the U.S. country is expected to outpace supply by 2027, driven by an expected increase in infrastructure spending and the recovery of the residential sector. Apparent cement consumption in the U.S. during 2024 remained 20% below the 2005 peak of 128 million tons. Imports play a key role in offsetting the gap between consumption and constrained domestic production capacity, with our Mexican operations strategically positioned to ensure a reliable supply that meets our customers' demand.

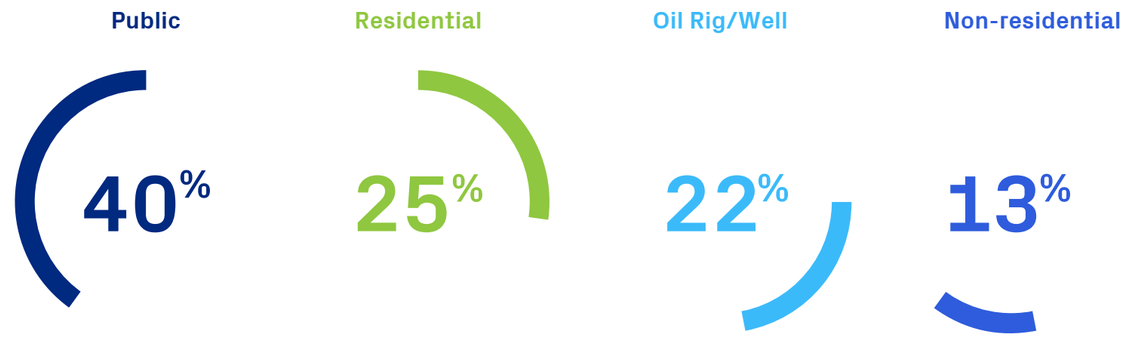
# 2.2. Risks and Opportunities

## U.S. CEMENT MARKET FUNDAMENTALS SUPPORT GROWING DEMAND THROUGH 2027; IMPORTS WILL BECOME A CRITICAL SOURCE OF SUPPLY[1]




A key differential opportunity for GCC is our integrated and flexible network, which allows us to be able to quickly adapt production and distribution to supply those demand segments that show the most potential in the short-term.

## U.S. SECTORS



Given our diversified business mix, we can adapt GCC's network to take advantage of quickly accelerating demand in some segments, while others show weaker demand. This was the case during 2024, as we swiftly shifted our network to supply higher demand for renewable energy and oil and gas, which compensated a softer residential market.

[1] Source: PCA Spring 2025 Forecast

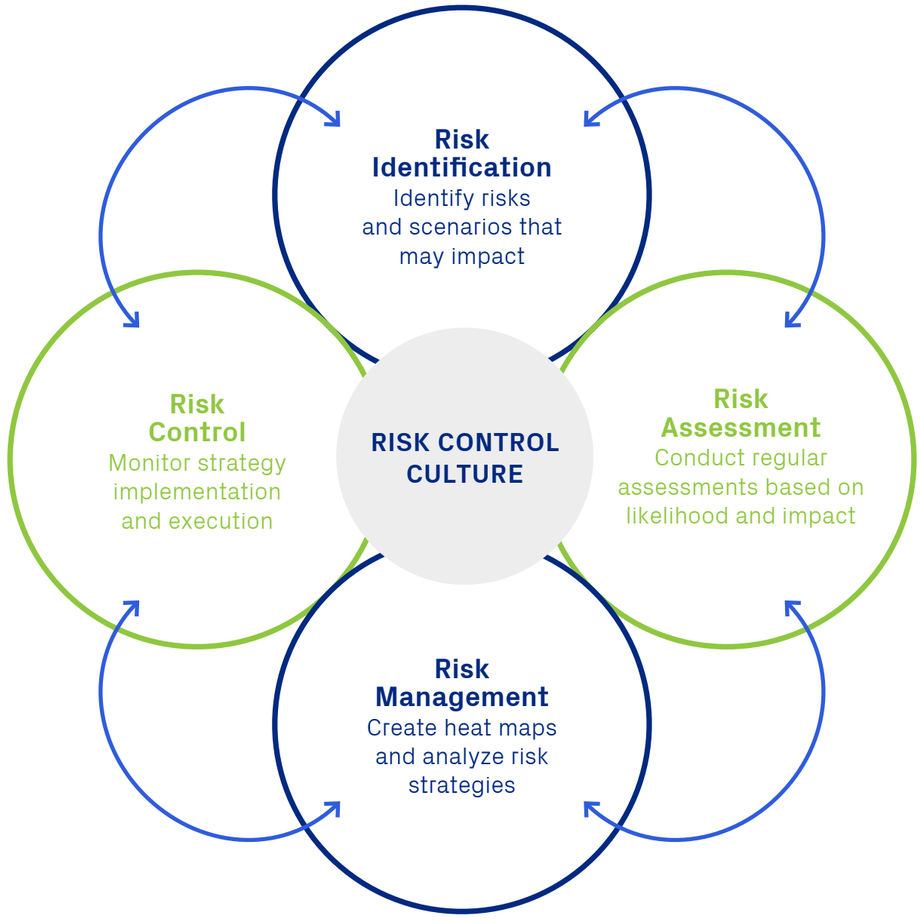
# 2.2. Risks and Opportunities

## 2.2.2. Potential Risks

Our business is exposed to a variety of external, internal, operational, climate, and financial risks and uncertainties. We make continuous efforts to identify, prevent, control and mitigate these risks to ensure our long-term stability and success. We have a coordinated, comprehensive approach to overseeing the enterprise-wide risk management responsibilities, and ensuring the full incorporation of climate considerations.

Supported by the appropriate governance and sustainable tools, we monitor, analyze and mitigate risk exposure. The board regularly reviews strategic threats and risks that emerge through this process. Our leadership is fully engaged in risk management and has made it a fundamental aspect of the company's strategy, operations and culture.

Through our risk control culture and processes, we identify, assess, mitigate, and monitor the company’s overall risk exposure, while incorporating risk assessment into all strategic decisions.




Our risk management-oriented culture ensures protection of our assets and the success of our strategy.

# 2.2. Risks and Opportunities

These processes help us reduce the likelihood and impact of potentially adverse events, securing the involvement of our Internal Control Department when needed.

As disclosed in our Annual Report, our stakeholders should consider the risks and uncertainties related to:

- The countries GCC operates in
- The company
- GCC's shares

We have a risk management process in place to monitor, analyze and mitigate risk exposures.

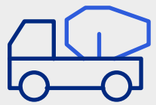
## Main risks related the countries where GCC operates

**Operations are subject to political, economic, and reputational risks for conducting business in corrupt environments.** A significant portion of our business is conducted in Mexico, which has elevated levels of corruption compared to the United States, according to the Transparency International's Corruption Perceptions Index. To mitigate this risk, we implemented an Anti-corruption Compliance Program, which includes enforcement of our Code of Ethics and Conduct, together with the policies and procedures that complement it. Additionally, we conduct annual employee training programs, to promote compliance with business ethics and local laws and regulations.

**Our business, results of operations, and financial condition may be adversely affected by government contracting risks.** GCC, as a supplier of cement and ready-mix concrete for use in operational projects, is subject to various laws and regulations applicable to third parties. In which, we may be affected by government changes or unilateral suspensions, as well as fines or sanctions. To monitor compliance with these laws and regulations, and avoid any potential disruptions, we put in place the appropriate procedures to prevent any investigations, as well as the possibility of any legal actions or fines.

# 2.2. Risks and Opportunities

## Main risks related to the company



**A disruption or delay in the supply chain or in the production at one of our production facilities.** If one of GCC's production facilities or the supply chain were to cease production unexpectedly, our sales and financial results could be materially adversely affected. We mitigate this risk by keeping inventory at all of our terminals and shipping stations, and in certain regions, our cement plants and our network of ready-mix concrete plants can provide back up for other plants that might be affected by a disruption.

**Failures or interruptions in our information systems.** GCC depends on its information technology, which includes systems, to conduct business activities. The company has implemented cybersecurity controls, built-in redundancies and back up for all its IT systems to guarantee business continuity. New measures include (i) system updates and security tools, (ii) periodic cybersecurity releases and (iii) mandatory trainings for all employees.

**Compliance with environmental, health and safety laws and regulations.** Our operations are subject to strict laws and regulations governing environmental protection, and health and safety, which generally require us to obtain and comply with various permits, licenses, registrations, and other approvals. We have a team that monitors and executes all necessary activities to comply with laws and regulations, related permits and other requirements. Additionally, all company facilities comply with existing regulations.

**Ability to attract and retain key employees.** GCC's success depends on our ability to retain key executives with extensive experience in the cement industry. Our human capital priorities include health and safety, employee trainings and development, diversity, equity and inclusion, and best labor practices. We have contingency programs for key positions at our plants as explained in the People section.

# 2.2. Risks and Opportunities

## Main risks related to GCC's share

**The relative volatility and lack of liquidity in the Mexican stock market could substantially limit shareholders' ability to sell their common stock at the desired price and time.** Investing in securities traded in emerging markets, such as Mexico, generally involves higher risks than investing in securities of issuers from other markets, which investments are considered more speculative. The Mexican stock market is substantially smaller and concentrated in a limited number of institutional participants and may be more volatile than other securities markets. We mitigate this risk by permanently engaging with investors and working to improve our liquidity.

**Dividend distributions to holders of GCC's shares will be made in Mexican pesos.** Any significant fluctuations in the exchange rates between Mexican pesos and U.S. dollars or other currencies could have an adverse impact on the U.S. dollar or other currency to the equivalent amounts of such translation received by the shareholders. In addition, the amount paid by the company in Mexican pesos may not be readily convertible into U.S. dollars or other currencies. Even though the Mexican government does not currently restrict the ability of Mexican or foreign individuals or entities to convert Mexican pesos into U.S. dollars or other currencies, the Mexican government could institute restrictive exchange control policy in the future.

# 2.2. Risks and Opportunities

## 2.2.3. Risk Governance

Our risk governance is carried out through a number of coordinated initiatives and subject to continuous improvement. Our Senior Leadership Team performs a detailed annual update and analysis of our risk heat map, which is then submitted to the Board of Directors for analysis and formal approval. The Audit and Corporate Practices Committee advises the Board on matters related to risk management. Responsibilities concerning risks are clearly defined for each country division, as well as at the corporate level, establishing management's responsibility for each risk.

Risks are identified and assessed according to significance and likelihood. Key risks are analyzed more in depth regarding their causes, and classified into strategic, operational, property and cybersecurity risks.

Our IT infrastructure and information security management systems are certified under ISO/IEC 20000-1:2018 and audited annually by external auditors. In 2024, we implemented measures to mitigate risks based on recommendations from a 2023 external cybersecurity assessment, which included our SAP ERP system. These measures introduced new policies for internet usage, network management, and USB security. We also completed the rollout of dual authentication for computers and Microsoft services and replicated critical information to a secure data vault to ensure robust backup and protection.

To further reinforce our cybersecurity framework, the Internal Control department initiated periodic internal cybersecurity tests in December 2024. Additionally, we expanded our annual cybersecurity training program, achieving an 93% participation rate among computer-using employees. As a result, we maintained a secure digital environment throughout the year, with no reported cybersecurity breaches.

| | |
|---|---|
| **STRATEGIC RISKS** | • Leadership Team oversight<br>• ESG risk management approach<br>• Annual risk heat map<br>• More than 80 risks identified<br>• Scoring of Top 10 risks |
| **OPERATIONAL RISKS** | • Internal Audit oversight<br>• Annual risk plan presented to Audit Committee<br>• Focus on innovation and improvements<br>• Fraud monitoring<br>• Internal Control monitors risks<br>• Analytics continuous monitoring for databases |
| **PROPERTY RISKS** | • Risk management oversight<br>• Joint approach with external insurance company<br>• Annual assessment<br>• Risk maps and scoring per property |
| **CYBERSECURITY RISKS** | • IT committee oversight<br>• External penetration tests and maturity assessment level analysis<br>• ESG and SAP scopes |

# 2.2. Risks and Opportunities

## 2.2.4. How we Manage Risk

GCC's risk management is structured around several coordinated approaches, including bottom-up and top-down risk assessments, complemented with specific analyses addressing strategic needs.

### STRATEGIC RISKS

**Risk Management Approach**

The Senior Leadership Team (SLT) assumes a pivotal role in the organization's strategic risk oversight by identifying and assessing over 80 strategic risks. Through this comprehensive evaluation, an annual risk heat map is generated to visually represent the likelihood and potential impact of each risk. From this extensive pool, the SLT discerns the top 10 risks that warrant concentrated attention and monitoring. Throughout the year, the SLT diligently monitors these top 10 risks, ensuring a proactive approach to risk management.

### OPERATIONAL RISKS

**Focus on Innovation and Process Improvement**

The Internal Audit Department oversees operational risks and presents the annual plan to the Audit Committee for review, with regular follow-ups thereafter. This plan entails independent assessments of control effectiveness and surveillance of fraud risks. Additionally, the Internal Control Department formulates an annual plan encompassing risk analysis and enhancement of internal controls across business processes, including those related to IT.

### PROPERTY RISKS

**Insurance Approach with Risk Map and Scoring per Property**

Our Risk Management Department along with our external insurance company, perform a joint risk review and assessment to address risks related to climate, property, and other asset contingencies. Annual assessments are performed to maintain an updated risk heat map, as well as scoring charts per asset, property and/or plants.

### CLIMATE RISKS

**Focus on Key Climate Objectives in Strategic Sustainability Plan**

Our climate risk strategy has focused objectives to ensure the success of the company's sustainability, in connection with climate risks and impacts, including reduction of greenhouse gas emissions ($CO_2$), energy optimization through lower heat and power consumption, blended cement production, search and introduction of alternative energy sources and feasibility studies for research and early adoption of carbon capture technology.

# 2.2. Risks and Opportunities

## 2.2.5. Climate-related Risks

During 2023, we conducted our first Climate Scenario Analysis, with the purpose of understanding how different futures may result in diverse climates and how the resulting transition and physical risks impact us. Overseen by the CSO, the analysis was conducted following TCFD guidance and included key subject matter experts (SMEs) from analysis, legal, operations, finance, mining and the sustainability team, among others.

The scenario analysis is incorporated into our decision-making process and strategic management. The outcome of the analysis is a report and integration workshop where key stakeholders discuss how to integrate the findings into the business strategy. Results are then presented to senior management and include identified climate-related risks and opportunities, an assessment of our business strategy resiliency in the face of different climate scenarios, and recommendations for management.

For more information on climate-related risks and governance, please visit our Planet section.

Our climate scenario analysis is incorporated into our decision-making process and strategic management.

# 2.3. Corporate and Sustainability Governance

At GCC, we believe corporate governance plays a pivotal role in the enduring success of our business strategy. It is essential to ensure transparent decision-making, to uphold the highest standards of business ethics and to instill confidence among our stakeholders.

We acknowledge the interdependence of financial success, ethical conduct, and environmental and social responsibility. Our commitment to the triple bottom line of people, profit and planet is therefore inextricably linked to a strong corporate and sustainability governance framework. This framework encompasses our Board of Directors, our Committees and the Senior Leadership Team.

GCC's dedication to ethical conduct aligns seamlessly with regulatory expectations in both Mexico and the United States. Embedded sustainability governance ensures our international activities follow environmental and social responsibility principles, contributing to our reputation and strong relationships in the markets where we operate.

Business ethics is regarded as the most critical material corporate governance aspect by both the company and its stakeholders.

Our Code of Ethics and Conduct sums up GCC's principles for ethical conduct, and together with company policies, provides guidelines for our employees and suppliers to be in compliance with internal and external laws and regulations. Our Internal Control Department is currently in the process of reviewing and updating GCC's company policies. In 2024, significant revisions were made to policies governing procurement, payments, and psychosocial risk prevention, enhancing clarity and strengthening operational efficiency.

To further encourage accountability, senior leaders' remuneration is 69% performance-based and linked to the implementation and success of our sustainable business strategy and objectives.

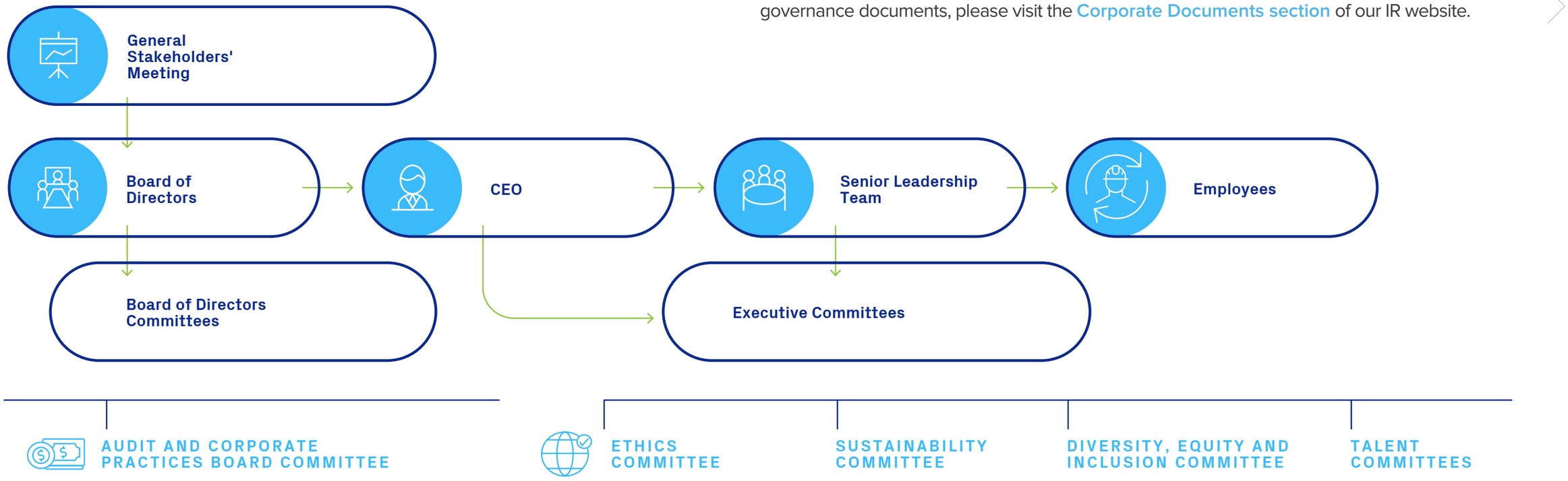
# 2.3. Corporate and Sustainability Governance

## 2.3.1. Corporate Governance

Corporate governance at GCC is led by the General Shareholders' Meeting, our highest governing body. In-between shareholder meetings, decisions are delegated to the Board of Directors, assisted by its Audit and Corporate Practices Board Committee. The CEO oversees the implementation of the strategy, together with the Senior Leadership Team, with emphasis on the topics reviewed by our four Executive Committees: Ethics, Sustainability, Diversity, Equity and Inclusion, and Talent.

To shape our corporate governance practices and internal norms, we abide by the legal and regulatory frameworks outlined by local laws in both Mexico and the United States. This includes the regulations set forth by the *Bolsa Mexicana de Valores* (BMV), establishing reporting, compliance and internal control guidelines, as well as auditing and reporting standards.

Corporate Governance bylaws, documents and policies are established by GCC, S.A.B. de C.V. and are aligned with local regulations and best practices. For a complete list of our public governance documents, please visit the Corporate Documents section of our IR website.



# 2.3. Corporate and Sustainability Governance

## 2.3.2. Board of Directors and Committees

### 2.3.2.1. Board of Directors

Our Board of Directors ensures equal treatment for all shareholders, respecting their rights and protecting their interests. At the same time, it considers the interests of all stakeholders, including customers and employees, in the decision-making process. The Board's role encompasses the following responsibilities:

- Establishing our business strategy.
- Overseeing management and operations.
- Approving financial results, transactions with related parties, extraordinary acquisitions, divestments, and other activities.
- Selecting key executives and reviewing their compensation.
- Managing strategic risks.
- Promoting a socially and environmentally responsible company.

Our board promotes socially and environmentally responsible objectives by maintaining high-level oversight of sustainability initiatives, including:

- Strategic risk management approach.
- ESG performance monitoring.
- Health and safety initiatives, labor standards and employee wellbeing.

Our Board of Directors meets at least every three months and on an as-needed basis. In 2024, our Board held six meetings and discussed sustainability-related topics at four of those meetings. Board Meetings are considered held if at least a majority of Board members attend, and resolutions shall be valid if approved by a majority of the members in attendance.

### 2024 GOVERNANCE ACHIEVEMENTS

- Strengthened business ethics through corporate integrity projects with USAID.
- Completed antitrust compliance trainings.
- Participated in the first Integrity Workshop organized by the Municipality of Chihuahua.
- Updated our Integrity and Ethics Policies, now available on our website.

**67%**
Board meetings included ESG topics in 2024

**94%**
Attendance by Directors to 2024 Board meetings

# 2.3. Corporate and Sustainability Governance

### 2.3.2.2. Board Composition and Skills

GCC's one-tier Board of Directors is organized considering the following criteria:

- No proprietary director holds a management position.
- The Chairman and CEO roles are separated.
- Proprietary directors suggest their alternate.
- GCC's CEO, Enrique Escalante, is an alternate director.

| PROPRIETARY DIRECTORS | ALTERNATE DIRECTORS | INDEPENDENT | FEMALE |
|---|---|---|---|
| 14 | 14 | 29% | 14% |

GCC Directors bring a variety of skills, experience and knowledge that contribute to the company's long-term success.

**19** YEARS
AVERAGE BOARD TENURE

Approximately 29% of our board is independent, whether we consider proprietary or alternate directors. This is in compliance with Mexican Securities Market Law, which requires a minimum of 25% independent directors.

Our Board members bring invaluable expertise to our sustainability decision-making and risk analysis, significantly enhancing both.

- One of our board members is the leader of the Sustainability, Climate Action, Social Impact and Diversity Committee at Cemex.
- Our Board members also have experience in:
  - Effectively evaluating impact, for climate action and social initiatives, such as diversity programs and goals.
  - Identifying main sustainability-related risks and overseeing mitigating actions.
  - Sustainability-linked bonds, among Mexican issuers.

The members of the Board of Directors are elected or re-elected annually by the General Shareholders' Meeting. The elected Board Members hold office for a period determined by the shareholders, and in the absence of such determination, their term shall be until the next Annual General Meeting or until their successors are elected or appointed. Current directors were appointed in April 2025.

# 2.3. Corporate and Sustainability Governance

| DIRECTOR | GENDER | POSITION | TENURE | TENURE > 10 YEARS | INDEPENDENT | % BOARD MEETING PARTICIPATION | EXECUTIVE EXPERIENCE | PARTICIPATION IN OTHER BOARDS OF DIRECTORS |
|---|---|---|---|---|---|---|---|---|
| Federico Terrazas | M | P | 34 | ✓ | No | 100% | ● | ● |
| Luis Nicolau | M | D | 6 | - | Yes | 100% | ● | ● |
| Armando García | M | D | 34* | ✓ | Yes | 83% | ● | ● |
| Luis Fernández | M | D | 5 | - | Yes | 83% | ● | ● |
| Jesús Olivas | M | D | 1 | - | Yes | 100% | ● | ● |
| Ramiro Villarreal | M | D | 34 | ✓ | No | 100% | ● | ● |
| Fernando González | M | D | 15 | ✓ | No | 83% | ● | ● |
| José Antonio González | M | D | 12 | ✓ | No | 100% | ● | ● |
| Juan Romero | M | D | 14 | ✓ | No | 100% | ● | |
| Enrique Terrazas | M | D | 34 | ✓ | No | 67% | ● | ● |
| Martha Márquez | F | D | 34 | ✓ | No | 100% | ● | ● |
| Silvia Márquez | F | D | 8* | - | No | 83% | | ● |
| Carolina Mares | F | D | 6 | - | No | 100% | ● | ● |
| Luis Márquez | M | D | 34 | ✓ | No | 100% | ● | ● |
| | **21% Women** | | **Average of 19 years** | | **29% Independent** | **94%** | **93%** | **93%** |

Notes: Board composition as of December 31, 2024. All GCC Directors are Mexican nationals.
* The tenure of Armando García and Silvia Márquez includes their years of service as alternate directors.
** Mr. Cesar Conde is our Board Secretary since 2022 with a management position of General Counsel.
*** At the Annual Shareholders' Meeting held on April 24, 2024, Luis Hernández, Ricardo Naya and Jaime Muguiro were appointed to the Board of Directors, replacing Ramiro Villareal, Fernando González, and Juan Romero, respectively.

# 2.3. Corporate and Sustainability Governance

| BOARD SKILLS MATRIX | |
|---|---|
| | % |
| ACCOUNTING, AUDITING AND CONTROLLING | 64% |
| BUSINESS STRATEGY | 100% |
| CONSTRUCTION AND BUILDING MATERIALS | 93% |
| CORPORATE GOVERNANCE | 100% |
| CORPORATE FINANCE | 100% |
| ENERGY | 36% |
| ENVIRONMENT, CLIMATE CHANGE AND SUSTAINABILITY | 50% |
| ETHICS AND COMPLIANCE | 100% |
| HEALTH AND SAFETY | 43% |
| HUMAN RESOURCES | 71% |
| INFORMATION TECHNOLOGY AND CYBERSECURITY | 29% |
| INNOVATION | 36% |
| LEGAL AFFAIRS | 71% |
| LOGISTICS | 50% |
| M&A | 64% |
| RISK MANAGEMENT | 50% |

# 2.3. Corporate and Sustainability Governance

| | NATIONALITY | AGE | APPOINTED | OTHER ROLES AND ACTIVITIES |
|---|---|---|---|---|
| **Federico Terrazas**<br>Chairman | Mexican | 57 | 2013 | Federico's leadership extends beyond GCC, as he holds chairmanship positions in several companies including: CAMCEM, IMIN de México, Control Administrativo Mexicano, and Servicios Hospitalarios de México. Additionally, he contributes his expertise to the Boards of Directors of the following companies: Abastecedora de Fierro y Acero, Grupo Ruba, Servicios de Previsión Integral, and Instituto Tecnológico y de Estudios Superiores de Monterrey (ITESM) in Chihuahua. |
| **Luis Nicolau**<br>Independent Director | Mexican | 64 | 2019 | Luis provides his experience as a member of the boards of Coca-Cola FEMSA, Gentera, Grupo Posadas, Becle (Cuervo), and Grupo Coppel. Additionally, he is a partner and member of the Executive Committee at the law firm Ritch, Mueller y Nicolau. He is also a member of the Executive Committee at Promotora Social México. |
| **Armando García**<br>Non-independent Director | Mexican | 73 | 1991 | Armando provides his expertise as a member of the boards of several companies including: CEMEX, Hoteles City Express, Innovación y Conveniencia, Universidad de Monterrey, Consejo Consultivo de Flora y Fauna del Estado de Nuevo León, and Parques y Vida Silvestre de Nuevo León. He is also the Honorary Consul of the Kingdom of Denmark in Monterrey, and the founder and chairman of the Council of Comenzar de Nuevo. |
| **Luis Raúl Fernández**<br>Independent Director | Mexican | 70 | 2020 | Luis serves as CEO and chairman of the board of Frutas Concentradas. He holds chairmanship positions in several companies including: Axiscom, Materiales de Construcción de Mexicali, Fevaxis, Tenedora Fercam, Industrias Tecnológicas Fercam, FCEP Holding, Ferfarms, Human Tek Soluciones, and Agua y Puntos de Venta. Additionally, he contributes his expertise to the boards of Madata IT, Transtelco Holding, Fevisa, Aqua Salus, Sistema Axis, and Controladora Kanimi. |
| **Jesús Olivas**<br>Independent Director | Mexican | 62 | 2024 | Jesús has extensive experience in the manufacturing industry, having served as CEO of Internacional de Cerámica (Interceramic), where he held executive roles in finance and operations since 1985. Additionally, he serves as member of the boards of Grupo Bafar, Duraplay, and Autotransportes del Real. |
| **Ramiro Villarreal**<br>Non-independent Director | Mexican | 77 | 1991 | Ramiro contributes his experience as a member of the boards of CEMEX, Vinte Viviendas Integrales, and Andean Precious Metals Corporation. Additionally, he is a member of the advisory board of Arendal. |
| **Fernando González**<br>Non-independent Director | Mexican | 70 | 2010 | Fernando has broad experience in the global building materials industry, having served as CEO of Cemex from 2014 to March 2025, where he held various roles across strategic planning, finance and regional leadership. Additionally, he holds positions on the boards of Cemex, Axtel and Universidad TecMilenio. |

# 2.3. Corporate and Sustainability Governance

| | NATIONALITY | AGE | APPOINTED | OTHER ROLES AND ACTIVITIES |
|---|---|---|---|---|
| **José Antonio González**<br>Non-independent Director | Mexican | 55 | 2013 | José Antonio is responsible for the Strategic Planning and Business Development area at CEMEX, where he has held several executive positions in finance, strategic planning, corporate communications and public affairs. Additionally, he is an alternate director of the board of directors of Axtel. |
| **Juan Romero**<br>Non-independent Director | Mexican | 68 | 2011 | Juan concluded his tenure at CEMEX in June 2023, after holding various positions over a distinguished 30-year career in CEMEX's legal department. |
| **Enrique Terrazas**<br>Non-independent Director | Mexican | 89 | 1991 | Enrique provides his expertise as a member of the boards of several companies including: Abadan, Aciarium Estructuras, Banamex, CAMCEM, IMIN de México, and Control Administrativo Mexicano, Copachisa, DEMEK, EMYCSA, ESJ, Grupo Punto Alto, Inmobiliaria Punto Alto, and Inmobiliaria Ruba. |
| **Martha Márquez**<br>Non-independent Director | Mexican | 62 | 1991 | Martha brings her experience to the boards of Grupo Cofiasa, Inmobiliaria Ruba, and Promotora de Hospitales Mexicanos. In addition to her professional endeavors, she volunteers in NGOs, such as Asociación Nacional Pro-Superación Personal, Misiones Coloniales de Chihuahua, and Fundación Cima. |
| **Silvia Márquez**<br>Non-independent Director | Mexican | 53 | 2017 | Silvia contributes her experience as a member of the boards of Inmobiliaria Ruba and Grupo Cofiasa. |
| **Carolina Mares**<br>Non-independent Director | Mexican | 38 | 2019 | Carolina has gained experience in various industries, focusing on procurement, imports, and marketing. She brings this expertise to her role as a member of the board of Grupo Cofiasa. |
| **Luis Márquez**<br>Non-independent Director | Mexican | 58 | 2019 | Luis provides advisory expertise to the general management of Grupo Cofiasa. |

# 2.3. Corporate and Sustainability Governance

### 2.5.2.3. Our Executive and Board Committees

Complementing the Board of Directors and in accordance with best corporate governance practices, the company created two different types of Committees:

**Committees**

**Board Committee**

- Audit and Corporate Practices

**Executive Committees**

- Sustainability
- Ethics
- Diversity, Equity and Inclusion
- Talent

Each Committee has defined roles and responsibilities and members are elected to fulfill the Committee's needs. Specifically, our Audit and Corporate Practices Committee, which is formed of 100% by independent directors, works in line with our integrity and transparency principles, as well as with best practices. In addition to reviewing financial statements and audit reports, its main responsibilities include analyzing and implementing improvements in corporate practices, and reviewing and executing recommendations on risk management, among others.

# 2.3. Corporate and Sustainability Governance

| COMMITTEE | RESPONSIBILITIES | CHAIRMAN | MEMBERS | TYPE OF MEMBERS | COMPENSATION | MEETINGS |
|---|---|---|---|---|---|---|
| **Audit and Corporate Practices Committee** | • Review financial statements.<br>• Improve corporate practices.<br>• Review and execute recommendations on risk management.<br>• Oversee compliance, evaluation, and compensation issues, external auditor evaluation, internal controls and audit systems.<br>• Report any irregularities detected to the board. | Luis Nicolau | • Luis Nicolau<br>• Armando García<br>• Jesús Olivas | 3 Independent Directors and 3 Alternate Directors | Chairman $69,000 MXN<br>Members $46,000 MXN | Quarterly at a minimum |

| COMMITTEE | RESPONSIBILITIES | TYPE OF MEMBERS |
|---|---|---|
| **Sustainability Committee** | • Assess impacts, risks and opportunities that may arise in social and environmental topics.<br>• Develop and implement sustainability strategy. | 9 members led by CEO and CSO |
| **Ethics Committee** | • Ensure proper disclosure and enforcement of the Code of Ethics and Conduct.<br>• Promote values and behaviors.<br>• Be the channel for ethics-related cases.<br>• Be the consultation party for ethics-related cases.<br>• Define corrective measures. | 7 members led by CEO<br>2 permanent and 5 rotated periodically |
| **Diversity, Equity and Inclusion Committee** | • Ensure respectful treatment for all employees and vendors.<br>• Ensure equal opportunities for recruitment, personal development, and professional and social growth. | 9 core members and 35 champions |
| **Talent Committees** | • Evaluate positions and candidates.<br>• Propose new candidates.<br>• Identify development opportunities.<br>• Provide feedback on succession planning processes. | 7 committees and 39 members |

# 2.3. Corporate and Sustainability Governance

## 2.3.3. Senior Leadership Team Expertise

### ENRIQUE ESCALANTE
**Chief Executive Officer**

- 1999 joined GCC as President of the Mexico Division.
- 2000 President of the U.S. Division.
- 2015 Chief Executive Officer.
- Prior experience: various senior management positions in commercial organizations in Mexico.
- Extensive experience from the Mexican wood products industry, where he held roles in finance, planning, sales and marketing.
- Actively involved in industry associations and boards: board member of GCC, the Global Cement and Concrete Association (GCCA), Duraplay de Parral, Banamex, and WestStar Bank. Previously, Chairman of the Portland Cement Association (PCA) and of the Board of the Young Presidents Organization (YPO) in the Rocky Mountain Chapter in Colorado.

### MAIK STRECKER
**Chief Financial and Planning Officer**

- 2020 joined GCC as Chief Planning Officer.
- 2022 Chief Financial and Planning Officer.
- Prior experience: +20 years of management experience, held various leadership positions at LafargeHolcim, Lafarge North America and Holcim Germany.
- Expertise in business development, growth and innovation, marketing, ready-mix and sales.

### GINA LOTITO
**Chief Sustainability and Innovation Officer**

- 2006 joined GCC.
- Held various positions in the company including Quality, Shipping and Production Manager, Pueblo Plant Manager and VP of Energy and Sustainability for the U.S. Division.
- 2022 Chief Sustainability and Innovation Officer, she is also responsible of Health and Safety, Innovation and R&D.
- Prior experience: almost 10 years of quality, shipping and engineering experience at Holcim, where she held various positions.
- Expertise includes project management, quality control, thermal processes, process development and optimization, alternative fuels, co-processing, and environmental performance.

### RON HENLEY
**President of the U.S. Division**

- 2012 joined GCC.
- 2015 President of the U.S. Division.
- Prior experience: 15 years in various leadership positions at Boral Industries, Inc.
- Extensive experience in operations, process optimization, project management, asset acquisitions and sales, business integration and expansion, financial management, technology transfer, and strategic planning.
- Actively involved in industry associations and boards: Chairman of the Board of Directors of the PCA in 2021 and 2022.

# 2.3. Corporate and Sustainability Governance

### MARCOS RAMÍREZ
**President of the Mexico Division**

- 1990 joined GCC.
- Held various positions in the company including Head of Technical Sales, Government, Infrastructure and Construction segments.
- 2018 President of the Mexico Division.

### ROGELIO GONZÁLEZ
**Chief Technical Operations Officer**

- 1973 joined GCC.
- Held various roles in the company including physicochemical, calcination and production, also manager of the Juarez and Samalayuca plants, where he oversaw the construction of the latter.
- 2018 Chief Technical Operations Officer.

### DANIEL HELGUERA
**Chief HR and Communications Officer**

- 2015 joined GCC as Chief Human Resources Officer.
- 2022 assumed responsibility for the Corporate Communications Department.
- Prior experience: +25 years in HR management, executive, strategic and human capital transformation positions in various countries and industries, including construction, cement, steel, food and technology. Under his guidance, the companies he worked in received recognition as Top Companies by Grupo Expansión and certifications from the Great Place to Work Institute.

### LUIS AMAYA
**Energy and Procurement Director**

- 2003 joined GCC as Planning and New Projects Manager.
- 2017 Planning Director.
- 2020 Energy Director.
- 2022 took charge of the Procurement Department.
- Prior experience: held positions in the credit and valuation areas of Citibanamex and Banco Santander.

### CESAR CONDE
**General Counsel**

- 2006 joined GCC.
- Held various positions within the company's legal department in Mexico and the United States.
- 2022 General Counsel and Secretary of the Board of Directors.

# 2.3. Corporate and Sustainability Governance

## 2.3.4. Sustainability Governance

Our sustainability governance structure ensures effective design, implementation and oversight of GCC's sustainability strategy:

**GCC BOARD OF DIRECTORS**

- Assist our CEO and Senior Leadership Team regarding the company's strategic direction on sustainability.

**CSO**

- Effectively implement sustainability programs and initiatives.
- Review sustainability performance on a monthly basis.
- Engage with policy makers and value chain members to manage sustainability-related issues.

**SUSTAINABILITY EXECUTIVE COMMITTEE**

- Evaluate the sustainability model, priorities and key indicators.
- Oversee deployment of GCC's sustainability strategy, goals and initiatives.
- Monthly review of sustainability indicators.

**CORPORATE SUSTAINABILITY AREA**

- Monitor and help implement GCC's sustainability strategy, goals and initiatives.
- Cooperation with other areas of the company to identify, quantify, develop and monitor key sustainability initiatives.
- Monthly report of sustainability indicators and year-end report of sustainability progress to comply with a changing regulatory landscape and to proactively engage with stakeholders on sustainability topics.

Our CSO, Gina Lotito has held several management and executive roles since joining GCC in 2006. In 2021, she was appointed Corporate Director of Sustainability, reporting directly to the CEO. In 2022, she became our Chief Sustainability and Innovation Officer, assuming responsibility for the Corporate Health and Safety, Innovation and R&D areas. The CSO role at GCC has evolved as we integrate sustainability into key areas of our business strategy.

The Sustainability Committee comprises experts from various business lines and disciplines to promote the exchange of information across GCC and ensure a holistic approach to climate and sustainability-related initiatives. Led by our CEO and our CSO, it includes seven other members of our Senior Leadership Team: Presidents of our U.S. and Mexico divisions, our Chief Technical Operations Officer, our Chief Financial and Planning Officer, our Energy and Procurement Director, our VP of U.S. operations and our Sustainability Manager. The Committee meets monthly to discuss the progress of GCC's climate strategy and reviews and approves sustainability performance.

Finally, GCC's Sustainability Team is responsible for monitoring and helping implement the company's sustainability strategy and low-carbon transition. A significant part of the team's responsibility is working collaboratively with other departments (Planning, Finance, Human Resources, Innovation, Research and Development, Energy, Sales, and Technical Operations, among others) to analyze social and climate-related risks and opportunities that the company may face. Working with, for example:

- The corporate planning area to identify the main strategic initiatives related to the sustainability strategy.
- The finance department to model costs related to emission reduction.
- R&D and with our sales departments to explore new markets for blended cements.
- Plant operations to reduce emissions.

The people responsible for approving this report are Enrique Escalante, Maik Strecker, Gina Lotito and Daniel Helguera.

# 2.3. Corporate and Sustainability Governance

## 2.3.5. Our Shareholders

The General Shareholders' meeting is held at least once a year, within the four months following the end of the fiscal year. Its main responsibilities and functions include decisions on the appointment and remuneration of Board members and members of the Audit and Corporate Practices Committee, as well as the approval of:

- Financial statements
- Dividend distributions and buyback program
- Performance reports presented by the CEO, Board of Directors and the Audit and Corporate Practices Committee
- Amendments to bylaws

General Shareholders' Meetings are considered held if at least the majority of shares are represented, and resolutions shall be valid if approved by the majority of the shareholders in attendance. Extraordinary Shareholders' Meetings are considered held if at least 75% of GCC's capital stock is represented.

We follow best practices to keep our investors updated on company events through the following information mechanisms, managed by our Investor Relations Department:

- Website available in English and Spanish
- Annual Shareholders' Meeting
- Quarterly earnings calls
- Press releases posted on the BMV, CNBV and GCC website
- Investor relations contact channel: investors@gcc.com

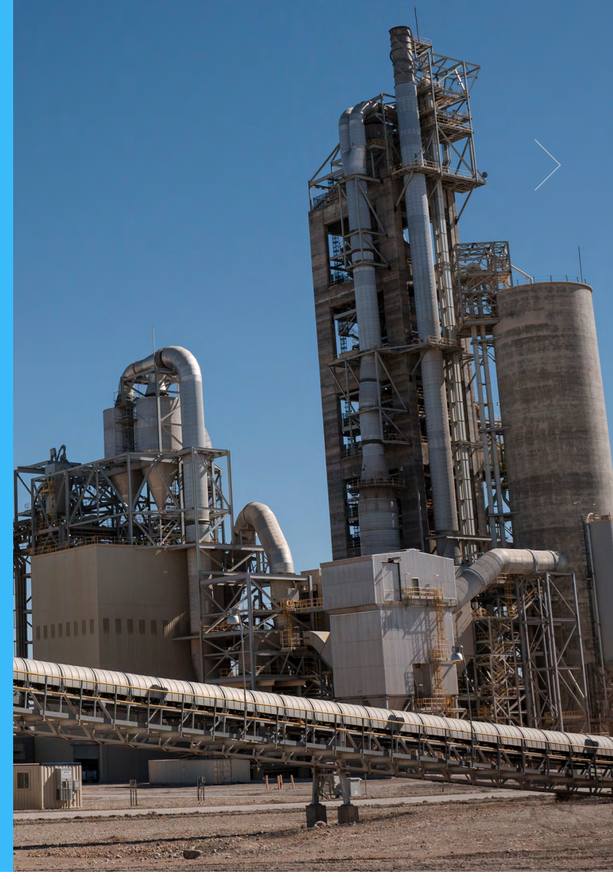
**+50%**
**Minimum attendance quorum**

**Meeting call and information request**

**15**
**days in advance**

**77%**
**Quorum AGM 2025**

Please visit our Stakeholder Engagement section for more information on how we engage with our shareholders and the investor community in general.



# 2.3. Corporate and Sustainability Governance

## 2.3.6. Board and Executive Compensation

Board of Directors' compensation was defined by the General Shareholders' Meeting at $92,000 pesos per board meeting, plus additional fees for assignments to the committee of the Board of Directors either as Chairperson or member. Board compensation is reviewed annually by shareholders.

The Executive Team's compensation scheme is reviewed and approved by the Board of Directors every year. Executive compensation at GCC is aligned with our strategy to reward long-term excellence and contribution to annual company objectives.

For this purpose, it includes a base salary, together with short and long-term incentives, which reward achievements in financial performance as well as in sustainability and health and safety objectives.

On average, 66% of the total direct compensation target is performance based. Long-term incentives are paid in stock, subject to a five-year vesting period and based on ROIC objectives. Annual (short-term) incentives are based on budgeted EBITDA growth and EBITDA margin, paying out between 0% and 205% of target. Fixed pay is approximately 34% of total compensation for the CEO and between 40% and 62% for key executives.

During the year, members of the Executive Team received a total of 690,721 shares in GCC, S.A.B. de C.V. under the company's long-term compensation scheme.

# 2.3. Corporate and Sustainability Governance

## Fixed pay

### BASE SALARY

Smallest component of target TDC

**CEO:**

**34%**

**Key executives:**

**40% - 62%**

## Variable pay

### ANNUAL INCENTIVE

Based on:

- Budgeted EBITDA growth
- EBITDA margin
- Safety KPI
- Sustainability KPI

Pays out between 0% and 205% of target

**31%**

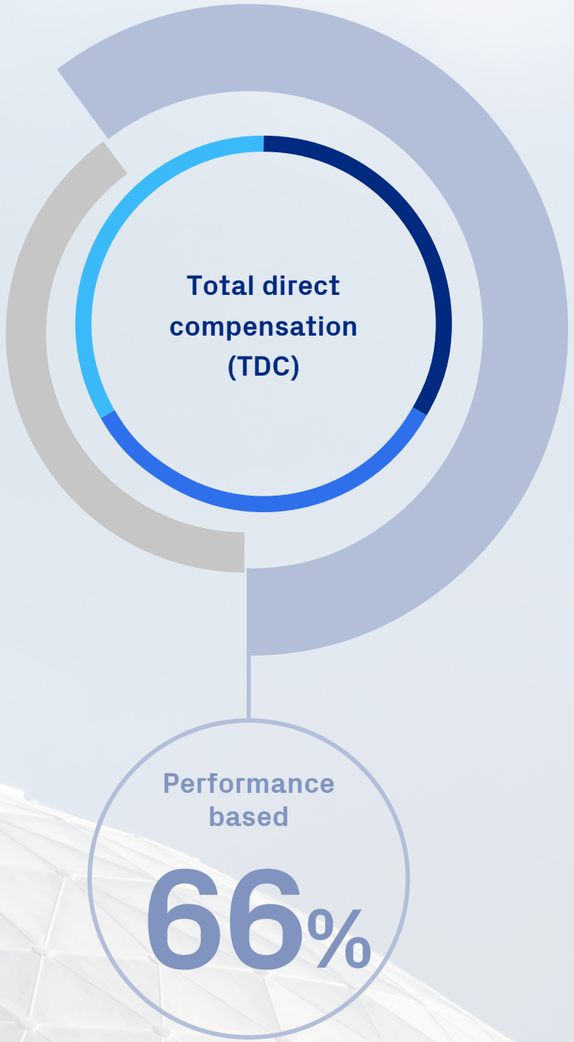
**18% - 28%**

### LONG-TERM INCENTIVE

Largest component of target TDC
Restricted stock
Based on ROIC
5 year vesting period

**35%**

**15% - 34%**



# 2.3. Corporate and Sustainability Governance

## 2.3.7. Compliance

Since it was founded in 1941, GCC has upheld high standards of business ethics. All our actions and behaviors are aligned with the company's values, which guide our behavior toward our customers, shareholders, suppliers, employees and the communities in which we operate.

Business ethics and compliance are the mechanisms that allow us to strengthen our risk management, encourage transparency, promote accountability and reinforce the company's relationship with all stakeholders, as well as our control of compliance risks. Please visit the Risk Management section of this report for additional information.

Leading with integrity is one of our core values. It means we are reliable and can always be counted upon to do the right thing, in the correct manner. Responsible business practices remain central to our operations and are embedded throughout each level of our organization. Our values unite us in the way we work, providing the foundation of our culture and strengthening our operational integrity. As we continue to navigate a changing world, our purpose-driven culture strengthens GCC's ability to overcome potential challenges.

New employees must complete Code of Ethics and Conduct training when they join GCC, and all employees reaffirm their commitment to the code every three years. We have a separate code dedicated to suppliers, and we require them to abide by the guidelines established there. In 2024, more than 1,750 employees attended business ethics-related trainings, and we provided a total of 1.5 average training hours per person.

Aligned with our Compliance Program and Code of Ethics and Conduct, we enforce zero tolerance to any kind of improper payment as well as any dishonest conduct. To ensure compliance with laws and regulations, while continuously improving our processes, GCC's Internal Control department began compiling and validating policies in 2023, reviewing over 200 across the company. This effort continued in 2024 with updates to strengthen governance. The official repository for policies is Enablon management software, which is also the approval management system. Our policies are reviewed through this system, providing authorization flows that allow traceability for audit purposes. The system also helps us manage policy expiration and updating, sending alerts three months before any of our policies expire.

Key policies and procedures related to compliance include:

- **Anti-corruption Policy**
- **Anti-fraud Policy**
- **Travel Expenses and Hospitality Policy**

# 2.3. Corporate and Sustainability Governance

To avoid any conflict between personal interests and the company's objectives, our Code of Ethics and Conduct establishes guidelines that all employees, including the Senior Leadership Team and Board Members, must comply with. Directors and officers who face a conflict of interest in any transaction or decision, must disclose the conflict to the Chairman or the Secretary of the Board of Directors and refrain from any deliberation and resolution.

Another key element of our Compliance Program is GCC's Ethics Line. Employees and third-parties can anonymously submit concerns and complaints about misconduct via email (gcc@ethic-line.com), a phone hotline (1-800-062-4008 in Mexico and 2-855-423-5422 in the U.S.), an independently-managed website (www.ethic-line.com/GCC) or through our Human Resources, Legal and Corporate Audit departments. PwC manages the process for responding to reports, concerns and suggestions received through the website and hotline and GCC does not have direct access to this information.

A total of 32 cases were reported through the Ethics Line in 2024; a total of 28 were resolved by the Ethics Committee, primarily related to situations of authority abuse, and the remaining four are under investigation.

## Ethics line

**Cases related with corruption** **0**

**Cases received in 2024** **32**

# 2.3. Corporate and Sustainability Governance

## During the last 9 years, we have worked to protect the integrity and values of GCC.

Some examples of the cases resolved are as follows:

- Abuse of authority - 6 cases
- Improper disposition and/or use of assets and/or resources - 5 cases
- Inappropriate conduct - 3 cases
- Conflict of interest - 1 case
- Corruption - 0 cases
- Discrimination - 0 cases
- Customer data privacy - 0 cases
- Money laundring - 0 cases

The following measures were implemented:

- Administrative action
- Verbal warning
- Legal measures
- Termination of employment
- New administrative procedures
- Training

If you are aware of any situation that goes against the company's values, please report it.

**ETHICS COMMITTEE**

www.ethic-line.com/gcc
gcc@ethic-line.com
01800-062-4008 (MX)
1-855-423-5422 (EUA)

Within the normal course of business, GCC conducts transactions with related parties. Unusual transactions must be submitted to the Audit and Corporate Practices Committee and approved by the Board of Directors. Transactions with related parties may create potential conflicts of interest, which GCC mitigates by performing a transfer pricing study to determine the value of the services and goods provided. In 2024, GCC did not carry out operations with related parties outside the normal course of business or out of market conditions.

## We integrate business ethics into every aspect of our operations, setting new standards for transparency and accountability.

GCC reaffirmed its commitment to ethical business practices through an annual antitrust training program, facilitated by external experts. This course provides sales teams and managers across departments with a comprehensive understanding of competition laws and compliance requirements. By emphasizing transparency and open communication, the program fosters active discussions and engagement, strengthening a corporate culture built on ethical decision-making and regulatory adherence.

# 3

# PEOPLE

**We invest in our most valuable asset: our people.**

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**3.2. Human rights**

**3.3. Our people: we are one GCC**

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3.3.3. Working towards diversity, equity and inclusion
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3.4.2. Digital tools and more efficient processes
3.4.3. Customer satisfaction

**3.5. Improved supplier engagement**

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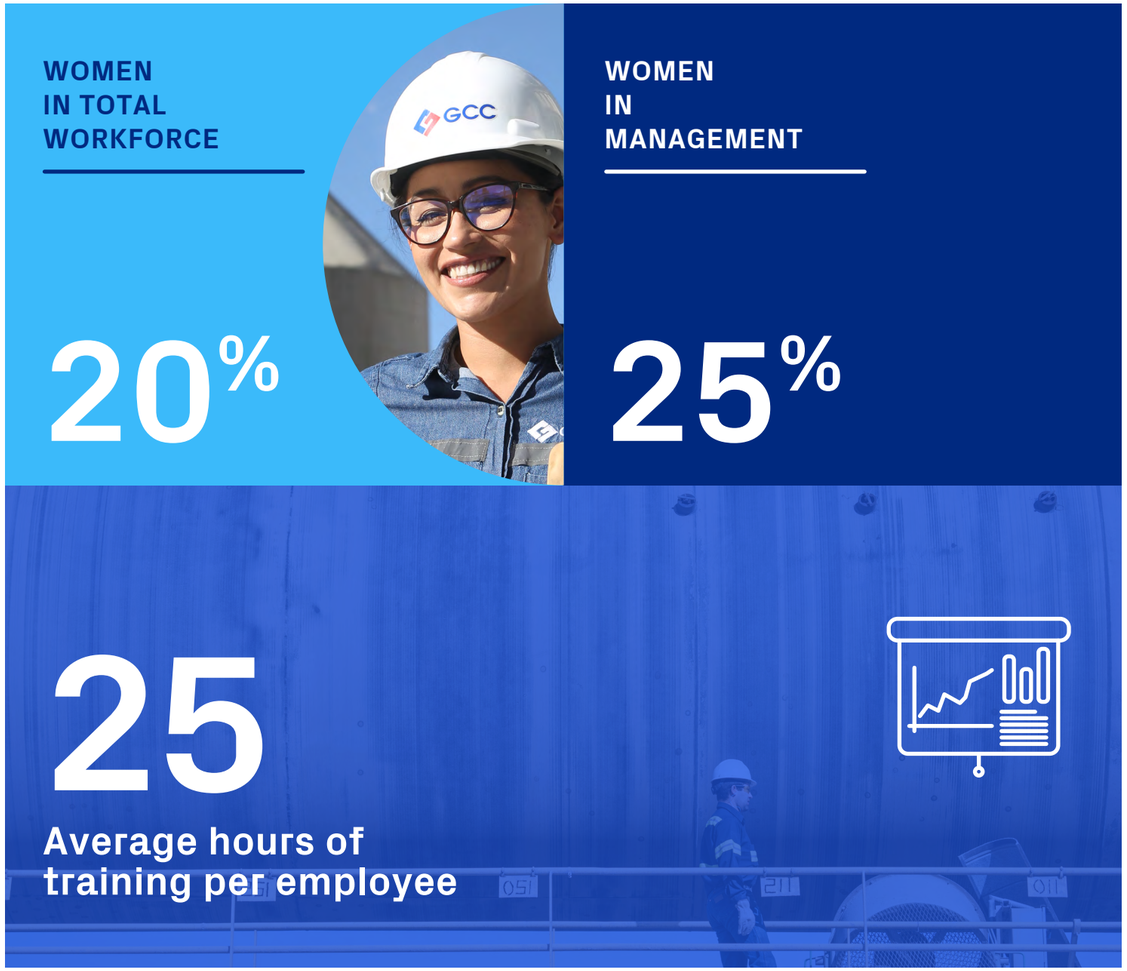
**3.6. Building long-term relationships with our communities**

# 3.1. Our People

To truly become a leader,
we must go further to attract
and retain qualified talent,
invest in local communities
and foster sustainable
development and innovation
to provide our customers with
products and solutions for their
construction projects.

A fundamental part of the People strategy at GCC is the value of teamwork, which leads to continuous improvement and high performance. This philosophy is based on the belief that effective collaboration not only optimizes processes and results but also drives innovation and adaptation in a constantly changing business environment.

## 2030
## People Commitments



# 3.2. Human Rights

As a company that values integrity, we seek to advance respect for human rights and recognize the importance of upholding and promoting fundamental principles across our operations. GCC's commitment to human rights constitutes an integral part of our Code of Ethics and Conduct. Our Code, as well as all our company guidelines, policies, and business strategies are in alignment with the United Nations Universal Declaration of Human Rights and the Fundamental Principles of the International Labor Organization (ILO). Our Supplier Ethics and Conduct guidelines make many of our commitments on human rights extensive to GCC suppliers.

GCC upholds workers' rights to freedom of association and collective bargaining, as a consequence it works closely with relevant union boards, which represent approximately 16% of our workforce in the U.S. and 48% of our workforce in Mexico. Employees at our Rapid City, Odessa and Trident plants are members of trade unions, including United Steelworkers and the International Brotherhood of Boilermakers. All our Mexican cement plants (Chihuahua, Juarez and Samalayuca) are unionized as part of the national Cement Industry Workers Union. Our agreements with these unions include crucial health and safety issues, along with other topics.

See our Annex for a complete List of Unions to which our employees are affiliated.

Collective Bargaining Agreements signed at our 3 Mexican plants and 3 out 5 of our U.S. Plants (Trident, Rapid City, Odessa).

## GCC'S COMMITMENT TO HUMAN RIGHTS

**We uphold the fundamental human rights of our people, by:**

- Complying with child and forced labor prohibitions, and never discriminating against others, based on their legally-protected traits.
- Making employment decisions based solely on merit, and not on any legally protected traits such as age, race, ethnicity, religion, disability, marital status, or sexual orientation, among other factors.
- Recognizing the right to freedom of association.
- Focusing on providing safe, healthy, productive work environments and humane working conditions.
- Improving our processes and procedures to minimize our impact on the environment and the communities where we operate.

**2024**
**UNIONIZED EMPLOYEES**

**U.S.**
**16%**

**Mexico**
**48%**

**89.1%**

**Of our security personnel trained in human rights policies and procedures.**

- Freedom of association and participation in collective bargaining agreements.
- Safe and healthy working conditions.
- We promote local community engagement and dialogue.

# 3.3. Our People: We are One GCC

Our workforce plays a vital role in realizing GCC's commitment to balancing people, profit and planet. GCC employs 3,254 workers from the Northern Mexican state of Chihuahua to the U.S. border with Canada, encompassing the central region of the United States.

We prioritize the wellbeing of our people by creating an environment where everyone can thrive. Our human capital priorities, which coincide with those of our stakeholders, include:

Health and safety, the most critical aspect of our human capital approach.

Employee training and development, which contributes not only to mutual growth, but also very significantly to safety.

Diversity, equity and inclusion, of high importance to enrich our innovative approach.

Labor practices are also considered material by all stakeholders.

## GCC People
## Our 2030 Commitments

| | 2023 | 2024 | 2030 Goal |
|---|---|---|---|
| TRAINING & DEVELOPMENT (hours/person) | 26 | 32 | 25 |
| % WOMEN (total workforce) | 12% | 12% | 20% |
| % WOMEN (in management) | 14% | 13% | 25% |

# 3.3. Our People: We are One GCC

In alignment with these material topics, we prioritize first and foremost the health and safety of our people. Our people received 32 hours of training per person in 2024.

In 2024, Humand, our internal social network designed to foster communication across our workforce, experienced significant growth, with over 1,900 active users now engaging on the platform. Humand has solidified its role as a key tool for driving excellence and enriching the exchange of knowledge and ideas. It is becoming an integral part of our company culture, serving as a hub for sharing relevant information.

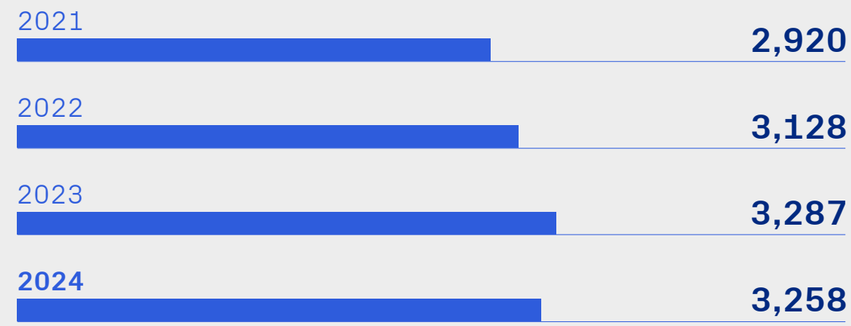
**TOTAL EMPLOYEES**

**3,254**

| Mexico | U.S. |
|---|---|
| 57% | 43% |

# 3.3. Our People: We are One GCC

## TOTAL GCC EMPLOYEES




**We are proud of GCC's Great Place to Work® certification, with a consolidated 78% engagement in the survey:**

Great Place To Work. Certified NOV 2024-NOV 2025 MEXICO™

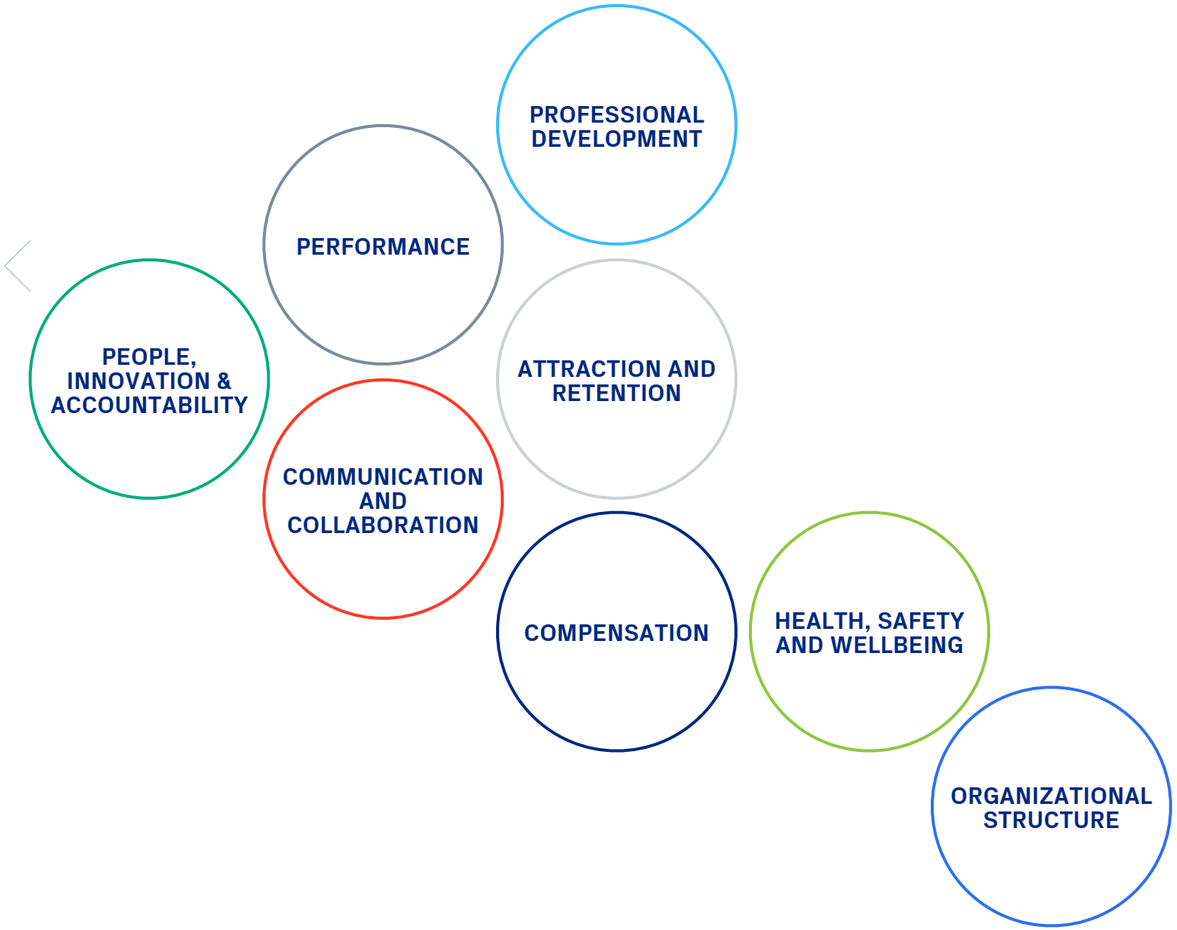
Great Place To Work. Certified NOV 2024-NOV 2025 USA™

| MEXICO | UNITED STATES |
|---|---|
| 10th | 6th |
| consecutive year | consecutive year |

This certification underscores our commitment to fostering work-life balance, enhancing diversity, equity and inclusion, and bolstering employee morale and engagement.

# 3.3. Our People: We are One GCC

## The 8 Pillars of our People Model




**PROFESSIONAL DEVELOPMENT**

We give our employees the tools to be responsible for their continuous development, encouraging learning experiences and mobility within the workspace. Our HR led talent processes encourages development by giving high visibility to those that strive to improve and grow.

**ATTRACTION AND RETENTION**

We endeavor to attract the best talent in the industry, looking for exceptional people outside GCC, who can bring change and improvement, aligned with our culture. At the same time, we identify and strive to retain high-performers within GCC.

**COMPENSATION**

Our approach to compensation and benefits is to be competitive, rewarding individual and team high performance and encouraging those that make a difference to achieve our goals.

**HEALTH, SAFETY AND WELLBEING**

We pioneer a healthy and safe work environment and provide training to encourage personal and professional health, safety and wellness objectives.

# 3.3. Our People: We are One GCC

## The 8 Pillars of our People Model

**ORGANIZATIONAL STRUCTURE**

We strive to continuously expand our global mindset, elevate debates and provide better solutions to the increasingly diverse group of customers who use our products and interact with us. We encourage our workforce to understand and identify with different environments and perspectives.

**PERFORMANCE**

We evaluate individual and team performance, rewarding the efforts in proportion to their contributions to our collective goals.

**COMMUNICATION AND COLLABORATION**

Aligned with our One GCC approach, we encourage direct communication and collaboration without silos, independently of a person's function, location or role in the organization.

**PEOPLE, INNOVATION & ACCOUNTABILITY**

We empower our employees to be responsible. At GCC, we are all accountable for achieving company goals.

# 3.3. Our People: We are One GCC

## 3.3.1. Safety

Safety is a fundamental part of our strategy, corporate values and operational philosophy. Our goal is clear: we want everyone to return home safe to their families at the end of the day.

Since 2021, we have been strengthening our safety strategy with the vision of becoming a world-class safety company. Our approach goes beyond compliance; we proactively identify and control hazards and exposures before injuries occur – not only for our employees but for everyone who interacts with our operations, inside or outside our facilities.

Our goal is that everyone returns home safe to their families at the end of the day.

Implementation of the **Safety Model** and reinforcement of our **Safety Leadership Model.**

Strengthening the **SIF (Serious Injury and Fatality) Prevention System** and standardizing our **Personal Protective Equipment (PPE).**

Our vision is to become a world-class safety company that has internalized safety as part of its identity.

# 3.3. Our People: We are One GCC

### 3.3.1.1. Safety Model

GCC has developed a Safety Model built on four strategic pillars to guide this process, driving our strategy through the implementation of key initiatives.

We recognize that building a strong safety culture is a cultural journey. That is why we have been working closely with more than 450 leaders, frontline supervisors, and senior executives to foster engagement, provide the necessary tools and resources, and track performance effectively.

In 2024, we achieved a 35% reduction in recordable incidents, including lost-time incidents, compared to 2023. This progress was also reflected in a decrease in incident severity, with lost workdays reduced by 18%, compared to 2023.

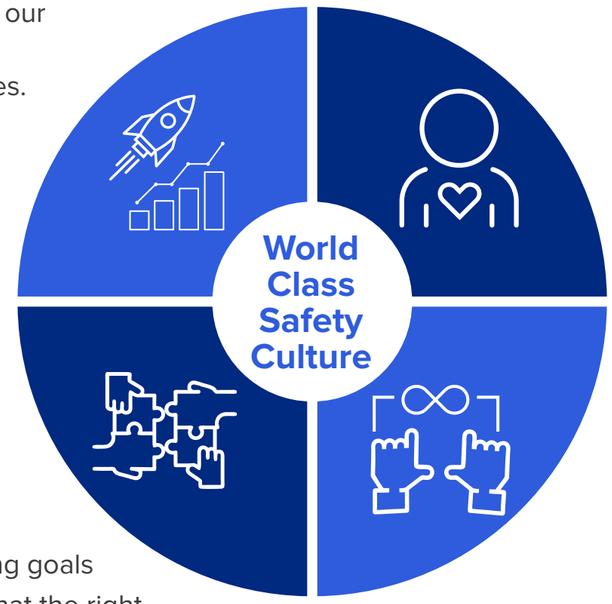
To further enhance our safety performance, we plan to implement key projects in 2025 and 2026, focusing on:

- Developing safety leadership practices
- Standardizing processes across businesses
- Expanding our safety system platform to automate processes, integrate data more effectively, and improve data accuracy

These enhancements enable more informed decision-making through robust reporting and strengthen our proactive safety measures.

**Embracing Change**
Find better and safer ways to perform our activities and control exposures.

**Passion for People**
Have a deep personal commitment to eliminating all harm to people.




**Resources & Systems Alignment**
Focus on meeting goals while ensuring that the right things get done safely and according to plan.

**Focus on Exposure Control**
Proactively control exposures before accidents/incidents or injuries occur.

Our operational philosophy:

- Work safely, in an orderly and clean manner
- Take care of equipment and tools
- Produce with quality
- Stabilize the operation
- Optimize production

# 3.3. Our People: We are One GCC

### 3.3.1.2. Safety Leadership Model

As part of our People strategic pillar, we strengthened our Safety Leadership Model in 2024 by developing and communicating our safety norms. These norms outline the role of GCC leaders in managing safety and ensuring accountability across the business.

- Safety is non-negotiable
- Leaders must act as role models
- We remove barriers to safe behavior
- We prioritize exposure control before creating solutions
- Every safety concern is addressed

Strong leadership drives a culture where safety is non-negotiable, and accountability is key.

# 3.3. Our People: We are One GCC

### 3.3.1.3. SIF Prevention System – Field Verifications of Critical Controls

As part of our focus on exposure control, we introduced Field Verifications of Critical Controls (FVCC) in 2023 to proactively prevent Serious Injuries and Fatalities (SIFs).

Our leaders conduct field verifications to confirm that critical controls are in place, engaging in two-way safety conversations with employees to ensure safe work practices. The process includes defining action items to improve safety and following up on corrective measures.

In 2024, we launched phase 2 of FVCC training as part of our Corporate Safety Development Program, involving more than 100 mid- to high-level managers and delivering 1,200 hours of classroom training, shadowing, and in-field coaching. This phase focused on reinforcing FVCC methodology and equipping operational leaders with stronger safety leadership skills.

During 2024, more than 475 leaders actively participated in the FVCC process, conducting over 13,750 verifications and coaching sessions to ensure critical safety controls were in place. These efforts resulted in the identification of more than 1,300 action items aimed at mitigating exposures and improving workplace safety.

In 2025, our goal is to complete over 16,000 FVCCs and coaching sessions, a 16% increase from 2024, further embedding proactive safety practices across GCC.

# 3.3. Our People: We are One GCC

### 3.3.1.4. Best Practices: Standardizing PPE

Hazards exist in every workplace, identifying and controlling these hazards at the source is key to preventing injuries. In 2024, we standardized our Personal Protective Equipment (PPE) across GCC, ensuring that employees wear the correct PPE for each activity.

While PPE is the last line of defense in the hierarchy of controls, when combined with other safety measures, it plays a critical role in injury prevention.

This project followed a five-stage process:

- Incident and injury analysis: analyzed historical data and identified the most common injuries (hands, torso, eyes and head).
- Activity and exposure assessment: evaluated 130+ activities across cement and ready-mix operations to identify key exposures.
- PPE selection and validation: focused on gloves, safety glasses and face shields, and hard hats for high-risk activities.
- Supplier technical evaluation: partnered with PPE manufacturers to select the best equipment, standardize it across the organization and reduce Stock Keeping Units (SKUs).
- Implementation: expected to conclude during the first half of 2025.

From a management and financial perspective, we consolidated PPE procurement under a single account per division, optimizing vendor management, inventory and service quality.

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### 3.3.1.5. Driver Safety Programs

Drivers represent over 30% of GCC's workforce, making driver safety a top priority for protecting our employees, customers and the public. In 2024, the U.S. Ready-Mix Defensive Driving Program trained over 560 drivers, totaling nearly 2,000 hours of training. This program contributed to continued incident reductions in our ready-mix business.

In Mexico, our Transportation and Ready-Mix Defensive Driving Program leverages AI-powered driving simulators, with over 150 drivers completing more than 385 of training hours.

GCC also invested US$160,000 in a second driving simulator for Juarez, expanding our commitment to advanced training tools.

The 2024 GCC Transporte Driver Recognition Program honored 50 drivers for outstanding safety and driving performance. This quarterly award evaluates key driving skills, including speed control, distraction-free driving, breaking, turning techniques and other critical safety parameters. To receive this recognition, drivers must maintain an incident-free record throughout the evaluation period.

## Driver Incident Reduction

| | VEHICLE INCIDENTS | BACKING INCIDENTS |
|---|---|---|
| 2024 | 6 | 27 |
| 2023 | 9 | 44 |
| % change | -33% | -39% |

# 3.3. Our People: We are One GCC

### 3.3.1.6. Health and Safety Awards and Recognitions

In 2024, GCC was awarded and recognized for its safety efforts and performance by different organizations.

| ORGANIZATION | AWARD/RECOGNITION | RECEIVED BY | RECEIVED FOR |
|---|---|---|---|
| Portland Cement Association (PCA) | Safety Innovation Award | Tijeras cement plant | Lock out – Tag out – Try out matrix system allowing employees to identify all the equipment that needs to be locked out before everyone can work safely. |
| | Chairman's Safety Performance Award | Odessa cement plant | Not having reportable injuries or illness during the year. |
| National Ready-Mixed Concrete Association (NRMCA) | Excellence in Safety – Gold Level Award | 22 of our ready-mix plants in the U.S. | Achieving an incident rate of zero during the year. |
| National Cement Chamber (CANACEM) | Health and Safety Innovations Awards | Samalayuca cement plant | Workplace exam system to ensure our employees take 5 minutes to assess and control hazards before beginning their job. |
| | | Mexico transportation and ready-mix | Driving Simulator Program to support our defensive driving training program. |
| International Organization for Standardization (ISO) | Quality, Environmental and Safety certifications | The Mexico Division, and the Pueblo and Trident cement plants in the United States | Kept their certifications. |

# 3.3. Our People: We are One GCC

## 3.3.2. Retaining and Developing our Talent

Professional development is one of the key pillars of the GCC People Model. We want our people to work safely and responsibly in an environment that encourages them to develop their careers at our organization so that they can unleash their full potential and actively contributing to our organizational objectives.

We provide them with enablers for responsible development, transparently encouraging professional growth, offering mobility opportunities, as well as increasingly prioritizing educational programs as one of the cornerstones of our people-development strategy.

In 2024, we strengthened our talent development system through the consolidation of our initiatives to empower and develop current and future leaders.

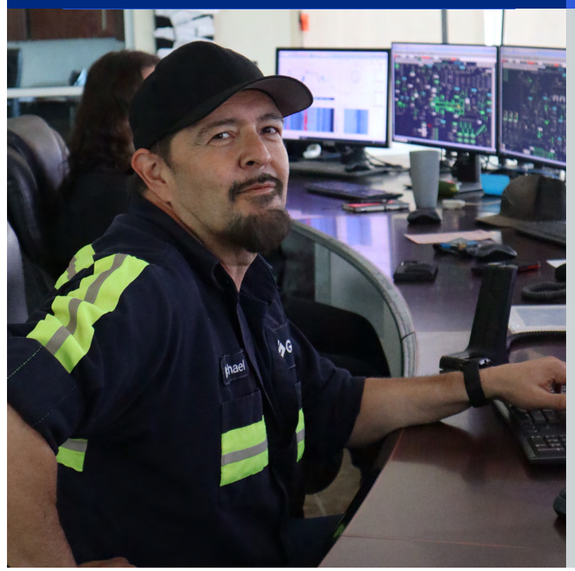
We believe in the power of continuous learning and provide our people with career development tools and upskilling opportunities.

### 2024 Talent and leadership development achievements

- Consolidation of the GCC Cement Technical Institute
- Graduation of the first generation of the GCC Leadership Program in 2025

### PROMOTING INNOVATION IN OUR WORKFORCE

In 2024, we continued advancing our **High Impact Ideas initiative**, employees from diverse areas are encouraged to propose ideas to improve company processes. If implementation of the ideas proposed enable budget savings, the employee receives compensation for the innovation.



**14** Ideas reviewed

**3** Ideas paid

**39** Ideas in progress

# 3.3. Our People: We are One GCC

### 3.3.2.1. Prioritizing Education for People Development

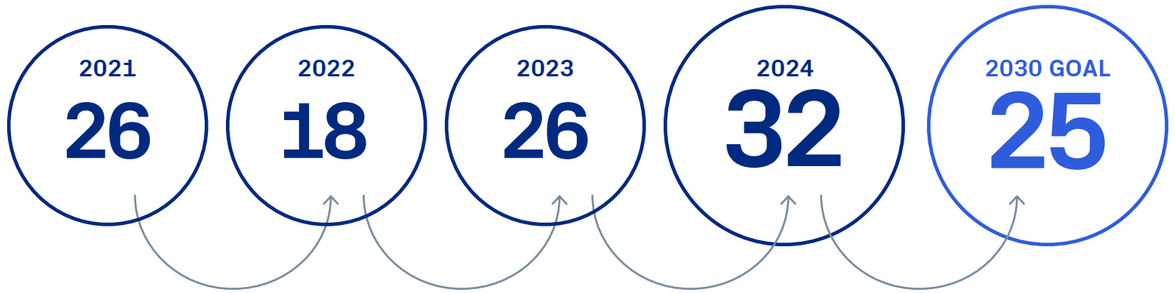
We believe training and education are key elements of our talent and leadership development effort to achieve long-term excellence. We provide training to better equip our teams for success at GCC, ensuring our employees feel supported from the start of their journey with us by offering them orientation training to cover topics like our Code of Ethics and Conduct, Cybersecurity and an introduction to the Portland cement production process, our core product.

Aligned with our goal of reaching an average of 25 hours of training per employee by 2030. In 2024, we continued to exceed this target, reaching over 105,000 training hours company-wide and an average of 32 hours per employee, reflecting our ongoing commitment to talent development across the organization.

We reach all GCC's employees with trainings on topics such as safety, leadership and management, among others. In 2024, we refreshed the Code of Ethics and Cybersecurity courses, making them a priority across the organization. It is through **GCC University** that we keep track of training processes and ensure transparency.

In addition, our technical training is implemented through this platform, which provides 27 virtual courses for all our plants. The implementation of key programs as the Engineers In Training, GCC Leadership Program and the GCC Cement Technical Institute, has further strengthened employees' skills and supported their ongoing professional growth.

**AVERAGE HOURS OF TRAINING PER EMPLOYEE**




Our objective is to maintain this average year after year.

# 3.3. Our People: We are One GCC

## GCC University

GCC University oversees training, identifying and addressing development needs. Our training platform is available for all employees and offers online, bilingual courses and workshops to help enhance their industry knowledge and improve their technical skills. It was created to foster learning flexibility and adaptability.

In 2024, we implemented new trainings:

→ **Cybersecurity awareness training:** In 2024 we launched an updated program divided into three modules, released throughout the year. This new, more dynamic course focuses on addressing the most critical threats to the organization. It was taken by 83% of employees in 2024.

→ **English & Spanish lessons:** In 2024, 161 employees continued participating in English classes while 8 employees joined Spanish lessons. This program will conclude in 2025, providing employees the opportunity to obtain TOEFL certification.

**Code of Ethics refresh:**
In 2024, the Code of Ethics course was re-applied to all employees, reaffirming our dedication to ethical principles. This training reinforces understanding of our ethical standards, promoting their applications in daily activities and strengthening our organizational culture.

**Anti-harassment course:**
In 2024, we strengthened our commitment to a respectful workplace by implementing a new Anti-Harassment training. This initiative promotes awareness, prevention, and effective response, enhancing our ethical standards and commitment to employee well-being.

# 3.3. Our People: We are One GCC

## GCC's Engineers in Training Program

THE EIT SUMMIT

The Engineers in Training (EIT) Program is aimed at hiring young talent in a specialty needed by our cement plants (mechanical, mining, electrical, chemical or other process engineering).

Our EITs receive comprehensive training on the entire cement operation process for a period of 6 to 12 months and proceed to specialize in one area. Once they complete the program, they become part of our talent pool and assist our plants, key areas or special projects and eventually join one of our plants or corporate areas in a technical or strategic position.

In 2024, the program included 33 trainees, with 2 EITs per plant, and additional EITs to support multiple locations. When an EIT is promoted to a higher position, we incorporate a new trainee. EITs are guided by a training coordinator and a plant coach, following a self-guided, mentored learning process.

In January 2024, the first EIT summit was held in Samalayuca/Juarez, bringing together all the EITs from the cement plants and TechPro locations. We had the opportunity to invite speakers on topics such as processes, equipment manufacturers, talent, sustainability, safety, and innovation

Since its inception, 55 employees have participated in the program, with 16 EITs promoted in 2024. The selection and training process for the third generation will begin in 2025.

# 3.3. Our People: We are One GCC

Another way we are enhancing our training capabilities is with the use of new technologies, such as the **Hololens Remote Assist** program in our concrete plants. With the use of virtual reality lenses, we are able to remotely assist our plants for virtual training, plant tours and safer maintenance assistance when we do not have capabilities present or near our plants. During 2024, we provided 9 remote assistances for a total of 17 hours. Four people were trained, three lab technicians and one analyst.

Using this resource, we are also able to provide a quicker response and provide a more cost-effective solution for trainings, problem solving and maintenance at a distance.

With the use of virtual reality lenses, we are able to remotely assist our plants for virtual training.

# 3.3. Our People: We are One GCC

### 3.3.2.2. GCC Cement Technical Institute (GCTI)

During 2024, building on our commitment to identifying specific training needs across our plants and aligning our training efforts with the present and future needs of our business, we strengthened our training structure and tailored our development strategy to the specific need of each of our plants. The **GCC Cement Technical Institute (GCTI)** structure was strengthened trough training programs delivered at the cement plants. This progress was achieved through the implementation of key projects:

- We developed strategic annual training plans for all locations, helping to better organize training sessions coordinated with operational downtimes and maintenance, as well as addressing employees' specific training needs.
- Knowledge acquired through empirical experience is being preserved through the ExGCC project. This initiative involves bringing retired employees back to deliver technical training to our operations.
- We broadened the GCTI network of suppliers to enhance the diversity of knowledge and experience available for training.
- Each employee is evaluated before and after each training to keep track of their impact.
- Plant managers are involved in the design of the **Annual Training Plans** for 2025, which are customized for each plant.

We hosted two technical summits focused on maintenance and quality, where alongside these projects, the following actions further contributed to their success:

- Improving GCTI Governance by incorporating a Training Executive Committee.
- Defining and standardizing competencies for each position at all plants.
- Improving communications among our plant managers to share and embrace best practices.
- Reviewing and improving our onboarding process at the plants, with special focus on safety.
- Taking advantage of GCTI input in **Talent Review Meetings** at each plant to evaluate critical positions and other roles that could impact the operation best practices were shared and discussions on standardization across all our U.S. locations took place.

# 3.3. Our People: We are One GCC

### 3.3.2.3. Identifying and Developing our Future Leaders

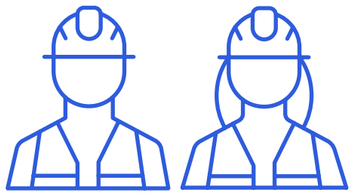
Our main strategy is centered on internal promotion, where we prioritize the development and growth of our employees. This approach focuses on maximizing the potential of our employees, thereby fostering motivation, generating employee commitment, and retaining talent.

Our development strategy is guided by a long-term vision, that is why we developed programs to:

Safeguard the professional growth of our talent and the future sustainability of GCC's operations with transparency.

Keep track of critical positions in our plants to define potential successors.

Ensure the early capture of potential talent to guarantee the future of our operations.



**7**
**Talent Executive Committees**

**39**
**Members**

**18**
**Meetings in 2024**

**54**
**Key positions reviewed**

Our **Talent Committees** ensure the professional growth of our talent, and centralize management of our development and mobility policy:

- Committees are formed by HR, operational leaders and C-Level executives.
- Members review GCC's key positions, from managers to the CEO, and work to identify talent across the organization to ensure smooth future succession processes.
- They evaluate the candidates with a 5-year perspective, from those ready to be promoted to high-potential ones. Committees are responsible for defining the activities and trainings each potential successor needs to be ready for the position and for emergency successions.
- All the information about the nominations is transparent and available to the Talent Committee members.
- All C-level positions are reviewed and approved by the Board of Directors.

# 3.3. Our People: We are One GCC

To complement the activities of the executive committees, in 2024 we rolled out the GCC Leadership Program, designed in 2023 in partnership with ICAMI (Mexican Center for Integral Training and Management Development) to engage and retain top talent, and to ensure we identify, develop and retain the senior leadership talent required to meet our future business needs. The program focuses on early identification and development of people that demonstrate commitment, values, performance and high potential.

- The Senior Leadership Team selects the participants.
- 30 to 35 employees included simultaneously.
- The program consists of strategic, operative, and tactical training, which includes opportunities for special assignments and mentoring.

Additionally, to ensure seamless operations at all our plants in Mexico and the U.S., we conduct quarterly **Talent Review Meetings** to keep track of critical positions at the plants, define potential successors and carry out an individual development plan for them.

**Talent review meetings**

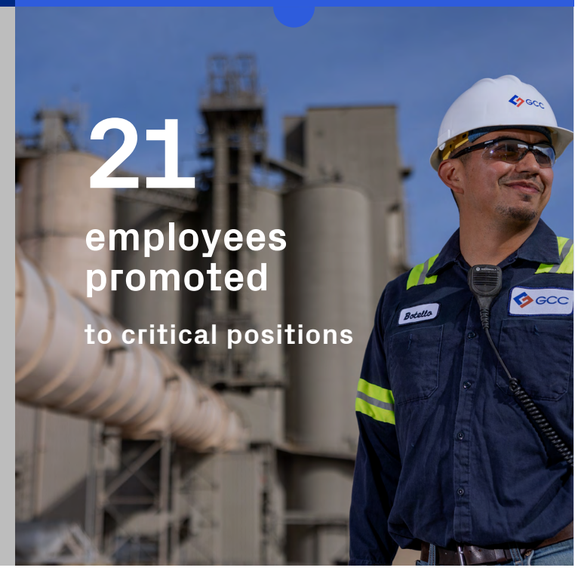
**To keep track of critical positions**

**202**

**Potential candidates discussed**

**in 2024**

To capture promising talent, we also carry out **professional internships** in all of GCC's divisions. These are 3 to 12-month month programs for students, who receive training at a specific area of the company, with the objective of retaining and employing them upon graduation.



# 3.3. Our People: We are One GCC

## 3.3.3. Working Towards Diversity, Equity and Inclusion

GCC is committed to promoting diversity, providing equal opportunities for our people, and fostering an inclusive workplace. By cultivating an environment where all employees feel valued, respected, and empowered, we foster a culture of inclusion, while contributing to a more inclusive workforce within the cement industry.

Cement companies historically exhibit minimal female participation. It's our duty to create more inclusive opportunities. Our ongoing efforts involve strengthening our DE&I policy, commitments, governance and strategy to facilitate this endeavor.

**We value diversity, strive for equity and promote inclusion.**

To identify improvement opportunities and enhance GCC's DE&I, in 2023 we partnered with the Alliance for Diversity and Workplace Inclusion (ADIL, for its acronym in Spanish), a specialized consulting organization to support us in our DE&I strategic planning, analyses, trainings, events and communication. Additionally, since 2021, we have subscribed to the United Nations Women's Empowerment Principles (WEPs), which offers guidance on how businesses can empower women in the workplace and advance gender equality. In 2024, we strengthened our relationships with these associations and formed a partnership with *"Éntrale"*, a national organization dedicated to fostering a culture of workplace inclusion for people with disabilities.

### % of Women

| | 2022 | 2023 | 2024 |
|---|---|---|---|
| TOP MANAGEMENT | 6.9% | 8.8% | 5.9% |
| MIDDLE MANAGEMENT | 20.7% | 23.2% | 22.6% |
| JUNIOR MANAGEMENT | 10.6% | 11.1% | 10.4% |

In 2024, the HR department conducted a comprehensive assessment of gender equity and the inclusion of individuals with disabilities within our organization. This evaluation provided valuable insights into areas where we can foster a more inclusive and equitable workplace. Based on these findings, we are developing actionable plans for 2025 to enhance inclusion, ensuring all employees have equal opportunities to thrive and contribute to our collective success.

### Great Place to Work®

The employee satisfaction survey carried out by GPTW shows no gender differences in Mexico or the United States.

# 3.3. Our People: We are One GCC

### 3.3.3.1. DE&I Governance

In 2020, we formed our Diversity, Equity and Inclusion (DE&I) Executive Committee to align DE&I efforts with the broader business strategy.

- **Mission**: To build an inclusive and diverse workplace culture by promoting opportunities, training and a safe and equitable environment, throughout the company.
- **Vision:** Retain and develop diverse talent within GCC, valuing every individual and providing equal access to opportunities.
- 9 core members and 35 champions in Mexico and the U.S.
- 14 hours of DE&I trainings in 2024.

Our Code of Ethics and Conduct specifies GCC's anti-harassment policy. In 2024, the DE&I policy was finalized and approved. The approval process involved the endorsement of HR Business Partners across all business units, as well as final approval by the SLT. The updated policy reinforces a workplace culture grounded in fairness and justice, ensuring a safe environment where diversity is valued, and no one is excluded or marginalized based on gender, personal characteristics or beliefs.

## 2024 DE&I achievements

- **Enhanced DE&I Policy.**
- **Increase % of women in our workforce.**
- **Training on inclusion of people with disabilities.**

# 3.3. Our People: We are One GCC

## 3.3.3.2. DE&I Strategy

Our DE&I Committee works with an interdisciplinary approach to support DE&I initiatives across our organization.

| | | |
|---|---|---|
| **Communication** | We build awareness, emphasize the fundamental importance of DE&I in shaping our workplace culture. We encourage active engagement and feedback from all employees, aiming to cultivate a dynamic workplace where diverse perspectives thrive, driving innovation, collaboration, and collective success. | |
| **Training and Promoting Opportunities** | DE&I training during 2024:<br>→ 110 hours on the “Building an Inclusive Place to Work” training available for all GCC employees.<br>→ 102 hours on the *"Ponte en mis zapatos"* training provided at the Chihuahua and Juarez plants to build empathy and solidarity among employees.<br>→ Leadership, directors and managers need to be an example for their teams, ensuring GCC’s values are respected across the organization. | **212** **Hours of DE&I training in 2024** |
| **Inclusion in Operations** | We are making the changes needed for our operations to be more inclusive towards gender diversity. The DE&I committee works together with our operation managers to identify improvements opportunities and invest accordingly. | **In 2024, we invested in:**<br>→ Uniforms and security equipment ad hoc for women.<br>→ Improving infrastructure for women in the workplace. |
| **Recruiting and Talent Search** | We have initiatives to hire more women, including positions that have traditionally seen low numbers of women (such as Control Room Leader, Production Engineer, Driver, Plant Engineer, Warehouse Coordinator and Quarry Operator). In 2024, we finalized the implementation of a neutral-format job posting template for Mexico while ensuring continued compliance with the U.S. version. | In 2024, we incorporated 10 women in operational roles and 18 women in engineering and technical roles. |
| **Internal Policies** | → Hiring manual and supervisor interview revision.<br>→ Definition and internal publication of our DE&I Policy.<br>→ Revision of all internal policies to make sure they are inclusive, and do not refer to dress codes, talent attraction, etc. | Our Ethics Committee received no confidential complaints of workplace discrimination in 2024. |
| **Recognition** | Second edition of GCC Women Recognition in 2024, an award to appreciate and recognize members of our organization strongly committed to our values: 181 women nominated by their colleagues were recognized. | |

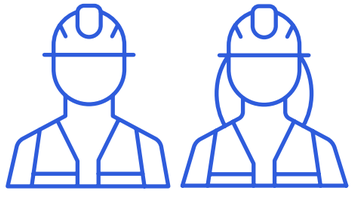
# 3.3. Our People: We are One GCC

## 3.3.4. Incentives and Satisfaction

We are looking to attract and retain the best talent in the industry. Our Human Resources team works to build a culture where employees and their families feel valued and supported.

To recognize the differential contribution each of our employees makes to the company, we have a compensation model based on the Performance Management Process (PMP). This process measures institutional and individual goals established at the start of the year, aligning them to our business strategy. The PMP operates on a sixteen-month cycle, fostering skill and knowledge development among employees to enhance performance, realize their potential and drive success, while advancing GCC's strategic goals.

Since 2018, we have annually recognized employees whose outstanding dedication and efforts significantly contributed to achieving their annual objectives. Led by our CEO and the Human Resources department, we host recognition events at each of our locations. In 2024, we held ten on-site celebrations and one virtual gathering for remote participants, honoring a total of 285 individuals for their outstanding work in both Mexico and the U.S.



Our compensation philosophy is oriented to generate value for the organization and the people, according to the market and the company's needs, contemplating four principles:

- Offer competitive salaries and benefits.
- Promote behaviors aimed at the consistent production of good results.
- Produce a significant degree of differentiation between employees with high and low performance.
- Attract the right candidates and retain employees with superior performance.

**GCC's short-term incentive program** is based on business and individual performance: its components are the standard bonus as a percentage of the employee's annual salary, their individual performance and the business performance.

# 3.3. Our People: We are One GCC

## Great Place to Work®

We are certified by Great Place to Work in Mexico since 2015 and in the U.S. since 2019. The GPTW Model evaluates 15 competencies in five dimensions: **credibility, respect, impartiality, pride and companionship**.
In 2024, 96% of our Mexican workforce and 75% of our employees in the U.S. participated in the GPTW survey.

For this reason we have a holistic wellness approach that includes health care, work-life balance, and benefits beyond the legal requirements for our employees, in both our Mexico and U.S. operations. We also encourage our employees to implement a healthy lifestyle, promoting sports and activities for them and their families.

To identify gaps, engage with and listen to our people, we conduct annual surveys that measure the level of employee satisfaction in both Mexico and the United States. This helps us monitor the impact of our decisions. Results are shared with managers and their teams, and our HR Division utilizes them to identify improvement opportunities and to design an annual program aimed at maintaining and improving satisfaction across the different divisions. We do bimonthly follow ups during the year to track progress until the next survey.

We also carry out annual benchmarking and market research to ensure our compensations and benefits remain competitive.

# 3.3. Our People: We are One GCC

## "RH Cerca de Tí" program

In 2024, we launched the "RH *Cerca de Tí*" initiative, a groundbreaking program designed to bring our Mexico Division Human Resources team closer to operations. Through on-site visits to business units, this program strengthens connections, allowing HR to gain firsthand insights into daily operations while increasing the visibility and understanding of their functions among employees.

This initiative promotes a more direct and personal relationship between HR and our teams, reinforcing trust, communication, and collaboration. By being present at each location, HR professionals can better address employee needs, provide tailored support, and contribute to a cohesive organizational culture.

This program underscores our commitment to creating an inclusive and supportive environment, ensuring that every team member feels valued and heard.

## Health Campaigns

We reinforced our commitment to employee well-being through impactful health initiatives, including our Health Fair and blood donation campaigns. The Health Fair offers employees access to health professionals who conduct tests to ensure their well-being and proactively detect any potential issues.

We also introduced periodic medical examinations at our facilities, ensuring thorough health monitoring while minimizing disruption to employee's daily routines.

# 3.3. Our People: We are One GCC

### 3.3.4.1. Employee Benefits and Wellness

The health and wellness of our employees and their families are a priority for GCC. We are committed to providing them with a benefits program that is both comprehensive and competitive.

In the United States, there are differences in these benefits across our operations depending on plant location, since country and state regulations may differ, as well as labor union agreements. We aim to offer our employees competitive benefits beyond legal requirements:

- Our program offers health, dental and vision coverage, as well as financial security.
- GCC employees are free to select any family medicine doctor or specialist they wish, and the company provides medical insurance to offset the majority of medical costs.
- Moreover, we offer access to free initial mental health assistance, as well as regular updates on smoking cessation and weight loss, among others.
- We offer an annual “Wellness Bonus Program” to employees if they complete an annual physical examination, including comprehensive blood screening, and at least one of the following preventive actions: vision or hearing exam, COVID booster, or dental cleaning.
- Employees are also offered free on-site annual flu inoculations.

In Mexico, we strive to go beyond legal requirements in paid vacations and annual bonus. We also implemented a new initiative that enables our employees to be paid for their latest vacation days not taken, if they choose to work. Additionally, we offer extra days off in case of important personal events, and provide a paid gift in cases of marriage, childbirth or an academic degree completion.

Furthermore, we develop activities for our employees and their families throughout the year to promote GCC’s health and wellness culture.
In Mexico:

- We have an official GCC basketball team, and all employees are invited to be part of it and to compete in tournaments.
- In 2024, we saw a significant increase in participation in sports activities, reflecting our employee's enthusiasm for the wellness initiative and our commitment to fostering a healthy, active lifestyle within our teams. The activities include softball, basketball, volleyball, billiard and domino tournaments.
- We carry out a body and mindfulness workshop, focused on managing stress and restoring a healthy balance in life.

# 3.4. Stronger Customer Relationships

Providing quality customer service and continuously expanding our integrated and innovative solutions are key elements of GCC's 2025 vision to become the best cement company in North America with the proper balance between people, profit and planet. We understand that to become a true leader in our industry, we need to offer increasingly sustainable products and outstanding customer service. Developing more sustainable products and innovation were rated as high priority topics for us and for our stakeholders, in our materiality analysis.

The capacity to develop strong customer relationships is one of GCC's core competitive advantages. During 2024, we worked to further strengthen these relationships, as a key element of our commercial strategy. Higher quality client relationships make us more resilient in the long-term and help us mitigate market risks through economic cycles. We take a proactive approach and work in close collaboration with our customer to develop solutions that better respond to their changing needs.

In 2024, we introduced new training efforts for customers, including the Diploma in Composite Materials, conducted in partnership with the Mexican Chamber of the Construction Industry (CMIC, for its acronym in Spanish). This program trained 80 clients and developers on GCC products through 20 sessions, totaling 40 hours.

To further enhance knowledge about GCC's products and their applications among our clients and employees, we launched the GCC Technology Institute platform in collaboration with the Mexican Institute of Cement and Concrete (IMCYC, for its acronym in Spanish). This innovative platform offers structured technical training through 27 webinars, engaging 355 participants—153 clients and 202 employees —who collectively completed 421 courses.

Additionally, we awarded 20 scholarships to clients for the Industrial Flooring Seminar hosted by IMCYC, reinforcing their expertise and strengthening our relationships.

## 2024 Initiatives to strengthen customer relationships

- Increased production of more sustainable products
- Extended our collaborative approach to customer relationships further down the value chain
- Wide adoption of digital tools and more efficient processes to enhance the client experience

## 2024 Customer's trainings

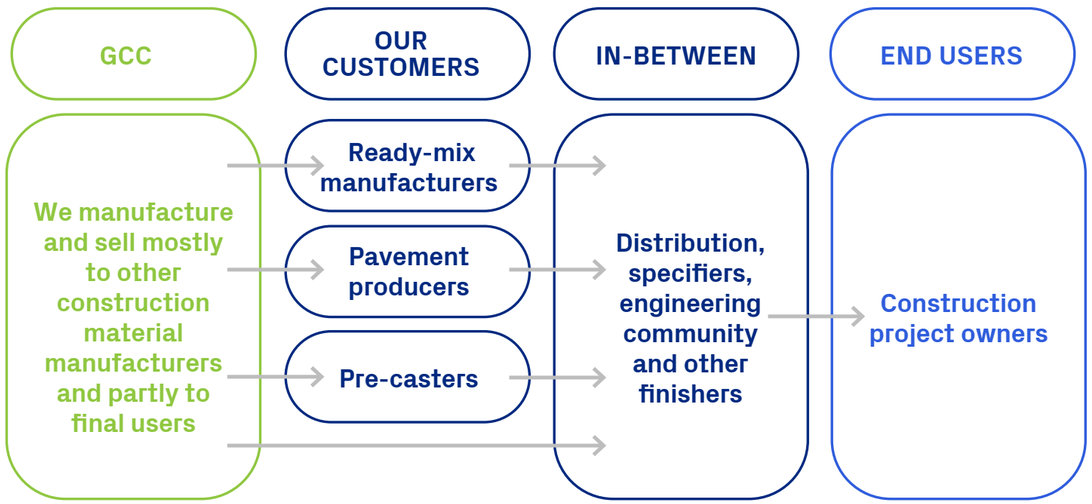
**40 hours**
Composite Materials Diploma

**421 courses**
GCC Technology Institute platform

# 3.4. Stronger Customer Relationships

### 3.4.1. More Sustainable Products

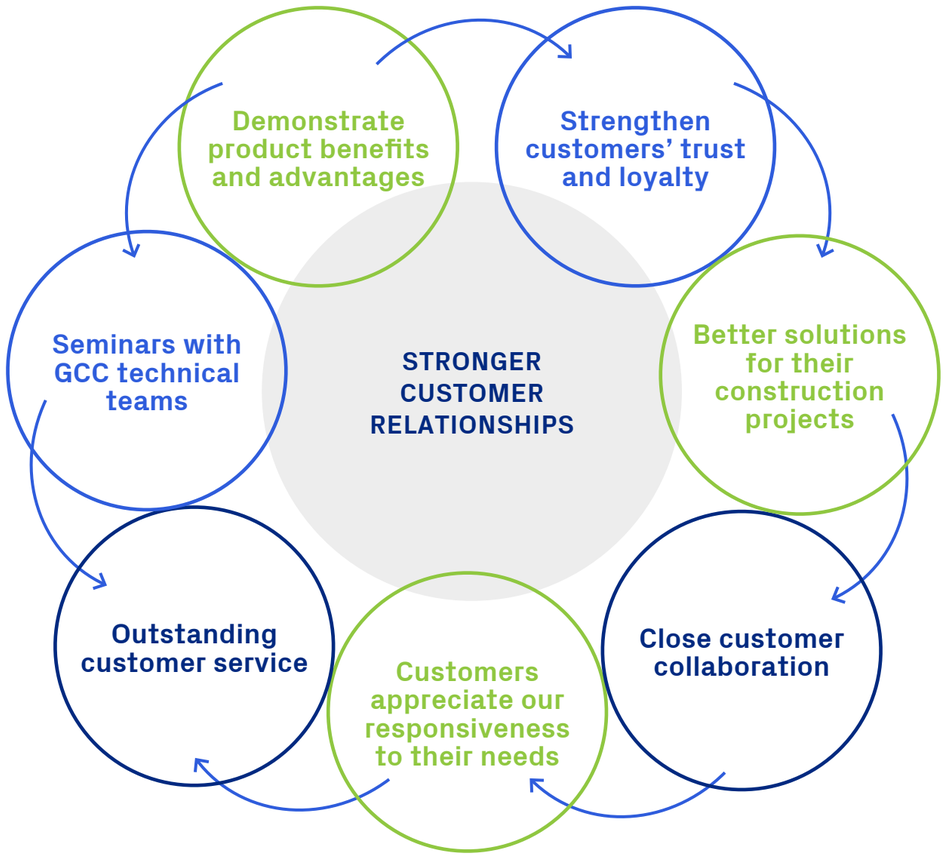
In the development of new product solutions, we need to be mindful of our production facilities and our participation in the value chain. GCC's products are (in part) a raw material for other manufacturers, who then sell them to distributors, contractors or other players further down the value chain, who in turn, sell them to the construction project owners, the final users. Additionally, distributors are direct clients of GCC.




GCC has a manufacturing-minded, customer-focused approach to innovation.

# 3.4. Stronger Customer Relationships

Many of our customers are themselves manufacturers, requiring that we work together with agents along the value chain to align expectations and technical aspects for our new products. In 2024, GCC focused on enhancing the consistency of its blended cements and continued working closely with customers to help them understand and optimize the product's application. We created our own proprietary program in place to do that, including seminars to clearly communicate the adjustments and facilitate working with new products.




In the U.S., we are affiliated with the Portland Cement Association (PCA), with the president of our U.S. Division serving as a member of its board of directors. Throughout the year, we actively participate in approximately 10 meetings and events, where we contribute to industry leadership, shape strategic initiatives, and collaborate with peers to drive positive advancements in the cement sector, educate ourselves and convert our learning into client outreach. We also reach out to our different client groups in Mexico:

- **Construred distribution channel:** (29% of our sale volume), made up of 30 members who form a consultative panel with us. We meet three times per year. GCC sponsors one in-person meeting.
- **Concrete and mining clients:** we sponsor their participation in one key industry event per year, and our executives reach out and visit.
- **All segments:** we provide technical assistance, including the projects presented to the local government.
- **Engineer and architect associations:** we organize presentations to educate new generations of professionals on the construction systems we support so they continue to choose to work with us in the future.

# 3.4. Stronger Customer Relationships

## 3.4.2. Digital Tools and More Efficient Processes

We are dedicated to streamlining sales administration processes, making them more efficient and transitioning them towards digitalization. Currently, we are actively implementing initiatives aimed at enhancing the overall client experience, spanning from the point of purchase to product pick-up/reception. This includes optimizing order management systems and elevating customer service standards.

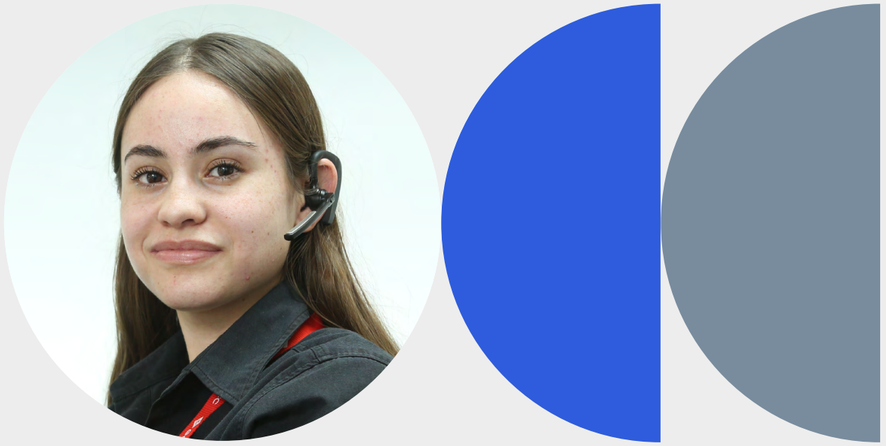
We are also working to incorporate more data processing capabilities that allow us to improve our commercial models, as well as improved technology, to optimize our logistics and automate pick up at our terminals.

### SINGLE POINT OF CONTACT CUSTOMER SERVICE

- Modernizing our call center.
- Implementing single point of contact with super app.

### E-COMMERCE AND DIGITAL B2B PORTALS AND MARKETPLACES

- Online purchases enabled for most products.
- Order and account statements.
- New cement portal in the U.S. with improved functionalities + mobile app.
- Working on Construred marketplace.



### LOGISTICS: INTELLIGENT TRUCKS, AUTOMATED TERMINALS

- Samsara application including cameras in trucks to enhance security, logistics, and routes optimization. By Q4 2024, 100% of trucks in Mexico were fully operational.
- 24/7 PIN-enabled, automated service at Albertville and Irondale terminals.

### DATA PROCESSING AND ANALYSIS TOOLS

- Developing a digital pricing model to have more tools to set pricing and better understand demand.

### PAPERLESS RECEIPTS

- Digitalization of delivery notes for operations in Mexico and the U.S. project.
- Allows clients to sign on mobile devices, access to photos and geo-localization of delivery.
- Electronic systems now capture customer signatures, replacing traditional paper forms and streamlining the process.
- This initiative has made substantial progress in Mexico, with full implementation expected in 2025.
- Increases accuracy and speed, and reduces our environmental impact.

# 3.4. Stronger Customer Relationships

## 3.4.3. Customer Satisfaction

In our Mexican Division, we perform monthly customer surveys to understand how our clients feel about GCC's products and services. With more than 20 years traceability for our customer satisfaction indicator in the Mexican market, we collect data on factors considered critical by our clients, which we divide into business segments, such as construction, government and infrastructure, among others.

During 2024, our clients' satisfaction as measured by our customer survey totaled 71%, covering approximately 80% of our customers. To address this outcome, we implemented key initiatives, including training for commercial and technical advisors, and strengthened coordination with customers. We also prioritized efforts such as demand forecasting and site visits to better align with customer needs and enhance their overall experience.

In 2024, we expanded our customer survey to include additional questions, providing deeper insights into customer satisfaction. Furthermore, starting in 2023, the evaluation of critical satisfaction factors will be updated every three years to remain aligned with evolving client needs. In Mexico, we trained 23 customer service employees through specialized courses, totaling 16 hours. This training initiative complements the ongoing *Hola GCC* program.

Key efforts were implemented to modernize our customer service processes and strengthen customer satisfaction.

*HOLA GCC*

**Customer service training in Mexico**

This program ensures that all employees engage with customers professionally by equipping them with essential telephone customer service skills and protocols, including an audiovisual manual covering:

- Welcome and farewell protocols.
- Identifying and avoiding detrimental phrases.
- Handling objections and customer questions.
- Transferring calls appropriately.
- Managing complaints effectively.
- Other telephone etiquette tips.

# 3.5. Improved Supplier Engagement

At GCC, we believe that the success of our business lies in providing a compelling value proposition for each of our stakeholders. We guarantee equal opportunities for our suppliers, within a framework of confidentiality and respect. Our bid selection criteria are aligned with company values of integrity and collaboration. We promote equity and fairness in our relationships with suppliers.

Suppliers are required to comply with our Supplier Ethics Guidelines -aligned with our Code of Ethics and Conduct- in particular with our commitments to human rights, health and safety, and minimizing our impact on the environment and the communities where we operate. They are also required to sign our Privacy Policy. Separately, new suppliers who work on-site, must adhere to GCC policies and norms ISO 45001, ISO 14001 and ISO 9001, as well as our 5S system.

We utilize a platform to oversee our suppliers, ensuring their compliance with required training and up-to-date obligations concerning health and safety. In the U.S. we utilize the ISNetworld Platform for contractor management, and in Mexico we utilize the Integrated Security and Access Control platform (CISA, for its Spanish acronym).

In addition, we use COUPA software, which we strengthened in 2024. All our suppliers use this platform to receive purchase orders and submit invoices.

## 2024 Suppliers

**51%**
**Local suppliers**
(by spend)

**100%**
**Suppliers agreeing with GCC's Code of Ethics and Conduct**

**531**
**New suppliers screened using environmental criteria**

Note: GCC defines local as located in the same state as the end user.

## 3.5.1. Procurement Governance

We have an Energy and Procurement Division to ensure the continuous supply of fuels, electricity, raw materials and equipment. Our procurement processes prioritize not only cost savings, but also efficiency, reliability, risk management and sustainability. This division reports directly to the CEO.

Apart from aligning with GCC policies, we require our suppliers who work on-site to have adequate health and safety training. This training is certified by a third party. In Chihuahua, we have an agreement with the Mining Cluster, to certify our suppliers who require safety training.

In the U.S., we integrated the ISNetworld supplier platform into our contractor information management system to streamline safety document reviews. Launched in 2021 and reinforced in 2023, this initiative strengthens contractor compliance with GCC's health and safety standards through continuous evaluation and corrective actions. All contractors classified as high-risk based on the services they provide on-site are required to join ISNetworld, while medium- and low-risk contractors are encouraged to participate.

In 2024, user connections in our platform increased by 25%, reflecting increased engagement. We also launched our first supplier and contractor survey, to assess procurement experiences and ESG perspectives using GRI and SASB frameworks. Conducted across the U.S. and Mexico, the survey highlighted strengths in contract management, problem-solving, and safety commitment.

Through collaboration between Procurement, Safety, and ISNetworld, we continue to enhance contractor management, reinforcing workplace safety and GCC's leadership in the industry.

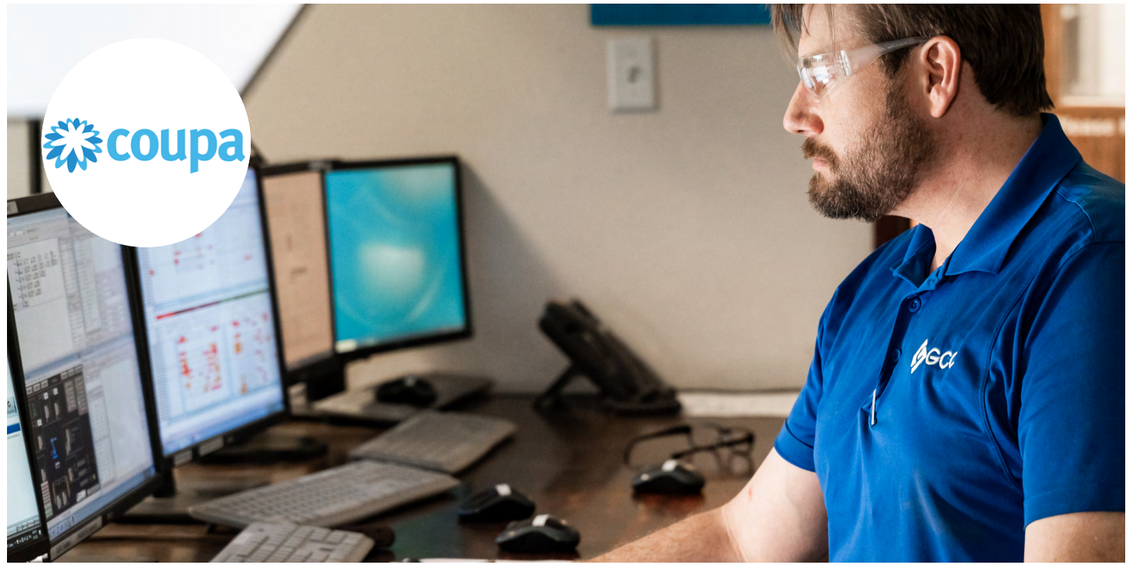
# 3.5. Improved Supplier Engagement

## 3.5.2. Enhanced Transparency and Efficiency

IIn 2024, we continued to gain benefits from the utilization of our supplier platform COUPA, which is helping us improve supplier experience together with efficiency and transparency, as it allows for:

- Managing supplier catalogues online.
- Streamlined supplier onboarding, reducing new supplier incorporation time from 15-20 days to less than five.
- Streamlined invoicing process with Artificial Intelligence.
- Improved transparency in suppliers' invoices and payments.
- Traceability and ability to detect deviations.
- More transparency with electronic bidding processes.
- Benchmarking with companies similar to GCC.
- An overall improvement in the Procure-To-Pay process reducing the processing time from request to invoice by over 40%.
- During 2024, we continued certifying our procurement team in Supply Chain.

Management through an alliance with the U.S. Institute for Supply Management. By the end of the year, 25% of our procurement managers in the U.S., across both ready-mix and cement operations, were certified. By the end of 2028, we aim to have 100% of our procurement team, including the energy supply team, certified. We believe education is the best way to improve our performance.



# 3.6. Building Long-Term Relationships with Our Communities

Our eight state-of-the-art production facilities (five in the United States and three in Mexico), are all situated in close proximity to surrounding communities. We actively engage in and prioritize community wellbeing as a crucial aspect of our sustainability efforts.

We impact communities by providing:

- **Employment and skill development opportunities:** we prioritize local hiring and skill development to empower community members.
- **Private social investment:** we collaborate with local stakeholders, both governments and NGOs, to understand their needs and priorities, ensuring our operations align with community values.

Since its creation in 2006, the GCC Foundation has served as the cornerstone of our community engagement in Mexico, channeling investments in education and sustainable development initiatives. In 2024, the volunteer program continued to grow, both in participation and in fostering a shared culture of giving, with employees and community members coming together to support various initiatives. It also organized some activities in coordination with our U.S. plants, an approach we are planning to further integrate into our social strategy going forward.

In the United States, each facility selects community partners to represent our values and those of our employees. Some of our plants have CSR committees or community action advisory teams, panels or boards that engage with communities to understand their needs and prioritize initiatives.

GCC supports local schools, scholarship programs and training initiatives, as well as organizations that help vulnerable groups.

The GCC Foundation and our U.S. plants also sponsor environmental stewardship programs in collaboration with local organizations, including planting trees and local biodiversity support.

**88% of GCC employees are local hires.**

# 3.6. Building Long-Term Relationships with Our Communities

**Collaboration with NGOs,** local governments and other institutions.

**MEXICO**

FUNDACIÓN GCC

Employee volunteers

**UNITED STATES**

U.S. plant managers

ESR Empresa Socialmente Responsable

**In 2024, GCC was recognized in Mexico** as a Socially Responsible Enterprise for the

**19th consecutive year**

**+54**
ASSOCIATIONS SUPPORTED

**$1.4M**
DISTRIBUTED

**9**
SCHOLARSHIPS GRANTED

**932**
VOLUNTEER HOURS

# 3.6. Building Long-Term Relationships with Our Communities

Our goal is to contribute to the well-being of our communities, by actively investing in community development projects that prioritize support to:

**Vulnerable groups**

**DONATIONS AND SUPPORT FOR CHILDREN IN NEED AND WITH DISABILITIES**

- ***Los Ojos de Dios:*** a home and rehabilitation center for children with neurological and functional disabilities in Juarez City, with which GCC collaborates through GCC Foundation.
- ***La Granja Hogar:*** GCC contributes to this institution by offering a home and a dignified life to children in Chihuahua City. In 2024, GCC's volunteer group organized and took part in painting the facilities, enhancing the living environment for the children.

  **Approximately 200 children received essential support, including healthcare, education, nutrition, and overall well-being in 2024.**

  Notable contributions included:
  - 75,555 meals served to support proper nutrition.
  - Regular health assessments, including weight and height monitoring.
  - Screenings for anemia to ensure early detection and treatment.
  - 131 individuals achieved a satisfactory level in their education.
  - Group and individual therapy sessions to support psychological and emotional well-being.
- **"Digger Day":** in collaboration with a local NGO, the Trident plant raises funds to finance activities for children with disabilities, such as engaging experiences such as sitting on an excavator and creating cement slabs.
- ***"Juntos sin frío"–*** the GCC Foundation collaborates with DIF (National System for Integral Family Development) and the local government to channel employee donations in Chihuahua.

  **186 winter coats were donated in 2024.**
- **Toys and food donations, blood drives, fundraisers, honoring and cooking for veterans, senior citizens and Christmas trees:** among some of the activities organized by the U.S. plants together with the local Boys' and Girls' Club, local schools, senior centers, local food or blood banks.
- ***"Casas de Cuidado Diario"*:** GCC Foundation supported this association with toy donations, encouraging employee contributions through a donation drive. The donated gifts were distributed to three care homes, fostering a meaningfulconnection between volunteers and vulnerable communities.

  **63 toys were donated in 2024.**

**Education**

**SCHOLARSHIPS**

- **GCC Foundation:** provides college tuition support, plant visits and mentorship with the possibility to work at GCC after graduation.

  **3 full college scholarships granted in 2024 (2 scholarships ongoing at the Rapid City plant and 1 at the Pueblo plant).**
- **Leaders of Tomorrow:** a program in collaboration with *Tecnológico de Monterrey.*
- **Trident plant -** grants scholarships to high school graduates going into engineering or electrical trades.

  **4 grants of US$500 each in 2024.**

**Sustainable Development**

**PARK REHABILITATION AND TREE PLANTING:**

- **GCC Foundation** - in collaboration with *BQ Gestión Ambiental* in Chihuahua, identified parks for environmental restoration. 148 volunteers participated in 2024 with a total of 932 hours.

  **Rehabilitated 4 parks close to our Chihuahua plant since 2023.**
- **Odessa plant:** planted trees around the facilities.
- **Trident plant:** donated to the local Audubon Society for preservation of the Peregrine Falcon breeding ground across from the plant, helping the Bridger Raptor Migration Project. Also donated some land for a bird (falcon)- watching area and facilitated beehives to promote springtime pollination down the river. We also supported the Montana State Park Foundation's Headwaters State Park Expansion Project, located next to the plant.
- **Community building activities in U.S. plants:** participation in sports and other events, Family Days, Earth Day, Community Day, Open House.
- **Fostering biodiversity.**

# 3.6. Building Long-Term Relationships with Our Communities

## *Domingos Felices*

Weekly event for children every Sunday between March and December, sponsored by large companies at the *Ciudad Deportiva* park in Chihuahua, Mexico.

In collaboration with NGO: *Chihuahua Feliz*.
Its objective is that children in Chihuahua have the happiest childhood in Mexico.

GCC partnered with this organization to participate in a volunteer event that positively impacted over 100 people, including volunteers and community members.

+70 companies have sponsored this project since 2016.

**2024**

**44**
Events

**5,645**
Average visits per event

**288,322**
Total visitors

**GCC'S STAND (WITH THE HELP OF VOLUNTEERS)**

GCC holds LEGO tournaments for children and teens during three Sundays in October and November.

**9**
Tournaments

**167**
Participants

# 3.6. Building Long-Term Relationships with Our Communities

## Volunter Program

The GCC Foundation has made significant strides in expanding its volunteer program in 2024, fostering a culture of social responsibility and community involvement across our operations. In Mexico, the program has engaged more than 148 volunteers.

In Chihuahua, four volunteer events were held this year. In Juarez, one event took place, creating a meaningful impact on the community. These initiatives provide our employees with opportunities to give back to their communities, strengthen team cohesion and contribute to the broader social fabric.

To ensure volunteers feel supported and valued, we provide them with welcome kits, which include a backpack, t-shirt, cap, and thermos. These kits are designed to build a sense of pride and unity among volunteers. Going forward, we plan to enhance these kits with additional items tailored to specific activities, such as gloves for reforestation efforts, further enriching the volunteer experience.

## Strengthening Community Impact

As part of our commitment to understanding and supporting our communities, we also carried out visits to the associations receiving our financial donations. These visits allowed us to gain a deeper understanding of their missions and how resources are distributed, ensuring that our contributions have a meaningful and lasting impact.

We also supported several social initiatives, including the donation of 30 computers to schools on the outskirts of Chihuahua, aimed at enhancing educational opportunities for students in underserved areas. Furthermore, we maintained our collaboration with *Teletón* and other local organizations, working together to provide much-needed support to vulnerable communities and strengthen our community connections.

GCC

# 4

# PROFIT

**We strive to maximize value generation** by balancing optimal return.

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# 4.1. Another Record Year for GCC

## 4.1.1. New Record for Key Financial Indicators

Despite the historical cyclicality of the cement industry, GCC is well positioned to deliver solid performance during the coming years. Record 2024 performance reflects a combination of the resilience of our business and the success of our strategy — an important affirmation that we are on the right track. We advance guided by our long-term vision of becoming a more sustainable company, ensuring that we have a strategy in place to maintain the strengthened bottom line, year-on-year.

In 2024, GCC set a new record for four of its key financial indicators: net sales, EBITDA, EBITDA margin and net income. Our record financial performance contributed to further strengthening the company's solid financial position, as we ended the year with US$830.6 million in cash and cash equivalents and a net leverage ratio of -0.67 times, with no debt maturities through 2032.

**NET INCOME**

**$325.9M**

**CASH AND EQUIVALENTS**

**$830.6M**

## 4.1.2. The Success of our Strategy

Our record top-line growth was the result of GCC's successful commercial execution, including swiftly pivoting our supply to growing segments such as renewable energy and oil and gas, as well as prudent, but necessary price increases. During 2024, our consolidated net sales increased 0.2% year-on-year, to US$1,366.7 million.

| | | |
|---|---|---|
| **Record Top-line Growth** | **Commercial Execution** | → Swiftly pivoting supply to growing segments<br>→ Successful commercial strategy<br>→ Strengthened customer relationships |
| **Record Bottom-line Growth** | **Cost Containment/ Optimization** | → Leveraged fuel flexibility<br>→ Enhanced operational stability<br>→ Successful cash management and capital allocation |

# 4.1. Another Record Year for GCC

We also registered record bottom-line growth, driven by our cost-optimization initiatives and by our flexible fuel strategy, which has once again proven to be one of our main competitive advantages. Additionally, we benefited from the absence of the costs related to the debottlenecking project at our Samalayuca cement plant, as well as the logistical challenges experienced in 2023 due to immigration-related delays at border crossings.

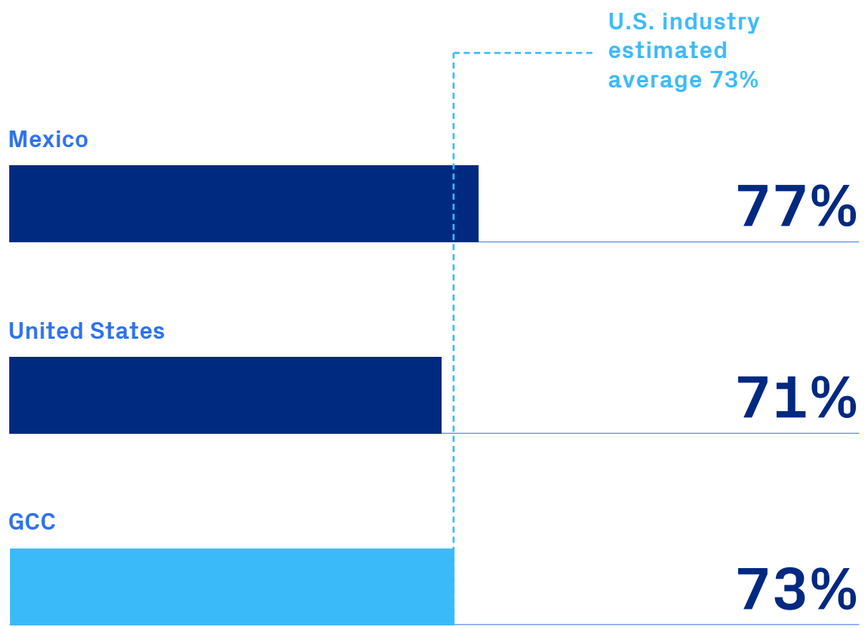
At GCC, we believe that reducing costs should be coupled with a focus on running our business flexibly, profitably and more efficiently, to create further value in the future ahead.

EBITDA rose 6.1% to US$500.4 million, our EBITDA margin expanded 200 basis points to 36.6%, and we delivered net income of US$325.9 million.

Free cash flow totaled US$321.8 million with a 64.3% free cash flow conversion rate.

The successful execution of our commercial strategy was an important driver of GCC's 2024 results, and was enabled by the flexibility of our operations, one of our key competitive advantages. We believe the company will continue to benefit from capturing operational leverage opportunities in the years ahead by running our plants close to maximum capacity in response to growing demand, while always prioritizing equipment care and timely maintenance based on global industry best practices.

### Our Plant's Capacity Utilization



# 4.1. Another Record Year for GCC

Significant free cash flow generation enabled us to deliver strong sustainability performance on a consistent growth path, allocating funds to our growth and sustainability projects: the Odessa expansion, renewable energy, logistics, blended cements, alternative fuels, renewable energy, and other efficiencies.

**$336.9M**
TOTAL CAPEX

**$52.6M**
LOW-EMISSION DECARBONIZATION CAPEX

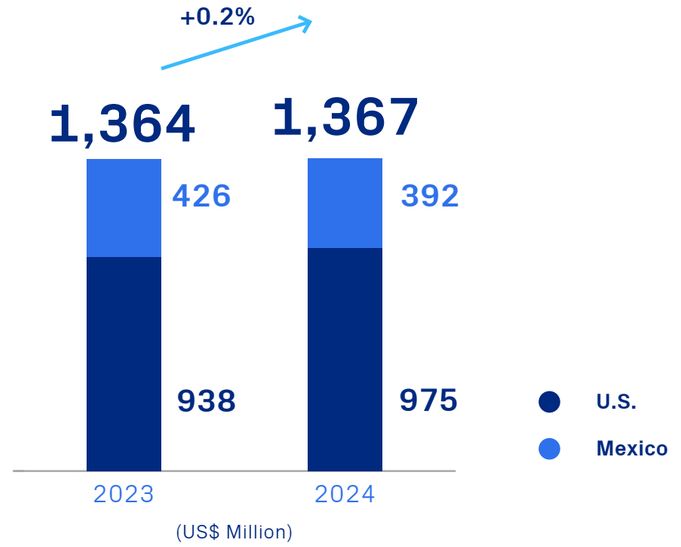
We are also responsibly leveraging our strong balance sheet for sustained growth that enables us to protect GCC's investment grade rating. Our credit record is fundamental to maintaining the financial flexibility that drives value creation for all our stakeholders: shareholders, local communities, employees, clients and suppliers.

## 4.1.3. Record Top-line Growth

Consumption of our primary products -cement, ready-mix concrete, and construction materials- is highly dependent on construction costs and on the industry as a whole, all of which are closely linked to overall macroeconomic conditions. During 2024, GCC's U.S. operations generated 71% of total sales, while Mexico contributed 29% of total sales.

U.S. sales grew 3.9% during 2024, as cement and concrete prices rose 5.5% and 8.1%, respectively. These were partially offset by a 2.2% and 5.6% decrease in U.S. cement and concrete volumes, respectively, compared to 2023.

In Mexico, sales decreased 7.9% during the same period, reflecting an 8.7% and 13.1% decrease in cement and concrete volumes, respectively, partially offset by a 4.9% and 6.7% increase in cement and concrete prices, respectively. Mexico sales, excluding Mexican peso depreciation, decreased by 5.1%.



# 4.1. Another Record Year for GCC

## CEMENT

Volumes

**U.S.** -2.2%

**Mexico** 8.7%

Prices*

**U.S.** 5.5%

**Mexico** 4.9%

## CONCRETE

Volumes

**U.S.** 5.6%

**Mexico** -13.1%

Prices*

**U.S.** 8.1%

**Mexico** 6.7%

*Prices in local currency

GCC had an exceptional start to 2024, with strong U.S. volumes and record-breaking performance in February, fueled by additional projects. As the year progressed, U.S. volumes faced some pressure from high interest rates and rising construction costs, which impacted demand for residential and commercial projects. These challenges were compounded by adverse weather conditions in our northern region.

By the early part of the fourth quarter, the ready-mix business experienced strong demand, driven by growth in agriculture and renewable energy projects, while cement volumes benefited from solid demand in the oil and gas sector in the Permian Basin, as well as from renewable energy projects in New Mexico and Texas, helping to offset softer conditions in other market segments.

In Mexico, cement and concrete volumes decelerated throughout the year due to energy infrastructure limitations and permitting delays in Juarez. However, the residential sector showed steady demand during the year.

Despite these market challenges, we delivered strong financial and operational results, demonstrating the resilience of our business and commercial excellence.

# 4.1. Another Record Year for GCC

In the United States, virtually all cement volume is sold in bulk, primarily for concrete and concrete block production, as well as contracting enterprises for roads and oil wells located in the geographic region that we supply.

GCC has a broad customer base in Mexico for all our business lines. Our main customers in this segment are distributors, construction companies, concrete block producers, manufacturers, state and municipal government, and the mining industry. GCC develops strategic alliances through the Construred retailer network, serving customers in the self-construction segment and contractors across various segments.

## SALES BY SEGMENT

| U.S. | 2024 |
|---|---|
| Concrete | 65% |
| Oil wells and mining | 22% |
| Precast, prestressed and block | 4% |
| Paving | 4% |
| Distributors/packers | 3% |
| Ground stabilization | 1% |
| Contractors | 1% |
| **Total** | **100%** |

## SALES BY SEGMENT

| MEXICO | 2024 |
|---|---|
| Construred/Distributors | 29% |
| Construction companies | 19% |
| Export | 12% |
| Housing | 12% |
| Mining | 11% |
| Manufacturers | 10% |
| Government and Infrastructure | 7% |
| **Total** | **100%** |

# 4.1. Another Record Year for GCC

We're focused on further strengthening our customer relationships, one of our most significant competitive advantages. Our top 10 customers represented 16.3% and 16.1% of our 2024 and 2023 net sales, respectively. Our top two customers combined represented approximately 4.5% of 2024 net sales.

We constantly work to be aligned with customer needs. For instance, we are lowering our clinker factor firstly to lower our emissions, but also to respond to market trends. A more specific example is the blended cement we produce at our Tijeras plant, in New Mexico, which is blended with a natural pozzolan, that ensures a higher quality final product, mitigating the risk of certain reactions that our clients would previously mitigate by adding fly ash to their mix. Since fly ash is becoming increasingly scarce, we were able to develop a new product that eliminates the need for customers to incorporate it into their production process. Proving one more time how GCC is proactively addressing customer needs with highly targeted and relevant products. This new product has the added benefit of having lower $CO_2$ intensity, and it is also aligned with our profitability objective.

For further details on our approach to customers, please visit the Customer Experience section in this report.

Our blended cements help us reduce our clinker factor and expand the range of sustainable products.

# 4.1. Another Record Year for GCC

## 4.1.4. Operating Flexibility and Efficiency

Cement operations require substantial amounts of energy, particularly in the production process and, to a lesser extent, related to product distribution. The availability of energy and related inputs from utilities is also inherently volatile; vulnerable to political and economic effects and regulatory conditions not within GCC's control.

Our operating flexibility and efficiency improvement during 2024 focused on energy. We improved temperature controls, replaced equipment, and stabilized operations to reduce our overall energy consumption, while also incorporating artificial intelligence to optimize our processes. Additionally, we successfully executed our flexible sourcing fuel strategy, investing throughout our cement plants to enable the possibility to use coal, natural gas or alternative fuels for cement production. Excluding our plants in Odessa, Texas, and Pueblo, Colorado, all our cement plants can alternate between natural gas or coal for clinker production supply dependent on price or availability. This allowed us to increase the use of natural gas by 5.7 percentage points in 2024.

We have increased our focus on implementing a flexible fuel approach throughout all of GCC's kiln systems. During the year, we conducted a comprehensive analysis at the Rapid City plant to identify and implement modifications aimed at increasing the use of alternative fuels, with the goal of replacing 40% of the current fuel consumption.

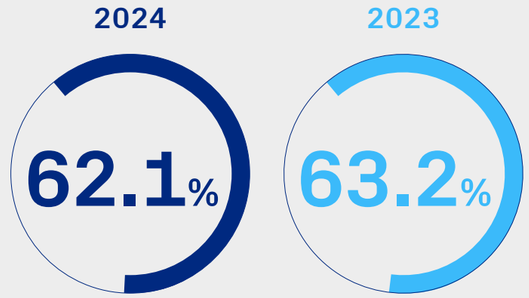
Apart from reducing our emissions by replacing coal with cleaner fuels, we delivered savings of approximately 12% during the year. For the full year 2024, the cost of sales was 62.1% of revenues, a 110 basis points year-over-year decrease.

**COST OF SALES**

2024
**$849M**

2023
**$862M**

**Cost of sales (% of revenues)**




**-110 BPS**

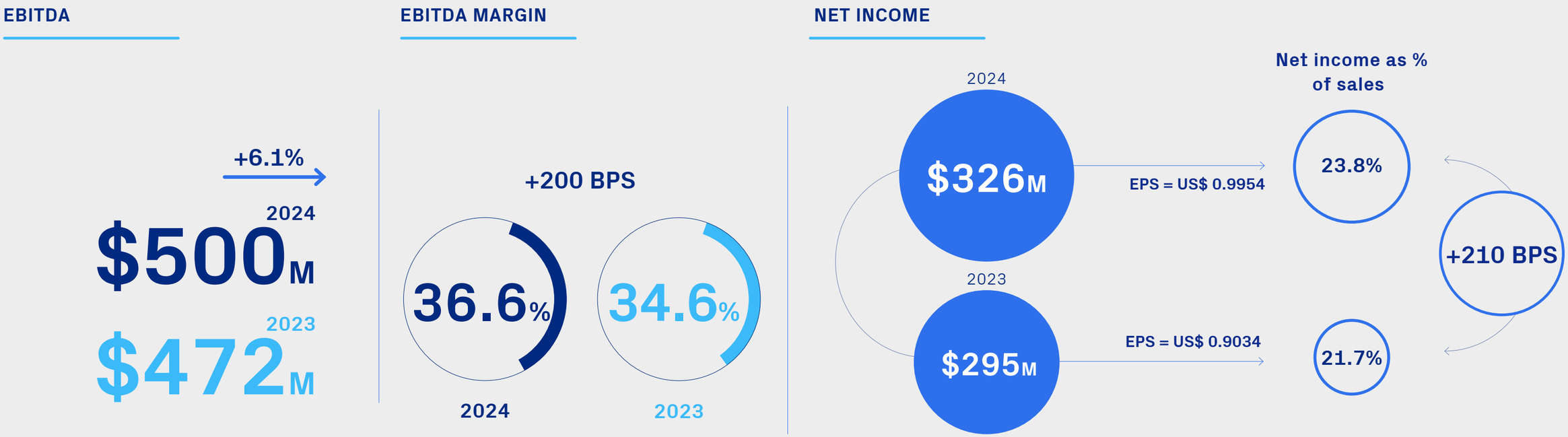
# 4.1. Another Record Year for GCC

## 4.1.5. Record EBITDA and Net Income

We are steadfastly committed to further strengthening our EBITDA margins by adopting a commercial strategy that enables us to offset the impact of inflation on our cost structure, while leveraging our operational efficiency, distribution network and flexible energy sourcing.

In 2024, our EBITDA margin ascended to a record 36.6%; showing a 200 basis points year-on-year increase and surpassing our 2025 target of 36%. GCC's U.S. operations generated 76% of EBITDA, while Mexico generated the remaining 24%.

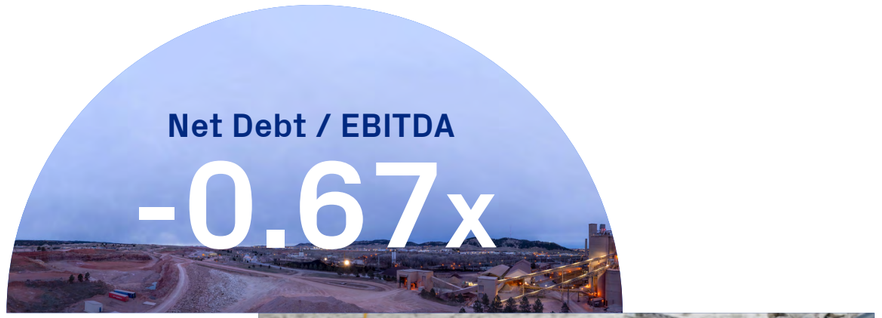
Consolidated net income also reached a new record, increasing 10.3% to US$325.9 million in 2024, compared to US$295.5 million for the same period of 2023. As a result, earnings per share increased 10.2% year-on-year, to US$0.9954.



# 4.1. Another Record Year for GCC

## 4.1.6. Negative Net Leverage Ratio

We further strengthened our balance sheet, ending 2024 with a cash position of US$830.6 million. As a result of a higher average cash balance, we achieved a 88.5% increase in financial income. GCC's only outstanding financial debt is related to our US$500 million Sustainability Linked Bond. This results in a positive net cash position and a negative net leverage ratio of 0.67 times.



# 4.2. A Bellwether for the Industry

## 4.2.1. Strengthening our Competitive Advantages

For GCC, 2024 was a year characterized not only by record results and strong margins, but also by the strengthening of our meaningful competitive advantages, a progress we expect to continue in 2025.

We work to consistently maintain the competitive advantages that allow us to have these high returns.

GCC also creates value for shareholders by way of an effective capital markets strategy, which has resulted in being included in most relevant indices and significantly increasing our liquidity. We also seek to maximize shareholder value with dividend distribution and share buybacks.

Our strategy is to combine a strong financial and operating performance with attractive shareholder returns, while we maintain a healthy leverage. Our solid financial strategy has allowed GCC to achieve an investment grade rating, which we strive to preserve. We also managed to lower the cost of our debt and extended maturity with the issuance of a US$500 million, 10-year, Sustainability-Linked Bond in 2022. The bond was an important step to continue solidifying our financial position, while at the same time providing additional funding for our growth and sustainability investments.

At GCC, we invest based on a capital allocation strategy that prioritizes return on capital. While our investments are led by project returns, with a focus on the efficiency and growth of our operations, a large portion of our investment projects during 2024 had the dual objective of growing profitably, while at the same time lowering our GHG emissions, to diminish the environmental impact of our operations.

# 4.2. A Bellwether for the Industry

## 4.2.2. Creating Value for our Shareholders

We create value for our shareholders through a successful capital markets strategy to enhance stock market liquidity. Our stock is included in the most relevant Mexican Stock Exchange indices, which has bolstered liquidity, providing a favorable context for our solid financial performance to propel our share price and deliver increased shareholder value.

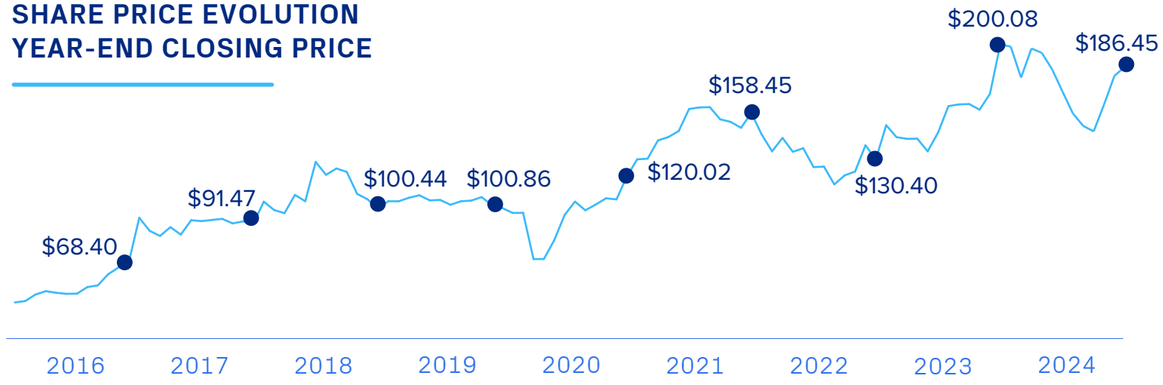
In 2024, we approved a dividend distribution 15% higher than in 2023, further enhancing shareholder value, and demonstrating our confidence in the company's future prospects.

### AVERAGE DAILY TRADING VOLUME, SHARES

| | | |
|---|---|---|
| Average before "re-IPO" | 64,000 | Jan 2016 – Feb 2017 |
| Post "re-IPO" | 278,000 | Feb 2017 – Jun 2018 |
| Post indexes inclusion | 425,000 | Jun 2018 – Dec 2024 |

**BMV TICKER: GCC***

### SHARE PRICE EVOLUTION YEAR-END CLOSING PRICE




| Index / Index Family | Date of Inclusion |
|---|---|
| S&P/BMV IPC | September 2020 |
| FTSE Mexico All Cap | March 2019 |
| FTSE BIVA | September 2019 |

**Dividends**

**$1.5369 pesos per share**

**Declared in April paid on May 22, 2024**

**15% above previous year**

# 4.2. A Bellwether for the Industry

As of December 31, 2024, the total number of shares representing our capital stock is 337,400,000 of which 9,862,200 shares were held in GCC's treasury. CAMCEM owns 171,658,588 shares, representing 50.9% of the shares of our capital stock. The remaining 155,879,212 shares, equivalent to 46.2% of our outstanding capital stock, are distributed among the market. As of the date of this report, the capital stock is fully subscribed and paid.

**Free Float**
**49.1%**

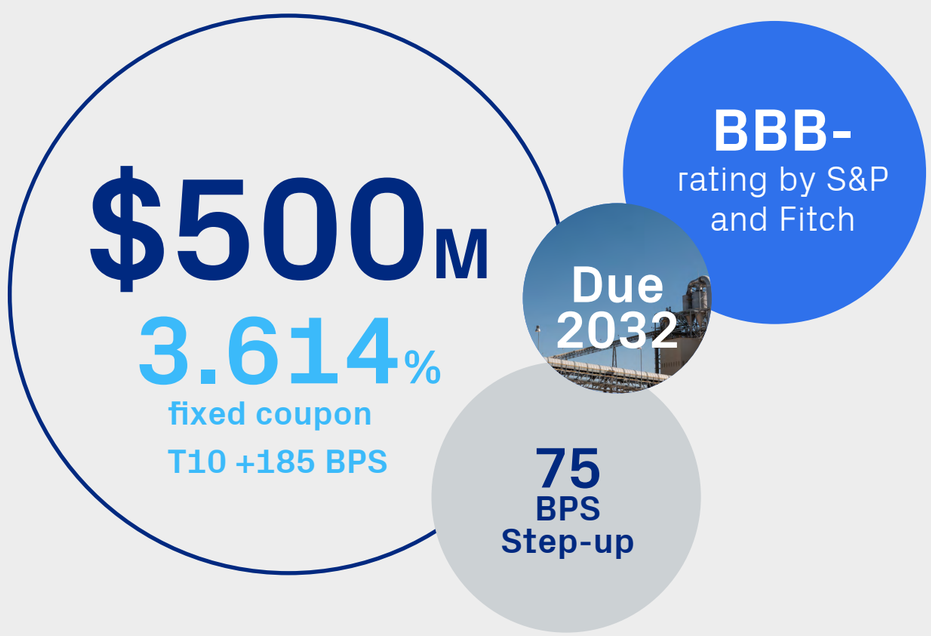
**CAMCEM**
**50.9%**

Each share entitles the holder to one vote at Shareholders' Meetings and grants equal rights and obligations.

# 4.2. A Bellwether for the Industry

## 4.2.3. Efficient Long-Term Funding and Decarbonization

Our Sustainability-Linked 10-Year Bond, issued in January 2022, was our first investment grade issue, and it significantly contributed to lowering the company's cost of capital, achieving a 1.636 percentage point reduction in our interest coupon. It also reinforces our commitment to decarbonization, as the rate is tied to reducing the intensity of the emissions related to our production process. We were the first cement company in America to issue a Sustainability-Linked Bond and it was the largest US$ SLB by a cement company ever, positioning us at the forefront of the industry's decarbonization strategy.



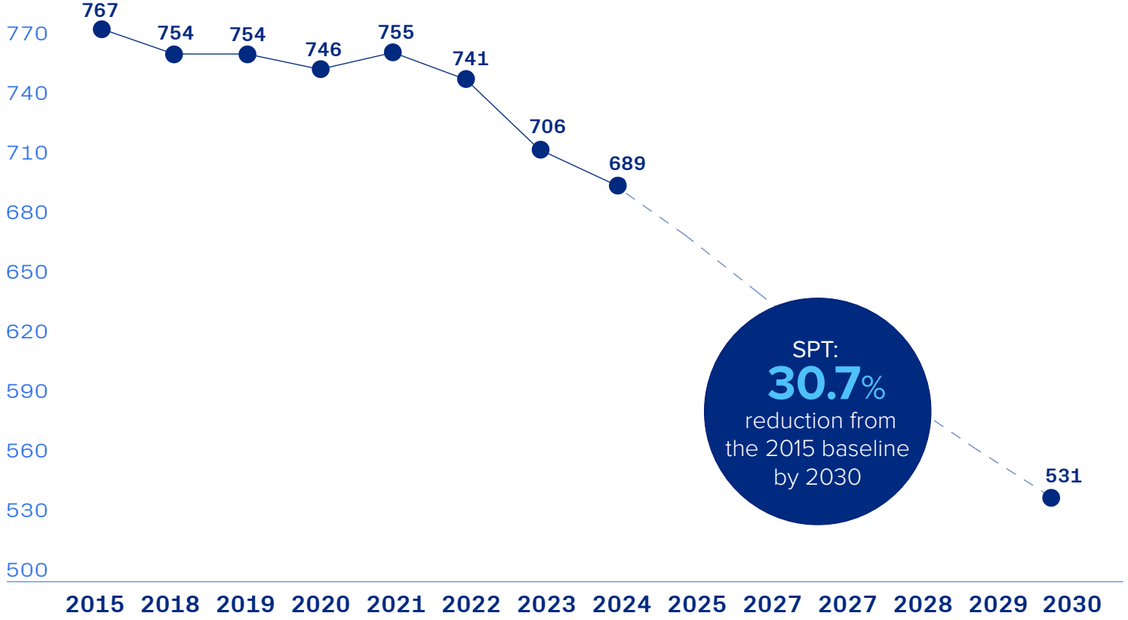

**BUSINESS STRATEGY**
**SUSTAINABILITY STRATEGY**

# 4.2. A Bellwether for the Industry

### 4.2.3.1. Sustainability Performance Target (SPT)

- Carbon intensity reduction, measured as specific gross kilograms of $CO_2$ (Scope 1) emissions emitted per ton of cementitious material.
- Target: 30.7% reduction by year-end 2030 from the 2015 baseline.
- Our target was validated by the Science-Based Target initiative (SBTi) in January 2023 and is aligned with the well-below 2°C curve.

We plan to continue enhancing our business position in key markets, while maintaining a solid capital structure.



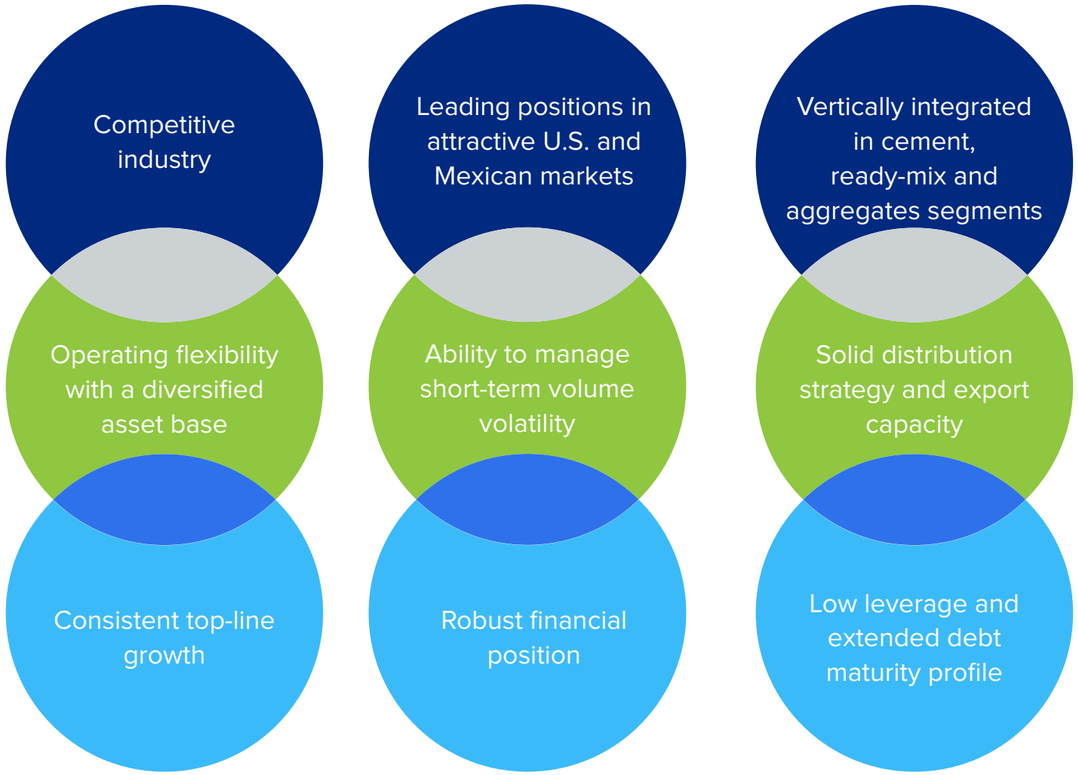

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

BUSINESS AMBITION FOR 1.5°C

# 4.2. A Bellwether for the Industry

## 4.2.4. Preserving our Investment Grade Credit Rating

In 2021, we received investment grade ratings from both Fitch and S&P, upgrading our rating from BB+ to BBB-. In December 2024, Fitch upgraded our rating and senior notes due 2032 to BBB from BBB-, both with a stable outlook. This upgrade underscores GCC's strong operating performance,  solid organic growth and strong financial position. We have shown strong free cash flow generation through different economic cycles, reinforcing our commitment to enduring financial excellence.




| Agency | Rating | Outlook | Date |
|---|---|---|---|
| FITCH | BBB | Stable | Dec 24 |
| S&P | BBB- | Stable | Aug 24 |

Positive credit ratings contribute to further enhancing the company's capital efficiency, which in turn, enables us to allocate more funds to operations optimization and sustainability-linked investment projects.

# 4.2. A Bellwether for the Industry

## 4.2.5. Capital Allocation Priorities: Growth and Sustainability

We base our capital allocation priorities on return on capital, prioritizing the profitability pillar, while at the same time applying long-term value creation criteria. Our 2024 capital allocation priorities were focused on growth, efficiency, flexibility and decarbonization. The Odessa plant expansion is a good example: while driven by our focus on growth and return on capital, the adoption of newer technology will significantly improve fuel efficiency at the plant, lowering our carbon footprint.

**2024 Capital allocation**

**Efficiency and growth**

**$233.6M**

- Odessa plant expansion
- Samalayuca plant debottlenecking

**Return to shareholders**

**$30M**

- Dividends

**$264.1M**

Total strategic and growth CapEx during 2024 ascended to US$264.1 million, with the largest portion dedicated to plant expansion, modernization and to our renewable energy initiatives, followed by investment to expand our operational, logistics and blended cement production.

| INVESTMENT TYPE (US$ MILLION) | 2024 |
|---|---|
| Odessa, Texas cement plant expansion | 232 |
| Cement plant modernization and automation | 45 |
| Transportation equipment | 25 |
| Property and land investments | 25 |
| Solar plants | 6 |
| Samalayuca plant debottlenecking | 2 |
| Information systems equipment | 2 |
| **Total** | **337** |

# 4.2. A Bellwether for the Industry

### 4.2.5.1. Capacity Expansion and Modernization

#### Odessa Expansion

This project, the largest in the history of GCC, will increase our annual cement production capacity by over 1 million tons and lower our greenhouse gas intensity by 12.5% by year-end 2025.

This expansion will optimize the cost structure and GCC's cement network by relocating cement shipped today to this region from Samalayuca, Chihuahua and Pueblo plants to other markets we serve with optimized freight cost.

#### Samalayuca Debottlenecking

The completion of this project in the first half of 2023 increased GCC's annual cement production capacity by 200,000 metric tons.

The tie-in process and related plant shutdown in the first quarter of 2023 required GCC to support our U.S. Southern network through shipments from our Tijeras and Pueblo facilities. This resulted in a one-time impact of US$2.8 million to our U.S. freight costs, absent in 2024.

The US$30 million debottlenecking project enabled the plant to increase its co-processing capacity using alternative fuels, allowing it to provide 60% of the total thermal energy required to produce clinker.  In 2024, the ramp-up of the new equipment was completed. As a result, we are now positioned to further expand the use of alternative fuels in our operations in line with our flexible fuel strategy.

# 4.2. A Bellwether for the Industry

### 4.2.5.2. More Flexible, Lower Emission Logistics

During 2024, GCC made strategic advancements to strengthen and expand our footprint in the Salt Lake City market. We solidified our position by partnering with one of the region's leading concrete producers, securing a base volume. Additionally, we entered into a terminal agreement with a logistics and distribution supplier of construction materials, significantly enhancing our distribution capabilities. Our terminal network provides us with higher logistics flexibility as we grow in our markets, while at the same time giving us the capacity to reduce emissions, as using railroads is considerably more sustainable than truck distribution. We are also assessing trucks with enhanced fuel-efficiency.

Additionally, as a result of our R&D effort, we advanced the development of cellular or aerated concrete prototypes, successfully completing lab trials and moving forward with industrial testing. Cellular concrete is a lighter, lower density concrete. It typically generates lower CO2 emissions, compared to traditional concrete, since its production process involves using less cement per unit volume of material. Cellular concrete often incorporates lightweight aggregates or additives such as fly ash, which can further reduce the carbon footprint of the material. Additionally, because it is lighter, its transportation generates lower GHG emissions and allows it to be quicker; therefore, lower emission construction and even crates used in construction can be lower weight and thereby lower in emissions.

In 2024, we acquired five compressed natural gas (CNG)-powered trucks, now operating in Juarez, Chihuahua. This initiative not only delivers cost savings but also supports our sustainability goals by contributing to emissions reduction.

### 4.2.5.3. More Flexible, Cleaner Energy Supply

We continue to invest in equipping our plants to be able to operate with coal, natural gas, or alternative fuels, indistinctly, providing us with significant flexibility to opt for the most efficient solution to our energy needs at all times. Additionally, in 2024, we invested in the second phase of the Montana solar power project, which is expected to supply 22% of the plant's electricity needs. Each phase contributed around 11% to the plant's energy supply, reinforcing the transition to renewable sources. Construction was completed in December 2024, followed by operational testing in early 2025.

For a more detailed description of the impact of our energy initiatives, please visit our Planet section.

### 4.2.5.4. Inorganic Growth

In 2024, GCC made significant progress with the acquisition of three pure-play aggregates operations in key Texas markets—Amarillo, Midland-Odessa, Dallas-Fort Worth, and San Antonio—critical regions for growth and infrastructure development. These assets valued at over US$100 million, bring four million tons of annual production capacity and more than 50 years of proven, high-quality reserves to our portfolio. This step aligns with our long-term strategy and further strengthens our presence in high-potential markets.

We are optimistic about the opportunities we see ahead of us and continue to actively pursue value creation initiatives through acquisitions of cement plants and aggregates operations located in the U.S. that can be connected to our network and which are aligned with our long-term strategic vision. We maintain strict M&A criteria with a focus on value for purchase, at a cost within strict pre-determined parameters. Our priority is to find opportunities within the areas where we operate.

# 4.2. A Bellwether for the Industry

## DISCIPLINED APPROACH FOR GROWTH

### Growth Framework

**1 Increase presence in existing markets**

- Increase market share
- Vertical integration
- Value-added products

**2 Increase productivity**

- Efficient investment strategy
- Expand and scale capacity in a disciplined manner
- Improve distribution network utilization

**3 Enter new markets**

- Continue successful U.S. expansion
- Focus on synergic contiguous markets

**4 Value accretive M&A**

- Analyze opportunities that can generate shareholder value
- Apply successful experience in integrating acquisitions to add synergies

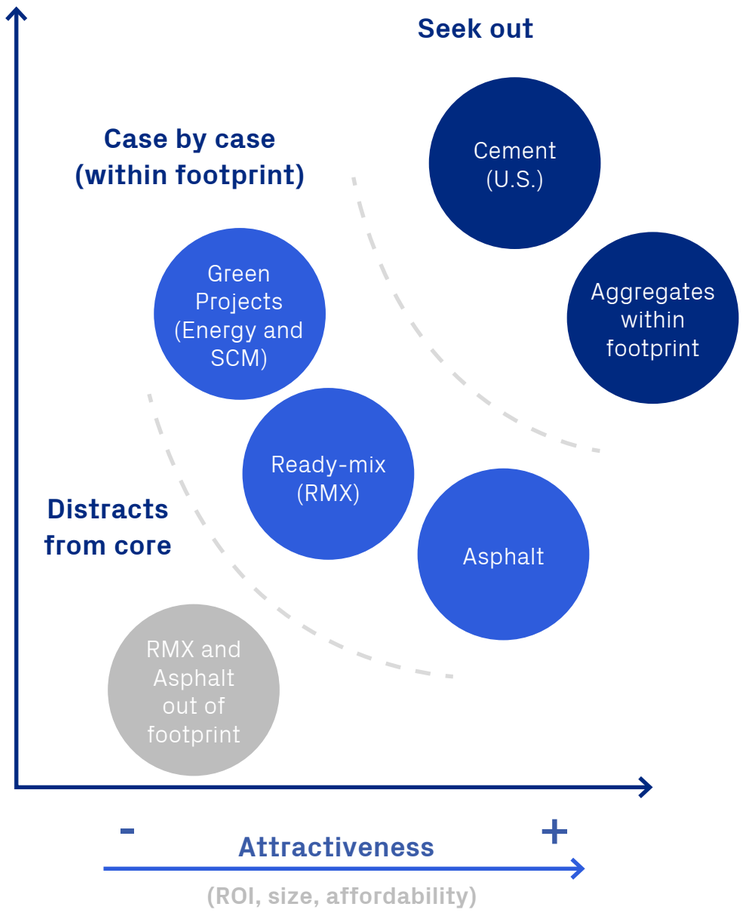
### Strategic Priorization and Evaluation of Alternatives

**1 Cement opportunities**

**2 Aggregates opportunities with vertical integration**

**3 Green projects, Ready-mix and Asphalt with vertical integration**

**4 Standalone Ready-mix and Asphalt**



# 5

# PLANET

**At GCC, we are committed to environmental sustainability at all stages of our operations.**

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**5.4. Decarbonization roadmap**

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**5.6. Environmental stewardship**

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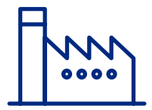
5.6.3. Water management
5.6.4. Biodiversity

# 5.1. Sustainability Strategy

## Our Climate and Energy Goals

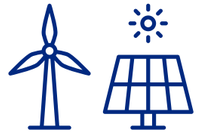
**By 2030**



**SCOPE 1**

**Reduce net $CO_2$ emissions**

**30.7%**



**SCOPE 2**

**Reduce scope 2 emissions**

**57.0%**

**SCOPE 3**

**Reduce scope 3 emissions**
**(category 11)**

**37.5%**

**By 2050**

$CO_2$ emission intensity targets are compared to our 2015 baseline.

# 5.1. Sustainability Strategy

## UNDERSTANDING OUR CARBON FOOTPRINT

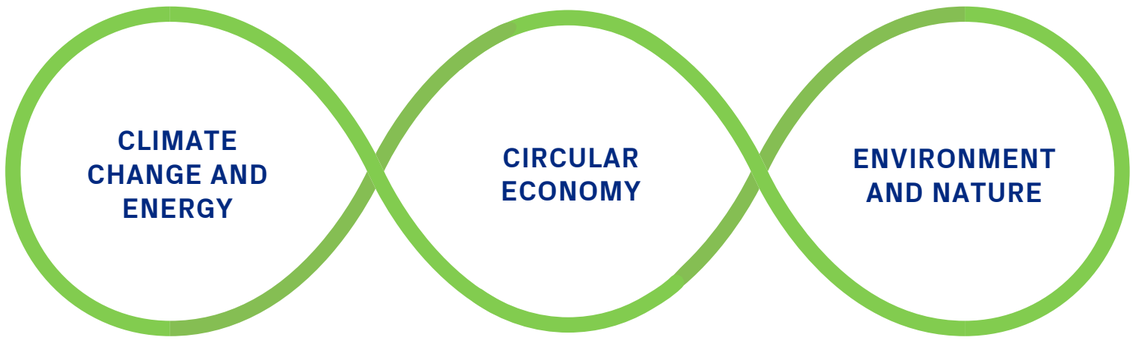
| | SCOPE 1<br>Emissions directly tied to our operations | SCOPE 2<br>Indirect emissions from purchased electricity consumed in our operations | SCOPE 3<br>Indirect emissions generated in our value chain |
|---|---|---|---|
| % of total GCC emissions in 2024 | 68.4% | 4.3% | 27.3% |
| **Emissions goals** | 531.7 kg $CO_2$/ton of cementitious material by 2030<br>↓30.7% by 2030 | 33 kg $CO_2$/ton of cementitious material by 2030<br>↓57% by 2030 | 773,905 ton $CO_2$<br>↓37.5% by 2030 |
| **Strategic Levers** | Thermal efficiency, use of lower carbon fuels, such as alternative fuels, and production of blended cements (lower clinker factor) | Expansion of renewable energy sources | Improve mining |

Our environmental goals for 2030 and 2050 cover all three scopes of GHG emissions, encompassing all our operations, as well as our value chain, to address our total real and potential impacts on the environment.

All scopes were validated by the SBTi in alignment with a well-below 2°C scenario in January 2023.

# 5.1. Sustainability Strategy

At GCC, we are committed to environmental sustainability at all stages of our operations. Three of the five pillars of our sustainability strategy are climate related.




Our environmental strategy is aligned not only with the risks and opportunities that our key material topics represent, but also with the global cement industry's environmental strategy and goals. These are determined by the principles of the GCCA (of which we have been members since February 2012; previously known as CSI), in partnership with the World Business Council for Sustainable Development (WBCSD). As a result, we employ a sustainable management model that consists of continuous monitoring and evaluation of activities from an environmental, energy and social perspective. This approach aims to minimize the impacts on the environment, climate change and the communities in which we operate.

We have set a clear strategic route for the issues considered of critical importance by both the company and our stakeholders. These topics include GHG emissions, energy management and other air emissions.

As the world transitions to a net zero, nature-positive economy, we are working individually and collaboratively with the GCCA to establish a baseline, a clear methodology and a sound strategic roadmap for our high and medium priority material topics of water and waste materials management, and biodiversity.

The main objective of our environmental strategy is to reduce our emissions.

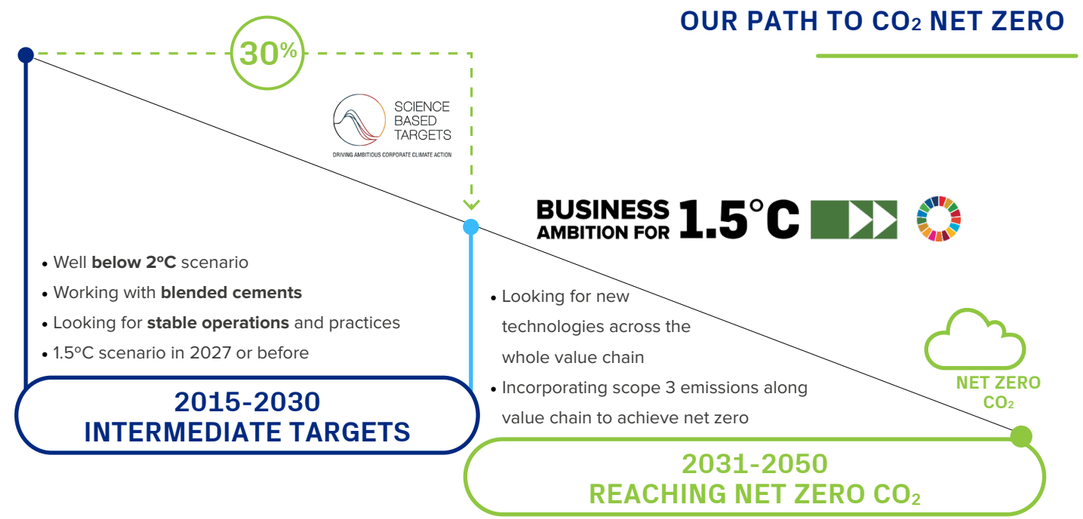
**ENVIRONMENTAL MATERIALITY**

| Priority | Topics |
|---|---|
| CRITICAL | • Climate change and GHGs<br>• Energy management<br>• Air emissions |
| HIGH | • Waste materials management<br>• Water management |
| MEDIUM | • Biodiversity |

# 5.1. Sustainability Strategy

To achieve our environmental goals, we have established a set of emission reduction targets and commitments, along with a strategic program to achieve them. Additionally, we have implemented an appropriate governance structure to oversee the execution of our program. A significant portion of the actions required to execute our strategic roadmap until 2030 are based on known technologies.

Conscious of the need to set a clear path compatible with our operations, that becomes embedded in our long-term operational excellence goal, we have taken continuous steps to strengthen our environmental strategy and commitments:




RACE TO ZERO →

## 2015

Created our **Sustainability Committee**, with climate change as one of the main pillars.

## 2018

Joined GCCA as a core member and redesigned our **sustainability strategy** to better align it with GCCA's Sustainability Guidelines.

## 2020

Joined the **SBTi**, committing to set science-based emission reduction targets in line with climate science and the Paris Agreement, establishing a decarbonization pathway compatible with a temperature increase well-below 2°C.

## 2021

Came together with the global industry to state a collective ambition for **net zero concrete by 2050** to meet the global climate challenge. Additionally, GCC signed the PCA's Roadmap to Carbon Neutrality and joined the Race to Zero campaign under the UN's Framework Convention on Climate Change (UNFCCC).

## 2022

Issued our first **Sustainability-Linked Bond (SLB)**, binding our commitment to reduce the company's carbon intensity by 30.7% by the end of 2030, compared to our 2015 baseline.

Worked in the **CANACEM Roadmap**, outlining objectives for 2030. It was introduced in 2023.

## 2023

Obtained **validation from SBTi**, confirming that our emissions reduction targets for all three scopes align with the well-below 2°C curve.

Published our first **TCFD** report.

Designed our **One Planet, Committed to a Sustainable Tomorrow** environmental program.

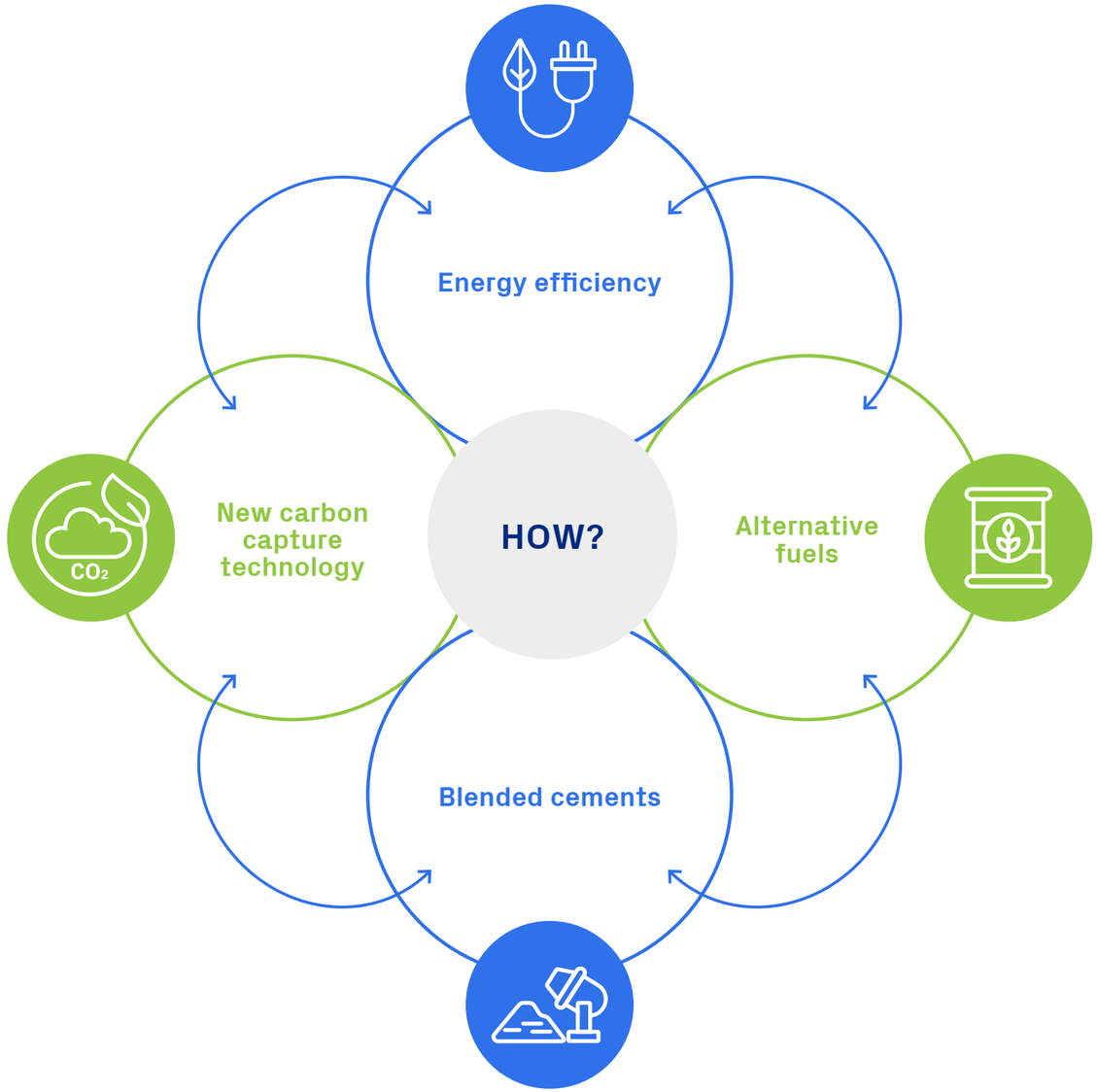
## 2027

Will revalidate our SBTis and align our carbon intensity reduction target with the Business Ambition for 1.5°C trajectory.

# 5.1. Sustainability Strategy

GCC is seeking to connect their international employee population with their sustainability actions. Specifically, GCC is looking to drive **engagement, awareness and understanding** of the progress that they have made towards industry-wide sustainability standards. Also looking to promote a **culture of sustainability** within the organization, with employees displaying a more sustainable mindset, enacting **sustainable behaviors** in their day-to-day roles, and feeling a sense of pride in the work they are doing to reduce their environmental impact.

In 2024, we launched the One Planet strategic communication program across our United States and Mexico States operations. This initiative emphasizes the critical role of sustainability and demonstrates how it is integrated into employees' daily activities.




ONE PLANET
COMMITTED TO A
SUSTAINABLE TOMORROW

# 5.1. Sustainability Strategy

As a result of our energy optimization efforts, two of our plants – Pueblo, Colorado and Rapid City, South Dakota – were awarded the ENERGY STAR® certification by the United States Environmental Protection Agency (EPA) in 2024. Pueblo has maintained this certification for the seventh consecutive year and Rapid City for the fifth consecutive year. This certification is granted to facilities that rank in the top 25% nationwide for lower electricity consumption among similar operations. By obtaining ENERGY STAR's certification, these plants continue to enhance energy efficiency, reduce operational costs, and contribute to environmental sustainability. The program is further supported by the U.S. Department of Energy, which develops energy test procedures for ENERGY STAR-covered products and conducts compliance testing to ensure adherence to performance standards.

Our decarbonization roadmap is led by each country division and executed through locally managed plans at each of our plants. The Sustainability Executive Committee oversees the development and implementation of GCC's sustainability strategy, advising the Board on climate-related risks and opportunities.

GCC recognizes that public policy is instrumental in helping the cement and concrete industry decarbonize. Through GCC's role as a member of the PCA, the company has advocated for a national Cap and Trade system in the United States and provided key feedback on emerging technologies that are funded by the Inflation Reduction Act. GCC works from the local level up to the federal level with industry partners, policy makers, government officials and national associations such as CANACEM in Mexico and PCA in the U.S., to create sustainable public policy related to climate change.

To advance our carbon emissions reduction and mitigation efforts, we have been working in a feasibility study for the adoption of carbon capture technology. Significant initial steps have already been taken and we have developed internal targets to ensure close collaboration with technology developers to identify the most suitable technology for each plant's operations. These measures are part of our broad-based sustainability strategy and entail a long-term process.

We are committed to minimizing the impact of our production on air quality. GCC operates under increasingly strict environmental regulations in the United States and Mexico. We consistently invest in maintaining our state-of-the-art production facilities, following the compliance requirements set forth by the National Emission Standards for Hazardous Air Pollutants (NESHAP) and the Clean Air Act in the United States, as well as adhering to Mexican environmental laws and regulations promoted by the Ministry of Environment and Natural Resources (SEMARNAT, by its acronym in Spanish).

Another way in which we work to reduce the impact we have on the environment, particularly in nearby communities, is through our efforts to restore biodiversity in the reclamation processes. As a member of the GCCA, we are committed to adopting their guidelines, and we adapt and measure the environmental indicators outlined in the GCCA charter. We measure and audit indicators annually in compliance with GCCA guidelines for: carbon emissions, other emissions, biodiversity, water and health and safety.[1]

GCC owns and operates a coal mine, providing a reliable energy source for our operations. A relevant factor that differentiates our coal is its thermal efficiency. It is a specialized, high heat value coal, ideal for this specific industrial process. While the use of coal provides an important advantage protecting margins from price volatility, we're fully committed to our vision of mining our coal reserves to depletion, aligned with our long-term sustainability goals.

[1] These indicators are marked as GCCA in the tables in our Annex.

# 5.2. Sustainability Governance

Ultimate oversight of climate-related risks and opportunities lies with our Board of Directors. During 2024, the board held a total of six meetings, with climate-related matters on the agenda of four of them. These discussions included sustainability metrics, targets, performance, and progress on CCUS projects, as well as reports and ratings. Additionally, the Board of Directors receives quarterly reports from the CEO.

The Chairman of the Board receives and reviews climate-related metrics monthly.
Our CEO is an alternate Director of the Board with responsibility for climate-related issues. Leading the Sustainability Executive Committee, he oversees the monitoring of our climate strategy. Since October 2021, he has been a member of the Board of the GCCA, where he is dedicated to reducing the impacts of cement production, including advancing the industry-wide roadmap for net zero concrete.

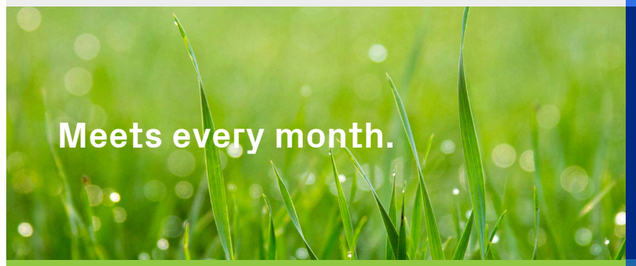
At GCC, our Sustainability Executive Committee oversees the development and implementation of GCC's sustainability strategy and advises the Board on climate-related risks and opportunities that have influenced our business strategy in relation to our products and services, operations, supply chain, and investment in research and development (R&D).

The Sustainability Executive Committee is integrated by our CEO, seven SLT members, and our Sustainability Corporate Manager. Additionally, we have a corporate Sustainability Team consisting of the R&D, Innovation and Climate Change Managers, as well as the U.S. and Mexican Environmental Directors. This team is responsible for overseeing and helping implement our low-carbon transition, led by our CSO, who is part of our Senior Leadership Team.

Senior Leadership members have specific annual goals related to sustainability targets, strategy and emissions reduction projects. Performance against these long-term targets, including climate transition plan KPIs and implementation of employee awareness campaigns on climate-related issues, is reported and considered in relation to compensation.

**Sustainability executive committee**

**Established for nine years, since 2015.**



**Meets every month.**

**Monthly meetings with the Chairman of the Board.**

**Quarterly report to the Board of Directors.**

**Approves GCC's sustainability strategy.**

**Identifies risks and opportunities regarding sustainability strategy.**

**Monitors sustainability performance.**

# 5.3. Our Approach to Net Zero $CO_2$

In order to accomplish our mid-term goals by 2030, and ultimately achieve net zero by 2050. Our Net Zero $CO_2$ Roadmap is based on four pillars: Improving thermal efficiency, alternative fuels substitution, clinker factor reduction, and carbon capture. We expect these efforts to show results in reducing our **Scope 1 emissions by decarbonizing our operations.**

Our **Scope 2 emissions by introducing more renewable energies into our energy matrix** and reducing remaining emissions through advancements in **carbon capture** in the long-term.

Increasing the use of **alternative fuels** (with a focus on biogenic content)

Improving **thermal energy efficiency**

Lowering our **clinker factor** with the use of alternative cementitious materials to produce blended cements

Increasing use of renewable energy

Investing in **fuel switching** infrastructure

Adopting **carbon capture** utilization and storage

# 5.3. Our Approach to Net Zero $CO_2$

Our $CO_2$ reduction actions include all our cement operations, from the quarry to the finish mill:

## $CO_2$ REDUCTION AND MITIGATION INITIATIVES

Production
### Quarry

- Restoration

Production
### Cement

- Decarbonated raw materials
- Renewable power
- Energy efficiency
- Alternative & biogenic fuels
- Fuel switching AI
- Hydrogen injection
- $CO_2$ capture
- Grinding admixtures and technologies
- Filters additions
- Supplementary cementitious materials

Plant
### Ready-mix and aggregates

- Additions
- Binders
- Recycled aggregates
- Energy efficiency
- Low emissions fuels AI

Industrial, commercial, residential
### Construction and demolition

- Natural recarbonization of concrete
- Recycled concrete

In alignment with the GCCA Roadmap to net zero concrete and the PCA Roadmap to Carbon Neutrality, we are working on clinker and cement mitigation levers.

In the mid-term, we focus in ready-mix production, construction, and re-carbonation of concrete.

In the future, our strategy includes the potential to incorporate $CO_2$ capture and more circular economy solutions, not only for energy, but also for intermediate and end products.

# 5.3. Our Approach to Net Zero $CO_2$

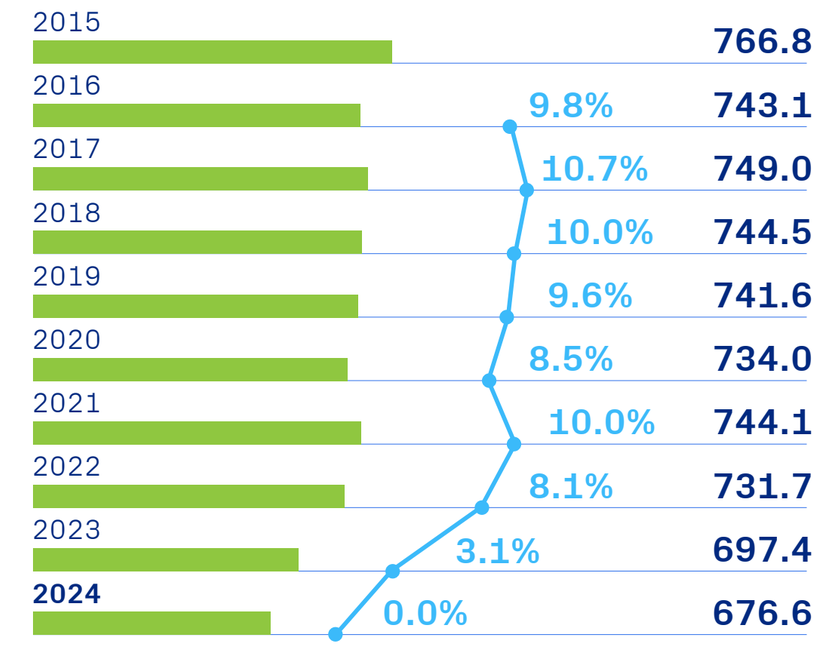
During 2024, we invested US$52.6 million in low-carbon decarbonization projects. Our top five decarbonization projects focused on thermal efficiency at Odessa and Pueblo, alternative fuels at Samalayuca, blended cement at Tijeras and renewable energy at Trident.

### TOP FIVE DECARBONIZATION PROJECTS

| Plant | Mitigation lever | Project |
|---|---|---|
| ODESSA | Thermal efficiency | New kiln |
| TIJERAS | Blended cement | Increase capacity to produce lower-carbon cement |
| SAMALAYUCA | AF<br>Co-processing | Capacity expansion<br>Redesign of the calciner for lower $CO_2$ emissions |
| PUEBLO | Fuel Switching | Upgrade to enable 100% natural gas operation |
| TRIDENT | Renewable energy | Solar panel installation |

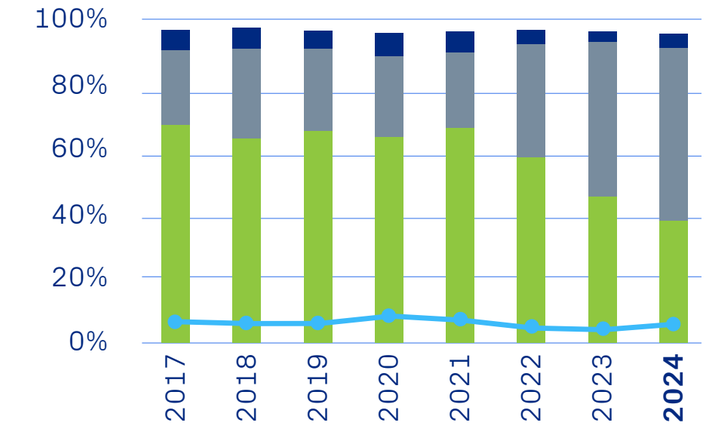
As a result of our efforts, we reduced $CO_2$ emission intensity by 11.8%, a record reduction compared to 2023. This was made by increasing the production of blended cement in Tijeras, Rapid City and Samalayuca plants. Also, in 2024 we used more natural gas.

### NET $CO_2$ EMISSIONS[1]




[1] 2015 is the baseline year for our SBTi validated $CO_2$ emissions reduction target.

### FUEL SWITCHING



# 5.4. Decarbonization Roadmap

Our decarbonization efforts are concentrated on four areas of improvement, three of them in the mid-term (2030 goals) and carbon capture in the long-term.

**Improving thermal energy efficiency**

**Lowering our clinker factor with blended cements**

**Increasing the use of alternative fuels (with a focus on biogenic content)**

**Exploring a carbon capture pilot project**

## 5.4.1. Improving Thermal Energy Efficiency

To produce clinker kilns need to be operating between 1,400°C and 1,500°C, requiring a significant amount of energy. By optimizing our thermal energy efficiency within our production process to maintain consistent operations, we can minimize waste energy that comes from heating up the kilns. The efficiency with which we use our energy depends on how we operate our plants, as well as our production technology and equipment.

The more stability we achieve in our cement production, the lower our $CO_2$ emissions. We are focused on the cement kilns' stabilization through continuous improvement and constant innovation. As an example, we continue to leverage the technology introduced at our Pueblo plant to monitor equipment vibrations, helping to prevent production disruptions that lead to higher thermal energy consumption.

# 5.4. Decarbonization Roadmap

## 5.4.2. Blended Cements with a Lower Clinker Factor

In GCC, we believe innovation is key to our sustainable development; this translates into supporting continuous improvements in our products and processes. In this regard, the R&D and Innovation departments work together with our operations and sales teams to incorporate innovative technologies and materials in our production units. These efforts lead to the development of new, more sustainable products and processes aimed to achieve our 2030 and 2050 $CO_2$ reduction and net-zero concrete targets.

Aligned with this vision, the R&D department reports directly to the Chief of Sustainability and Innovation to enhance the research for initiatives aimed at reducing our clinker factor below 80%.

In our journey to reduce $CO_2$ emissions, our technical teams are constantly exploring innovative materials like natural pozzolans, by-products, and clays with the potential to substitute clinker while maintaining performance and enhancing the durability of our low-clinker cements.

In this endeavor, we collaborate with our customers and local agencies, including The Portland Cement Association (PCA), Departments of Transportation (DOTs), The National Ready Mixed Concrete Association (NRMCA), and other organizations, to develop our low-clinker cements that meet market requirements.

### What is the clinker factor?

Clinker is an intermediate product in cement manufacturing produced by calcination of limestone and clayey minerals in a rotary kiln at temperatures close to 1,450°C.

Clinker factor is the percentage of clinker in cement (according to the WBCSD-CSI Cement $CO_2$ and Energy Protocol).

Our initiative to reduce the clinker factor in our cements includes steps like elevating limestone levels and adopting Supplementary Cementitious Materials (SCMs) such as natural pozzolans and calcined clays.

### Environmental Product Declaration (EPD)

In 2023, we published our first EPD and expanded our portfolio in 2024 with additional EPDs for cement. Looking ahead, we will contribute to the development of EPDs for ready-mix, a valuable instrument to enhance transparency and provide key data on $CO_2$ emissions per cubic meter of concrete.

# 5.4. Decarbonization Roadmap

The following list of products highlights some achievements resulting from this collaboration:

- We launched our first pozzolanic cement in the New Mexico area from the Tijeras plant.

- In Mexico, we have transitioned our Portland Limestone Cements (produced since the early 2000s) into ternary blends through the utilization of local natural pozzolans as alternatives to partially replace clinker.

  Moreover, we manufacture two types of low-density calcined clays, which not only decrease carbon footprint but also enhance the mechanical strength and durability of the resultant ready-mixed concretes.

  Furthermore, these low-density materials enable us to tailor concrete formulations for specific market demands.

- We are increasing the offer of blended cements by adding Supplementary Cementitious Materials (SCMs), improving the durability indicators and the life-cycle of structures built with them, and at the same time reducing our overall clinker factor.

- Blended cements represented a 73% of cement production in 2024.

- We are working on a project to modify our Tijeras plant to be capable of producing additional volume of lower-carbon cements. Trials to produce PLC and Portland-pozzolan cement (1P) started in 2024.

Besides searching for the most suitable materials for our low-clinker cements, our technical teams are constantly exploring grinding alternatives, improving synergy with admixtures, and implementing more sustainable calcination technologies, among other initiatives.

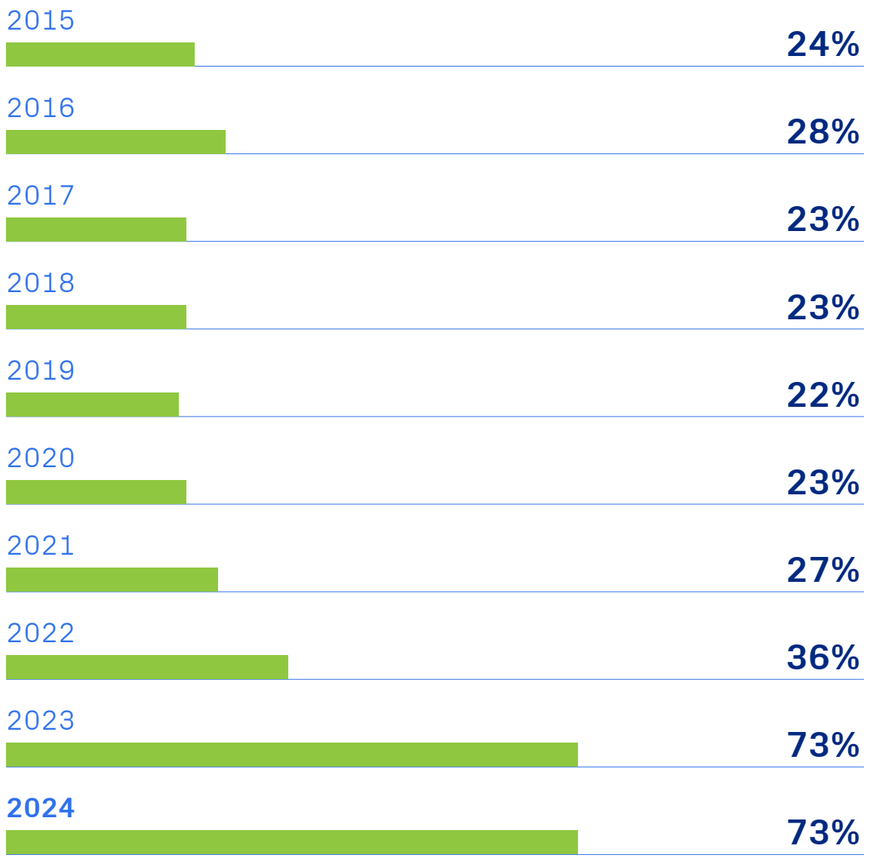
Our technical teams foster open communication with local companies, forming alliances geared towards achieving a circular economy in our products.

Our ongoing quest of materials is aligned with our overarching philosophy of reducing emissions throughout the entire lifecycle — from the extraction and production of raw materials, to their transportation, storage, and processing. These concerted efforts are in line with our commitment to the scope 3 methodology. We are committed to sourcing materials and implementing processes that minimize environmental impact at every stage, ensuring sustainability and responsibility in our operations.

GCC reduced clinker factor to a record 83.7% in 2024, marking three consecutive years of reductions.

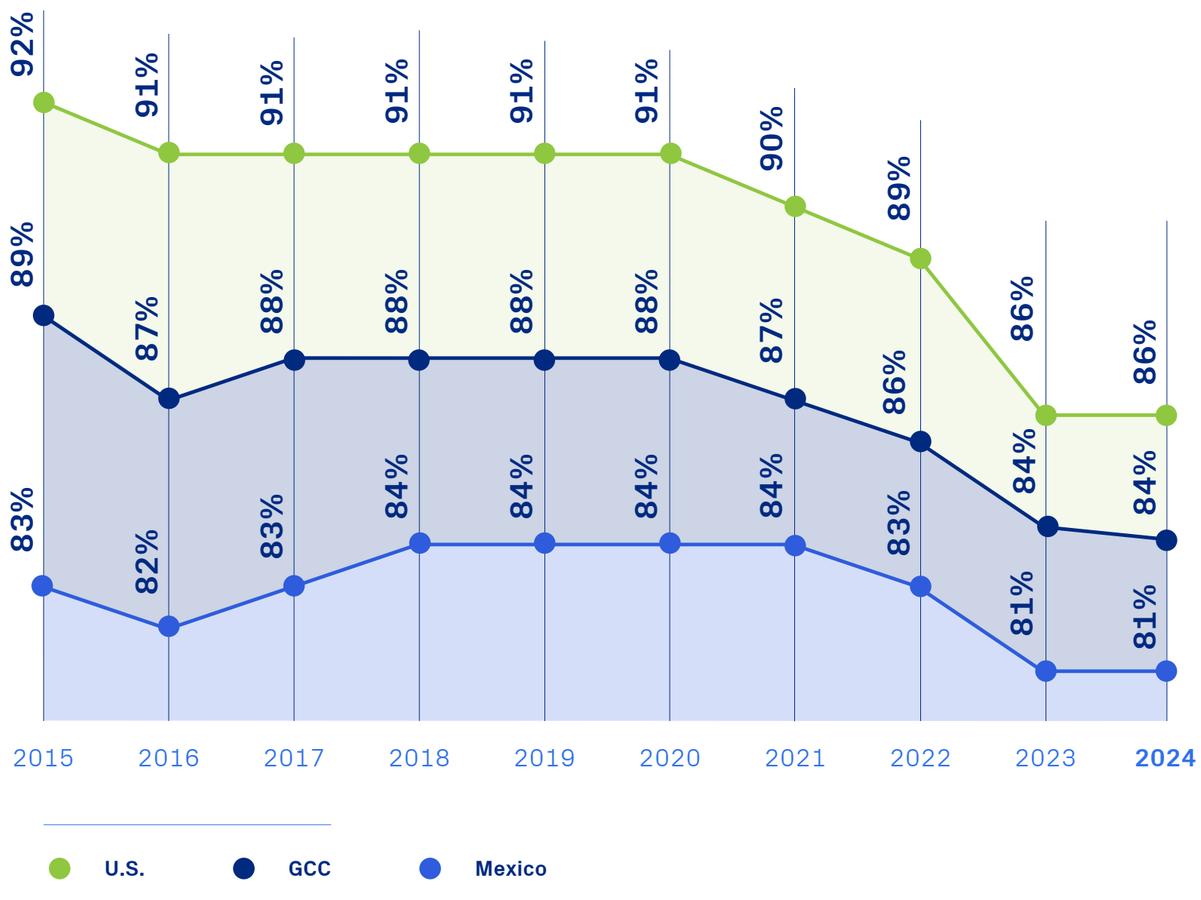
# 5.4. Decarbonization Roadmap

## BLENDED CEMENT[1] PRODUCTION



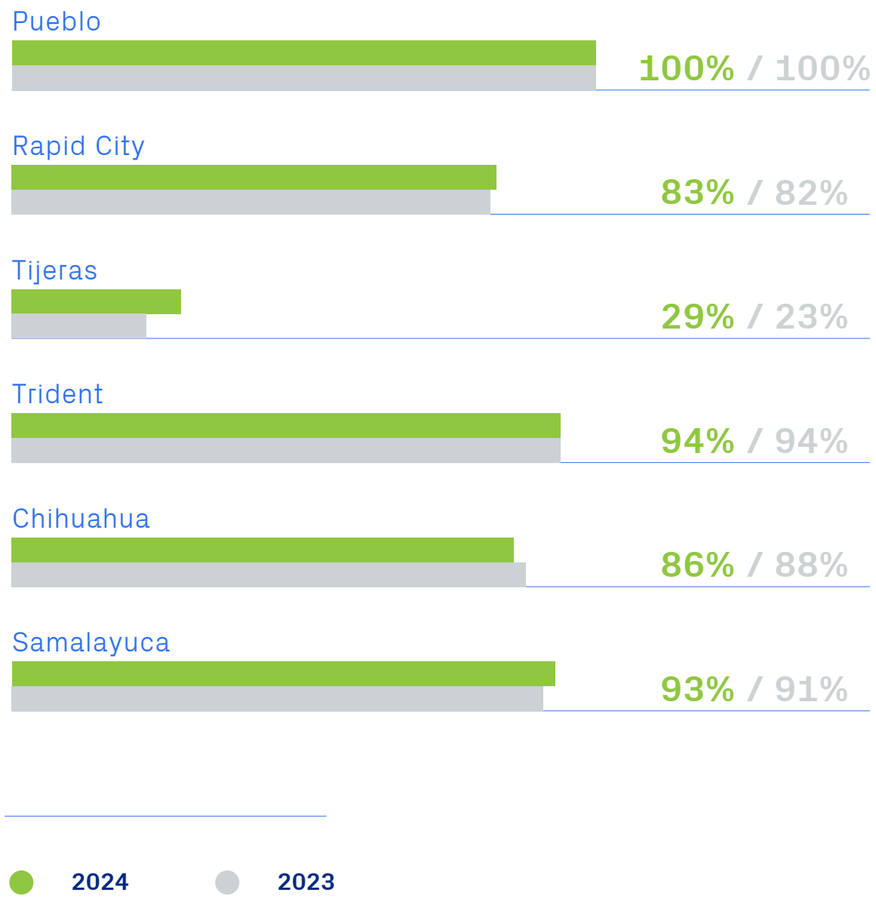

[1] Blended cement refers to PLC (Portland Limestone Cement) and pozzolanic cement.

## % CLINKER FACTOR



# 5.4. Decarbonization Roadmap

Our Pueblo and Trident plants are fully converted to PLC. Rapid City, Tijeras, Chihuahua and Samalayuca also have the capability to produce it. Since 2023, Chihuahua and Samalayuca have incorporated pozzolans alongside limestone.




## 5.4.3. Innovation and R&D

Our Research and Development team conducts trials and studies oriented to reducing our clinker factor, which are reviewed by our Sustainability Committee. Leading to the development of new products and processes tailored to our customers' needs, and focuses on creating cements with lower carbon footprint.

We also invest in research through strategic partnerships: GCC joined the Cement Sustainability Initiative in 2012, and the Global Cement and Concrete Association in 2018. Since then, our R&D team has actively participated in Innovandi, the Global Cement and Concrete Research Network of the GCCA, which aims to accelerate global collaboration on cement and concrete innovation – a crucial step in climate action.

GCC's R&D team actively participates in Innovandi's three key programs initiatives: Open Challenge, Core Projects and Partner Projects.

# 5.4. Decarbonization Roadmap

→ **Open Challenge.** GCC is an active member of initiatives like the GCCA's Open Challenge, which aims to support startups working on relevant subjects within the construction industry. The goal is to accelerate the development of technologies that will help us achieve our emissions reduction target by 2050.
GCCA members form partnerships with tech startups to decarbonize materials and processes, with a vision of achieving net-zero concrete by 2050.

- This collaboration started in 2021 and is renewed annually, seeking proposals aimed at mitigating emissions and addressing key sustainability challenges by presenting innovative solutions in areas such as carbon capture, utilization, and storage (CCU/CCS), low-carbon footprint materials, concrete recycling, additives, and supplementary cementitious materials.
- Since the first Open Challenge, our Research and Development team has been deeply involved in the comprehensive evaluation of 90 startups registered to participate in 2024. These startups have sought support through the application process. These startups aim to progress in various aspects such as the industrialization of their innovative concepts, the execution of pilot projects, the validation of business models, and other critical phases of development. Through this rigorous evaluation process, GCC's commitment to fostering innovation and supporting emerging businesses in the construction sector is exemplified.

GCC's R&D team participated in evaluating over 90 startups worldwide.

# 5.4. Decarbonization Roadmap

- **Core Projects.** In addition to GCC's efforts within the Innovandi Open Challenge initiative, our technical champions participate in the review and evaluation of various proposals in both the Core and Partner projects. These initiatives bring together academic leaders with industrial mentors, technical experts, and the GCCA's scientific committee core projects. Currently, there are 10 Core Projects underway, featuring partners from various global regions. These projects cover topics such as artificial intelligence to optimize cement manufacturing, carbonation and corrosion of concrete, supplementary cementitious materials, and their influence in low-carbon cements' performance, among others.

- **Partner Projects** are also aligned with the Innovandi research map and funded in collaboration with academic partners. As an industrial player, GCC participates hand in hand with academia and other industrial mentors in the review and selection of projects tailored to the needs and challenges of the global cement industry. Each partner project is reviewed annually, with GCC collaborating alongside other industrial members to enrich the outcomes of these projects.

### GCC and Local Research Networks

GCC plays an important role in the local research environment, evident in its collaboration with The Center for Research in Advanced Materials (CIMAV), a local research center affiliated with the National Council of Humanities, Sciences and Technologies (Conahcyt), and the Chihuahua State government. This collaboration reflects GCC's commitment to our vision pillars of people, profit, and planet.

Aligned with these pillars, GCC's R&D department conducts research projects focused on science materials, energy and technology aimed to improve industry and company profitability while nurturing high-level human resources.

Three decades of partnership, GCC's R&D team and CIMAV have supported the most numerous Master's and PhD students and gained insight on relevant topics for the company throughout numerous research projects, including:

- Alternative fuel.
- Reactivity of supplementary cementitious materials (SCM's).
- Additive manufacturing.
- Durability improvement in cementitious materials.
- Alternative cementing materials.
- Concrete recycling.
- Characterization of flue gas emissions.

In 2024, GCC participated in the Chihuahua State government's call for proposals in Science, Technology, and Innovation. GCC's R&D team collaborated with PhD students from The Center for Research in Advanced Materials (CIMAV) to develop a project to evaluate the effect of alternative fuels in the reduction of $CO_2$ emissions in cement production. We were selected as a grant recipient, securing government funding to further advance the development and implementation of this project. This represents a key strategic opportunity for GCC in sustainability and innovation. Research on emissions from alternative fuels is essential for reducing the carbon footprint by optimizing the use of cleaner energy sources that are compatible with current production processes. It also plays an important role in clinker reduction. Additionally, this initiative will support the professional development of R&D researchers, engineers, and students from CIMAV, further promoting sustainability initiatives within the company.

# 5.4. Decarbonization Roadmap

## 5.4.4. Alternative Fuels and Renewable Energy

### 5.4.4.1. Heightening Thermal Energy and Efficiency

We are continuously innovating to integrate reliable, lower $CO_2$ emissions, and cost-effective energy alternatives into our operations, with the goal of gradually transitioning away from carbon-intensive fuels. Our focus is particularly on investing to provide all our plants with the option of using natural gas, alternative fuels containing carbon-neutral biomass.

Furthermore, improving thermal energy efficiency plays a crucial role in mitigating Scope 1 emissions, contributing to our long-term sustainability goals.

Given the importance of this strategic pillar for our environmental strategy, we have a dedicated Corporate Energy Department overseeing energy supply and procurement. To strengthen our approach, the alternative fuels team has been integrated into this department. Additionally, our Technical and Operations departments collaborate closely with the Corporate Energy Department, to drive energy efficiency programs and initiatives. In 2024, we invested more than US$7 million to introduce more flexible energy fuels into our cement plants.

We place significant emphasis on improving thermal and electric energy consumption in our operations.

### 5.4.4.2. Fuel Switching Strategy

In 2024, we strengthened our $CO_2$ emissions reduction strategy by increasing the use of natural gas in our plants, which has the lowest $CO_2$ emissions among all of our available fuels. Approximately 53% of our total thermal energy came from natural gas in 2024, 6 percentage points more than in 2023, showing our fuel-switching capacity.

We are enhancing our cement plants' flexibility to run fully on gas or a mix of fuels, including coal, natural gas, biomass, and alternative fuels. This approach not only supports our emission reduction targets but also strengthens our competitiveness.

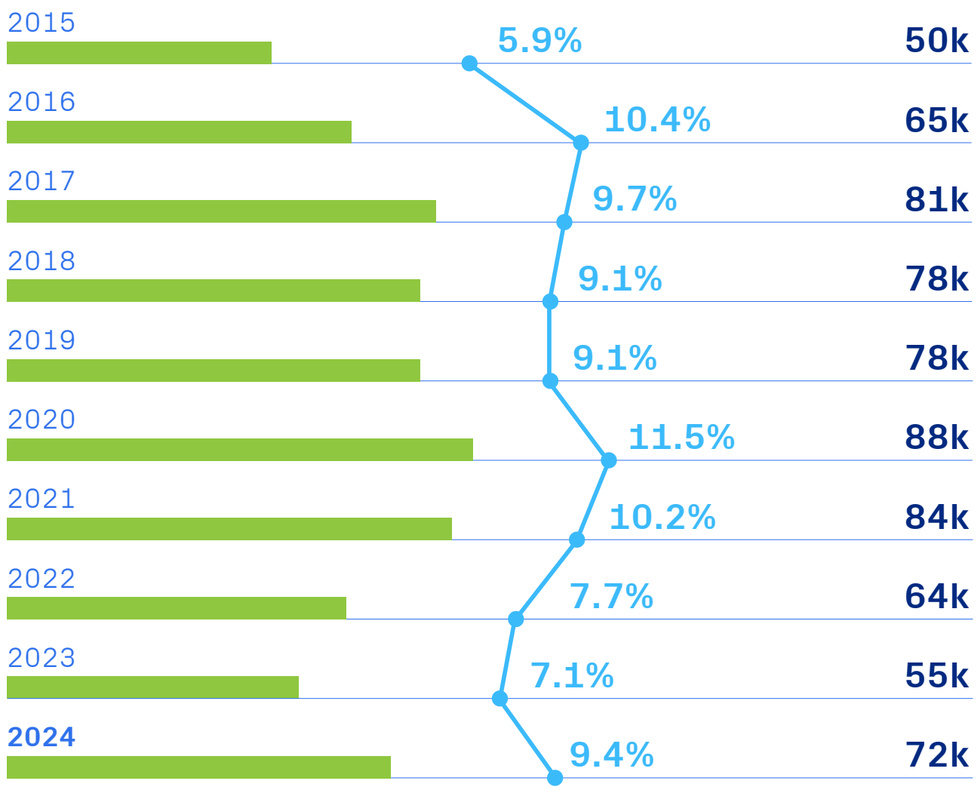
Our goal is to ensure that by 2026, all our U.S. cement plants will have the capacity to consume 100%  natural gas when required, ensuring greater adaptability to market conditions and regulatory requirements.

# 5.4. Decarbonization Roadmap

### 5.4.4.3. Circular Economy: Alternative Fuels

We work with local and regional companies to utilize their non-recyclable materials as alternative fuels for clinker production, transforming material streams, that might otherwise end up in landfills, into energy. We are particularly focused on biomass which is carbon-neutral.

#### ALTERNATIVE FUELS (AF) USAGE




#### ALTERNATIVE FUELS (AF) ADVANTAGES

- AF are designed to be more economical than fossil fuels.
- AF conserves natural resources and landfill space. In 2024 over 72,000 tons were diverted from landfill and converted into AF.

In line with SBTi, we strive for biomass to supply 25% of our plants' thermal energy by 2030.

# 5.4. Decarbonization Roadmap

We take a holistic approach to increasing our fuel substitution rate, examining a variety of fuel sources and the infrastructure changes necessary to effectively utilize them.

In 2023, we made investments to process different alternative materials to incorporate new streams of alternative fuels such as plastics and plastic purges, sorghum and resinated wood. We also focused on amplifying our plants' capacities to process these materials, achieving an average substitution rate of approximately 8.9% of fossil fuels with AF, with some plants reaching up to 31% in 2024.

Building on this progress, we developed a plant-specific alternative fuels (AF) strategy based on locally available materials.

In Mexico, the AF team collaborates closely with the business unit responsible for cement distribution to advance circular economy initiatives. Once cement truck tires reach the end of their useful life, they are sent to the plant to be used as alternative fuel.

We expect to see the most meaningful increase in alternative fuel use at our Samalayuca plant. In 2024, we completed the full installation and commissioning of new equipment, which will allow us to prepare for a 60% AF substitution in the coming years, we incorporated the following equipment:

- A mobile tire shredder, capable of making 15,000 tons of TDF to satisfy increased plant AF requirements and combat illegal tire disposal in El Paso, Texas and Juarez, Mexico.
- A new quad-shaft shredder into the existing production line, which can produce an additional 100,000+ tons per year (15-20 TPH) of solid shredded fuel.

In order to increase our waste co-processing and improve our technology, we work with regulatory authorities, producers and other stakeholders to develop optimal co-processing solutions. Best practices are shared among plants, and we work with stakeholders to increase our fuel substitution rates.

In Pueblo, Colorado, we have successfully completed the reclamation of the Waste Tire Disposal monofill. Since operations began, over 60,000 tons of waste tires have been successfully converted into Tire-Derived Fuel (TDF). Moving forward, the Waste Tire Disposal will continue its TDF processing operations, with the monofill now closed and the waste securely contained in place to minimize environmental impact.

### TIRE DERIVED FUEL (TDF)

Cement manufacturing is a very energy intensive process and requires large volumes of fossil fuel.

### BENEFITS

- Produces lower emissions than fossil fuel and can reduce coal usage up to 25%.
- Saves 400 lbs of iron ore and equivalent of 100 gallons of fuel for every 100 tires burned.
- Keeps scrap tires out of landfill while recovering energy and utilizing raw materials.

# 5.4. Decarbonization Roadmap

### 5.4.4.4. Increasing Use of Renewable Electrical Energy

| | RAPID CITY | ODESSA | TRIDENT | SAMALAYUCA |
|---|---|---|---|---|
| Max. substitution | 42% | 100% | 22% | 1% |
| Source | Wind | Solar | Solar | Solar |
| Start date | 2021 | July 2022 | Jan 2024 | Dec 2022 |
| Duration | 15 years | 10 years | 25 years | 25 years |

# 5.4. Decarbonization Roadmap

We are continuously analyzing options to expand our use of renewable energy. Through long-term agreements with renewable energy suppliers, we currently source 100% of the electricity consumed by our Odessa plant from solar energy and approximately 40% of the electricity for our Rapid City plant from wind energy.

Significant progress was made in expanding our renewable electricity generation capacity throughout 2024:

- In 2024, our Trident Plant made significant strides in integrating solar energy into its operations. At the end of 2023, a new solar facility was installed and commissioned, providing 11% of the plant's power requirements.
- The second phase of the facility's construction began in 2024 and was fully installed and commissioned by year-end. With this expansion, we expect solar power to meet 22% of the plant's energy requirements at the beginning of 2025.
- We are focusing on installing solar distributed generation in Mexico. As part of our long-term strategy, we aim to expand our solar generation capacity in other business units to achieve this by 2025.

# 5.5. Carbon Capture

Unavoidable process emissions from cement manufacturing account for over 50% of GCC's Scope 1 emissions, making carbon capture a critical tool in advancing our journey toward Net-Zero. This aligns with the decarbonization roadmaps set by the Portland Cement Association and the Global Cement and Concrete Association.

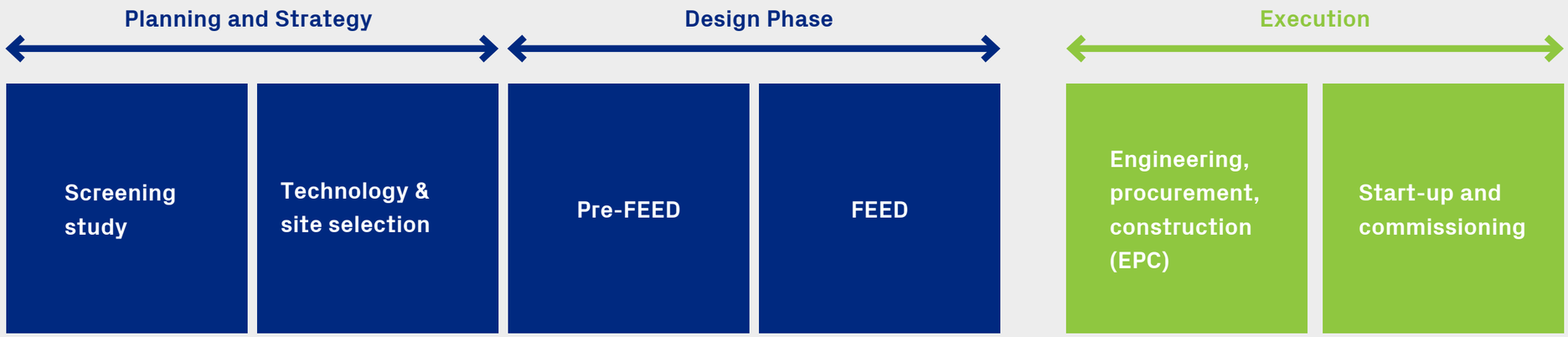
GCC began developing its carbon capture strategy in 2020, starting with a screening of different carbon capture technologies based on efficiency, resource requirement (water, steam, power), technology readiness, $CO_2$ removal capacity, and vendor experience.

The next phase involved identifying the most suitable plants for deployment by assessing sequestration opportunities, available energy sources, plant characteristics ($CO_2$ concentration, flue gas composition, etc.) and regulatory considerations.

This holistic analysis resulted in a comprehensive techno-economic assessment, factoring In the entire life-cycle of the carbon capture process, as well as the economic opportunities associated with implementing these systems at each plant.

GCC completed the screening study and identified our **Odessa plant as the most viable site for advancing CCUS projects.** In 2024, we initiated a Front-End Engineering Design (FEED) for Odessa in collaboration with a technology provider, with ongoing evaluation of scalability and feasibility. Additionally, we continue to refine our screening criteria to support future investment decisions on carbon capture deployment.

## CCUS PROJECT DEVELOPMENT



# 5.6. Environmental Stewardship

## 5.6.1. Environmental recognition

In 2024, GCC's Brookings, South Dakota, ready-mix facility earned the Environmental Excellence Award from the National Ready Mixed Concrete Association (NRMCA), recognizing its commitment to environmental stewardship and best practices. Employees at the facility undergo comprehensive environmental training, covering stormwater runoff management, returned concrete blocks recycling, SPCC plan reviews for aboveground fuel tanks, and other initiatives that reinforce environmental excellence.

The site features a dedicated area for processing returned concrete, which is either crushed and sold as base material or poured into block forms for various construction applications. Additionally, returned concrete is repurposed around the batch plant to minimize fugitive emissions from unpaved areas. To further enhance environmental performance, GCC has implemented key sustainability initiatives at the Brookings facility, including:

- A fuel island with secondary containment to prevent spills and protect local water sources.
- A stormwater runoff pond to improve water management and prevent contamination.
- A concrete wash capture and recycling system to reduce waste and optimize material reuse.
- Expanded concrete paving to minimize dust emissions and improve air quality.
- Insulated plant and aggregate storage to enhance energy efficiency, lower heating costs and reduce $CO_2$ emissions.
- Leased adjacent land for returned concrete recycling and crushing , further promoting circular economy practices.

In Mexico, GCC's Samalayuca plant earned certification as a Clean Industry from the Ministry of Environment and Natural Resources (SEMARNAT, by its acronym in Spanish) under the National Environmental Audit Program. This certification is awarded to organizations that demonstrate regulatory compliance, operational efficiency and environmental performance, while maintaining high industry competitiveness.

# 5.6. Environmental Stewardship

The quarrying of raw materials and the production of cement utilize natural resources, which we must protect for future generations. Air quality, water, and waste management, together with biodiversity, are extremely important for us and our surrounding communities.

## 5.6.2. Air Emissions

GCC's approach to air emissions is focused on maintenance and compliance. We invest in maintaining our production facilities on an ongoing basis, in compliance with the requirements of regulatory agencies. We maintain transparent relationships with regulators, to meet the compliance requirements of the National Emission Standards for Hazardous Air Pollutants (NESHAP) and the Clean Air Act in the United States, as well as Mexican environmental laws and regulations set by the Mexican government's Ministry of Environment and Natural Resources (SEMARNAT).

We have a number of actions in place relative to our air emissions other than carbon: we monitor emissions, invest in abatement technologies and maintain equipment used in manufacturing to control such emissions. For instance, we incorporated more efficient filters into our dust collectors for PM emissions, ammonia injection for NOx emissions, and hydrated line injection for SOx emissions. Three out of five of our cement plants in the U.S. are equipped with selective non-catalytic reduction (SNCR) equipment to reduce NOx emissions.

Our U.S. cement plants lead the cement manufacturing industry in improving visibility due to haze and in optimizing the use of ammonia to control NOx emissions and stay below our target limits.

In Samalayuca, as part of the plant debottlenecking, we identified the need to install a continuous monitoring system for emissions of other gases. The system's conditioning phase began in 2024, with measurements expected to commence in 2025.

# 5.6. Environmental Stewardship

## 5.6.3. Water Management

As a responsible cement and concrete producer, we understand that our water use, diversion, and discharge practices have significant implications for water availability in the future, for the sustainability of our operations, as well as for the well-being of our communities and surrounding ecosystems. We are committed to responsible and efficient water management and continuously seek opportunities to use renewable and recycled sources in our operations.

We fully comply with water regulations in the jurisdictions where we operate. In Mexico, we comply with National Water Commission (CONAGUA, by its acronym in Spanish) about water quality requirements, and we also report our water extraction in cubic meters on a quarterly basis. Additionally, we strictly adhere to the national water law, federal rights law, applicable provisions on national water matters, and the regulation of national water. In the U.S., we adhere to regulations outlined in the Clean Water Act (CWA), which establishes the basic framework for water pollution regulation in the country.

Both in Mexico and the United States, regulations require sites to operate under either a general permit, applicable to all similar facilities or a site-specific permit such as the ones issued by the National Pollutant Discharge Elimination System (NPDES), which sets site-specific limits to maintain the health of the receiving water body and its aquatic species. Sites must also maintain a Storm Water Pollution Prevention Plan and conduct periodic sampling and reporting.

In November 2023, the GCCA launched its “Water Positivity Tool” to help companies in the sector calculate the ratio of water credit to debit. GCC is scheduled to participate in the technical webinars showcasing this valuable tool, and promoting best practices to improve water management and water risk assessment capabilities among GCCA members.

# 5.6. Environmental Stewardship

## 5.6.4. Biodiversity

We recognize the essential importance of natural capital and our relationship with nature for a sustainable world. For this reason, we have stated our climate ambitions and strive to incorporate good land stewardship and biodiversity practices into our actions.
As active members of the GCCA, we apply the mitigation hierarchy approach to the management of biodiversity risks and opportunities in our cement, concrete and aggregates operations. This means that our biodiversity principles are aimed at avoiding unacceptable impacts, minimizing any impacts that may occur and mitigating any residual impacts to the local biodiversity through rehabilitation.

### Fostering Biodiversity at the Tijeras Reclamation Project

GCC has proactively conducted studies to enhance reclamation practices at its Tijeras mine, including a comprehensive revegetation test plot study that received the Excellence in Mining and Reclamation award from the New Mexico Mining and Minerals Division. Aditionally, actively advanced post-mining topography design and construction by adapting cutting-edge CAD methods and practices over the past two decades.

In December 2023, **GCC completed a five-year reclamation project, restoring 22 acres at Tijeras' oldest quarry.** The project established a stable post-mining topography, an innovative design and construction technique for Rocky Bottom

Channels (RBCs). It enhance the viewshed for aesthetic appeal, develop a dendritic channel system to safely manage stormwater runoff, establish permanent vegetation suited for post-mining land use, introduce surface variations to support plant diversity, and incorporate features to enhance wildlife habitat.

The project took three years to complete. It was done with some external support, but mostly internal resources, and it includes:

- Intentional design to preserve habitat for wildlife:
  - High walls to promote bird nesting and lizard inhabitants.
  - Wildlife dens to provide animal shelter.
- The plant diversity incorporated into the seed mixture will provide food sources for various wildlife species as the plant communities grow and mature.
- Improves the aesthetic viewshed and will reduce the potential for the generation of fugitive and respirable dust.
- Incorporates plans for recreational use, providing the community with scenic spaces for activities like hiking and biking.

In addition, we are committed to formulating and executing effective and progressive quarry rehabilitation plans.

# 6

# Annex

A world-class business with a
sustainable future.

# Contents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6.7. SASB

6.8. Audited Financial Report

# 6.1. Who We Are

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 2.1. Net Sales by Region** | | | | |
| United States | US$ | 974.8 | 938.4 | 840.6 |
| Mexico | US$ | 391.9 | 425.6 | 327.7 |
| **Total** | **US$** | **1,366.7** | **1,363.9** | **1,168.3** |
| United States | % | 71 | 69 | 72 |
| Mexico | % | 29 | 31 | 28 |
| **Total** | **%** | **100** | **100** | **100** |
| **GRI 2.1. Sales by Product** | | | | |
| Cement | US$ | 897.4 | 894.9 | 812.0 |
| Concrete | US$ | 261.7 | 271.2 | 218.6 |
| Concrete block | US$ | 24.4 | 23.5 | 17.5 |
| Aggregates | US$ | 40.3 | 33.5 | 25.3 |
| Other | US$ | 142.8 | 140.9 | 94.9 |
| **Total** | **US$** | **1,366.7** | **1,363.9** | **1,168.3** |
| Cement | % | 66 | 66 | 70 |
| Concrete | % | 19 | 20 | 19 |
| Concrete block | % | 2 | 2 | 1 |
| Aggregates | % | 3 | 2 | 2 |
| Other | % | 10 | 10 | 8 |
| **Total** | **%** | **100** | **100** | **100** |

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 2.1. Assets in Operation** | | | | |
| Cement sites | # | 8 | 8 | 8 |
| Cement distribution terminals | # | 24 | 23 | 24 |
| Aggregates sites | # | 23 | 7 | 10 |
| Asphalt sites | # | 3 | 3 | 4 |
| Ready-mix sites | # | 96 | 95 | 96 |
| Quarries operated (cement business) | # | 29 | 27 | 28 |

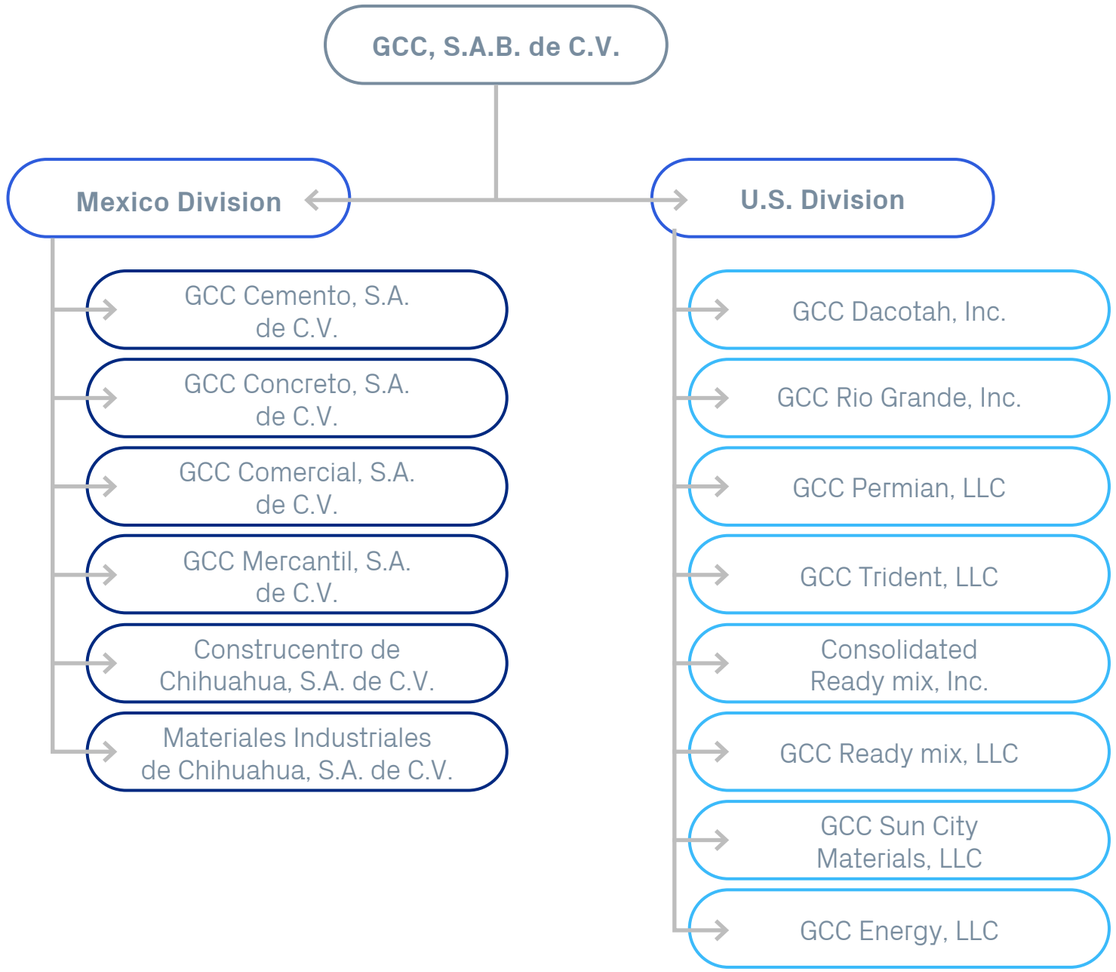
**GRI 2.1. Organizational Details**

**GRI 2.2. Entities Included in our Sustainability Report**

**GRI 2.3. Report Frequency**

# 6.1. Who We Are

Our legal entity name is GCC S.A.B.de C.V., GCC is our ticker symbol and the name we use for business and commercial purposes. The company's headquarters are located at Avenida Vicente Suarez y Sexta s/n Zona Industrial Nombre de Dios, C.P. 31105, Chihuahua, Chihuahua, Mexico. GCC is managed by two divisions, the Mexico Division and the U.S. Division. The chart below lists our main subsidiaries and how their operation is divided into the two divisions. We also have a corporate team that provides administrative, engineering, technology management, planning, human resource, finance and IT services to both divisions. The frequency of our Integrated Report is annual and the financial and sustainability data included in this report is the result of consolidating information from the following subsidiaries:



# 6.2. Our Sustainable Business Strategy and Commitments

## OUR PARTNERS IN SUSTAINABILITY

| | |
|---|---|
| **Global Cement and Concrete Association** | Representing 80% of the world's concrete industry outside of China, GCCA's mission is to position concrete to meet the world's needs for a material that can build and support growing, modern, sustainable and resilient communities. Innovation is a key part of the GCCA's mission. Driving, supporting and advocating innovation in the cement and concrete sector is key to improving its sustainability and lowering its $CO_2$ footprint.<br>Innovandi is the GCCA's innovation arm, fostering innovation throughout the construction value chain, in collaboration with industry associations, as well as architects, engineers and innovators, to help the industry decarbonize and produce carbon neutral concrete by 2050. Innovandi formed the Global Cement and Concrete Research Network (GCCRN) to accelerate innovation through collaboration between industry and academia on groundbreaking research.<br>GCC is part of GCCA, Innovandi and the GCCRN. Full members must implement sustainability initiatives and set targets for performance improvement to achieve compliance. |
| **Portland Cement Association** | Founded in 1916, it is the premier policy, research, education, and market intelligence organization serving America's cement manufacturers. PCA supports sustainability, innovation, and safety while fostering continuous improvement in cement manufacturing, distribution, infrastructure, and economic growth. PCA members represent 91% of U.S. cement production capacity with facilities in all 50 states. |
| **Global CCS Institute** | International think tank, whose mission is to accelerate the deployment of carbon capture and storage (CCS), a vital technology to tackle climate change and deliver climate neutrality. With a team of professionals working with and on behalf of its members, it drives the adoption of CCS as quickly and cost effectively as possible by sharing expertise, building capacity, and providing advice and support so that this vital technology can play its part in reducing greenhouse gas emissions. |
| **Center for Research in Advanced Materials-Centro de Investigación en Materiales Avanzados (CIMAV)** | Created in 1994, in the Mexican city of Chihuaha, it is one of the 26 institutions coordinated by the National Council of Science and Technology (Consejo Nacional de Humanidades, Ciencia y Tecnología, CONAHCYT). Its strategic objectives are to carry out research, development and innovation in science and technology with criteria of excellence in the areas of materials, energy and environment with the aim of boosting the country's development, and to form high-level human capital in areas of specialization through postgraduate studies. |

# 6.2. Our Sustainable Business Strategy and Commitments

## OUR PARTNERS IN SUSTAINABILITY

| | |
|---|---|
| **Cámara Nacional del Cemento** | Represents, promotes and defends the interests of the Mexican cement industry, adopting programs that contribute to the development and expansion of economic activities, safety, sustainability and innovation. CANACEM serves as a consultative and collaborative body for the requirements, programs, problems and activities of the cement industry in Mexico. It is responsible for the design and execution of policies, programs and instruments that facilitate and promote the expansion of general economic activity. |
| **American Concrete Institute (ACI) – Northwest Chapter** | Established in 1904, in the state of Michigan, U.S., ACI is a leading authority and resource worldwide for the development, distribution and adoption of consensus-based standards, technical resources, educational programs, and proven expertise for individuals and organizations involved in concrete design, construction, and materials, who share a commitment to pursuing the best use of concrete. With a regional office in Dubai, UAE, and resource centers in Southern California, Chicago/Midwest and Mid-Atlantic, ACI has over 94 chapters, 244 student chapters, and 30,000 members spanning over 120 countries. Since its foundation, it has played a significant role in the construction industry, and is one of the main authorities in concrete technology worldwide.<br>GCC has been an institutional member since 2019, taking part in its seminars and certifications both as audience and as speakers. During 2023, GCC organized two certifications: International Tilt-Up Certification 2023 and Industrial Floor Certification, both in Juarez City with the participation of both GCC employees and clients. |
| **Instituto Mexicano del Cemento y del Concreto (IMCYC)** | Founded in 1959, this non-profit organization is dedicated to researching, teaching and communicating cement and concrete application techniques. Its mission is to promote optimal utilization of cement and concrete, satisfying market needs with quality, productivity and opportunity, while contributing to the benefit of society, as well as the professional performance and financial benefit of the industry. IMCYC's teaching activities (technical conferences, courses, certifications, seminars, symposiums, congresses, etc.) are oriented to provide knowledge updates and specialization for construction professionals. GCC employees participates in these educational activities to stay up to date. |
| **Asociación Mexicana de la Industria de la Construcción (AMIC)** | Represents builders and suppliers in the Mexican construction industry, integrating the industry by forming a network of material and service suppliers and promoting their progress so that they remain at the forefront of social, economic and technological changes in the country. |

# 6.2. Our Sustainable Business Strategy and Commitments

## OUR PARTNERS IN SUSTAINABILITY

| | |
|---|---|
| **Cámara Mexicana de la Industria de la Construcción (CMIC)** | Represents, supports and strengthens Mexico's construction industry through management, advice, training, professional training and integration of new technologies. |
| **National Ready-Mix Concrete Association (NRMCA)** | Founded in 1930, it is the leading industry advocate for ready-mix concrete. Its mission is to create opportunities for our members and the industry to prosper through leadership in safety, environmental, operational excellence, promotion, advocacy, workforce development, and concrete technology advancements. |
| **Centro de Formación y Perfeccionamiento Directivo (Center for Integral Training and Management Development – ICAMI)** | First comprehensive training and management center for middle management executives (managers, bosses and supervisors), with nationwide coverage and 50 years of experience. "Our mission is to collaborate with organizations in comprehensive training, for the improvement of managerial competences." |

# 6.2. Our Sustainable Business Strategy and Commitments

## Committed to Sustainability and Climate Action

| SUSTAINABILITY | |
|---|---|
| **U.N. Global Compact** | The world's largest corporate sustainability initiative, it represents a call to companies to align strategies and operations with universal principles on human rights, labor, environment and anti-corruption, and take actions that advance societal goals.<br>As a participant in the U.N. Global Compact, GCC has set in motion changes to business operations so that the Compact and its principles become part of our strategy, culture and day-to-day operations. |
| **S&P Global CSA** | Covering over 13,000 companies globally, the S&P Global Corporate Sustainability Assessment (CSA) is an annual evaluation of a company's sustainability practices. It enables companies to benchmark their performance on a wide range of industry-specific economic, environmental, and social criteria and helps them make the link between sustainability and their business strategies. GCC has completed the rating's questionnaire every year, since 2019 until today. |
| **The Private Sector Studies Commission for Sustainable Development (CESPEDES)** | Founded in 1994 to create awareness among business leaders and help overcome the challenges of sustainable development posed by the incorporation of Mexico into global markets, CESPEDES is the Mexican Chapter of the World Business Council for Sustainable Development (WBCSD). It is closely linked to the Consejo Coordinador Empresarial (CCE - Top National Enterprise Council), representing a variety of extraction, manufacturing and consumer-oriented businesses, that have a common interest in advancing to overcome the challenges of sustainable development. |

# 6.2. Our Sustainable Business Strategy and Commitments

## CLIMATE ACTION

Initiative led by the Science-based targets Initiative (SBTi), in partnership with the U.N. Global Compact and the We Mean Business Coalition. GCC has been a member of the Business Ambition for 1.5°C campaign since 2021.

Science-based targets provide companies with a clearly-defined path to reduce emissions in line with the Paris Agreement goals. On January 2023, we obtained validation of our targets as part of our alignment with the SBTi. Our targets are aligned to the well-below the two-degree curve of the Paris Agreement. We will revalidate our Science-Based Targets in five years, to align our carbon intensity reduction target with the Business Ambition curve of 1.5° degrees Celsius.

**Climate Disclosure Project**

Not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. GCC has been disclosing its climate impacts through CDP since 2020. During 2024, We are proud to share that we have achieved our highest-ever rating in CDP, receiving an A- in Climate Change and a B- in Water Security.

**Task Force for Climate Disclosure**

The TCFD has developed a framework to help public companies and other organizations more effectively disclose climate-related risks and opportunities through their existing reporting processes. GCC released its first TCFD report in 2023, outlining our climate-related risks and opportunities for sustainable growth. Aligned with the Financial Stability Board's (FSB) 2022 recommendations, the report is structured around the four thematic areas of governance, strategy, risk management, and metrics and targets.

# 6.3. Task Force for Climate Disclosures

## TCFD Alignment

| TCFD Pillar | Recommended Disclosures | Report Reference |
|---|---|---|
| **Governance**<br>Disclose the organization's governance around climate-related risks and opportunities. | (a) Describe the board's oversight of climate-related risks and opportunities. | Board Oversight of Climate related Issues |
| | (b) Describe management's role in assessing and managing climate-related risks and opportunities. | Management's Oversight of Climate-related Issues |
| **Strategy**<br>Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material. | (a) Describe the climate-related risks and opportunities the organization has identified over the short-, medium- and longterm. | Climate Impacts on Businesses, Strategy, and Financial Planning |
| | (b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning. | Climate Impacts on Businesses, Strategy, and Financial Planning |
| | (c) Describe the resilience of the organization's strategy, taking into consideration dierent climate-related scenarios, including a 2°C or lower scenario. | Scenario Analysis and Strategy Resilience |
| **Risk Management**<br>Disclose how the organization identifies, assesses, and manages climate-related risks. | (a) Describe the organization's processes for identifying and assessing climate-related risks. | Climate Risks Identification, Assessment, and Management Processes |
| | (b) Describe the organization's processes for managing climaterelated risks. | Climate Risks Identification, Assessment, and Management Processes |
| | (c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management. | Climate Risks Identification, Assessment, and Management Processes |
| **Metrics and Targets**<br>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material. | (a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. | Climate Risk and Opportunity Metrics |
| | (b) Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks. | Greenhouse Gas Emissions |
| | (c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets. | Targets |

# 6.4. Performance Data: Strategy

## Economic Value Created and Distributed

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 201-1 Economic Value Created and Distributed** | | | | |
| Direct economic value generated: Revenues | US$ million | 1,363.9 | 1,168.3 | 1,038.9 |
| Economic value distributed: Operating costs | US$ million | 755.1 | 703.7 | 622.5 |
| - Employee wages and benefits | US$ million | 225.6 | 196.2 | 175.2 |
| - Payments to providers of capital | US$ million | 45.7 | 37.6 | 36.3 |
| - Payments to government - United States | US$ million | 59.4 | 18.1 | 2.8 |
| - Payments to government - Mexico | US$ million | 16.4 | 8.8 | 13.4 |
| - Community investments | US$ million | 1.0 | 1.0 | 1.0 |
| **Economic value retained** | **US$ million** | **260.7** | **202.9** | **187.7** |

# 6.4. Performance Data: Governance

## Ethics and Compliance

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 205-1 Operations Assessed for Risks Related to Corruption** | | | | |
| Total number of operations | # | 0 | 0 | 0 |
| Percentage of operations | % | 0 | 0 | 0 |
| **GRI 205-2 Communication and Training about Anti-corruption Policies and Procedures** | | | | |
| **GRI 205-2.a. Anti-corruption Communications to Governance Body (same for both U.S. and Mexico)** | | | | |
| Governance body members | # | 28 | 28 | 28 |
| Governance body members the organization's anti-corruption policies and procedures have been communicated to | # | 14 | 14 | 14 |
| Governance body members the organization's anti-corruption policies and procedures have been communicated to | % | 50 | 50 | 50 |
| **GRI 205-2.d. Anti-corruption Training for Governance Body (same for both U.S. and Mexico)** | | | | |
| Governance body members that have received training on anti-corruption | # | 22 | 14 | 14 |
| Governance body members that have received training on anti-corruption | % | 79 | 50 | 50 |
| **GRI 205-2.b. Anti-corruption Communications to Employees** | | | | |
| United States | # | 793 | 812 | 754 |
| Mexico | # | 973 | 996 | 925 |
| **Total employees that the organization's anti-corruption policies and procedures have been communicated to by region** | **#** | **1,766** | **1,808** | **1,679** |
| United States | % | 57 | 58 | 57 |
| Mexico | % | 52 | 53 | 52 |
| **Total employees that the organization's anti-corruption policies and procedures have been communicated to by region** | **%** | **54** | **55** | **54** |

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **Total employees that the organization's anti-corruption policies and procedures have been communicated to by category** | | | | |
| Non-management | # | 1,462 | 1,510 | 1,398 |
| Top Management | # | 60 | 55 | 51 |
| Middle Management | # | 113 | 106 | 108 |
| Junior Management | # | 131 | 137 | 122 |
| Non-management | % | 45 | 46 | 45 |
| Top Management | % | 2 | 2 | 2 |
| Middle Management | % | 3 | 3 | 3 |
| Junior Management | % | 4 | 4 | 4 |
| **GRI 205-2.e. Anti-corruption Training for Employees** | | | | |
| United States | # | 829 | 216 | 156 |
| Mexico | # | 692 | 192 | 192 |
| **Total employees that have received training on anticorruption** | **#** | **1,521** | **408** | **348** |
| United States | % | 59 | 15 | 12 |
| Mexico | % | 37 | 10 | 11 |
| **Total employees that have received training on anticorruption** | **%** | **47** | **12** | **11** |

# 6.4. Performance Data: Governance

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 205-2.e. Anti-corruption Training for Employees** | | | | |
| Non-management | # | 1,370 | 384 | 330 |
| Top Management | # | 35 | 6 | 4 |
| Middle Management | # | 69 | 8 | 2 |
| Junior Management | # | 47 | 10 | 12 |
| Non-management | % | 42 | 12 | 11 |
| Top Management | % | 1 | 0.2 | 0.1 |
| Middle Management | % | 2 | 0.2 | 0.1 |
| Junior Management | % | 1 | 0.3 | 0.4 |
| **GRI 415-1 Political Contributions** | | | | |
| Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization - United States | US$ | 0 | 0 | 0 |
| Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization - Mexico | US$ | 0 | 0 | 0 |
| **GRI 201-4 Financial Assistance Received from Government** | | | | |
| Total monetary value of financial assistance received by the organization from any government during the reporting period: United States | US$ | 0 | 0 | 0 |
| Total monetary value of financial assistance received by the organization from any government during the reporting period: Mexico | US$ | 0 | 0 | 0 |
| **Code of Ethics Assessment** | | | | |
| Total employees participate on the code ethics assessment | % | 100 | 100 | 100 |
| Total contractors participate on the code ethics assessment | % | 90 | 90 | 90 |
| **Ethics and Compliance Cases** | | | | |
| Ethics and compliance cases reported during the year (employees) | # | 29 | 25 | 18 |
| Ethics and compliance cases reported during the year (contractor) | # | 3 | 1 | 2 |

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 205-3.a. Confirmed Incidents of Corruption** | | | | |
| Total confirmed incidents of corruption | # | 0 | 0 | 0 |
| **GRI 206-1 Anti-competitive Behaviour** | | | | |
| Number of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant | # | 0 | 0 | 0 |
| **GRI 406-1 Incidents of Discrimination:** | | | | |
| Total confirmed incidents of discrimination | # | 0 | 0 | 0 |
| **GRI 2-27 Compliance with Laws and Regulations** | | | | |
| Significant instances of non-compliance with laws and regulations during the reporting period | # | 0 | 0 | 0 |
| i. instances for which fines were incurred | # | 0 | 0 | 0 |
| ii. instances for which non-monetary sanctions were incurred | # | 0 | 0 | 0 |
| Fines for instances of non-compliance with laws and regulations that were paid during the reporting period | # | 0 | 0 | 0 |
| Monetary value of fines for instances of non-compliance | US$ | 0 | 0 | 0 |
| i. fines for instances of non-compliance with laws and regulations that occurred in the current reporting period | # | 0 | 0 | 0 |
| ii. fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods | # | 0 | 0 | 0 |

# 6.4. Performance Data: People

## Human Rights

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 407-1 Freedom of Association and Collective Bargaining** | | | | |
| Operations in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk | # | 0 | 0 | 0 |
| **GRI 2-30 Employees covered by collective bargaining agreements (unions)** | % | **34** | **35** | **36** |
| Unionized employees | # | 1,108 | 1,141 | 1,119 |
| Non-unionized employees | # | 2,146 | 2,146 | 2,009 |
| Unionized employees: Women | # | 13 | 11 | 7 |
| Unionized employees: Men | # | 1,095 | 1,130 | 1,112 |
| Unionized employees by region: United States | # | 223 | 224 | 214 |
| Unionized employees by region: Mexico | # | 885 | 917 | 905 |
| Non-unionized employees by region: United States | # | 1,169 | 1,181 | 1,119 |
| Non-unionized employees by region: Mexico | # | 977 | 965 | 890 |
| **GRI 402-1 Labor-management relations** | | | | |
| Minimum notice periods regarding operational changes | Weeks | 3 | 4 | 4 |
| **GRI 408-1 Child Labor** | | | | |
| Operations identified as having a significant risk for incidents of child labor and young workers exposed to hazardous work | # | 0 | 0 | 0 |
| **GRI 409-1 Forced or Compulsory Labor** | | | | |
| Operations identified as having a significant risk for incidents of forced or compulsory labor | # | 0 | 0 | 0 |
| **GRI 410-1 Security Practices** | | | | |
| Security personnel who have received formal training in the organization's human rights policies or specific procedures and their application to security* | % | 89 | 92 | 90 |
| **GRI 411-1 Rights of Indigenous People** | | | | |
| Identified incidents of violations involving the rights of indigenous peoples | # | 0 | 0 | 0 |

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 412 Human Rights Assessment** | | | | |
| Human rights assessments conducted (own operations) | % | 100 | 100 | 100 |

*Training requirements also apply to the third-party organization providing security personnel. The calculation is using the total number of security personnel + employees of third-party organizations

**List of Unions to which our Employees are Affiliated and Collective Agreements at our Plants**

| Plant | Unions | Year of Latest Collective Agreements | Signed for |
|---|---|---|---|
| **Odessa plant** | United Cement, Lime, Gypsum and Allied Workers Division, Boilermakers International Union | 2023 | 4 years |
| **Rapid City plant** | United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union | 2022 | 3 years |
| **Trident plant** | Cement, Lime, Gypsum and Allied Workers Division International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers | 2022 | 3 years |

## Our People

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 2-7 Employees by Region*** | | | | |
| United States | # | 1,392 | 1,405 | 1,333 |
| Mexico | # | 1,862 | 1,882 | 1,795 |
| **Total** | # | **3,254** | **3,287** | **3,128** |
| United States | % | 43 | 43 | 43 |
| Mexico | % | 57 | 57 | 57 |
| **Total** | % | **100** | **100** | **100** |

# 6.4. Performance Data: People

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 2-7 Employees by Gender** | | | | |
| Women | # | 403 | 379 | 342 |
| Men | # | 2,851 | 2,908 | 2,786 |
| **Total Employees** | # | **3,254** | **3,287** | **3,128** |
| Women | % | 12 | 12 | 11 |
| Men | % | 88 | 88 | 89 |
| **Total Employees** | % | **100** | **100** | **100** |

* The calculation methodology has been refined for improved accuracy.

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 2-7 Employees by Employment Contract and Gender** | | | | |
| Women with permanent (indefinite) contract | # | 379 | 337 | 283 |
| Men with permanent (indefinite) contract | # | 2,274 | 2,206 | 2,068 |
| **Total Employees with Permanent (Indefinite) Contract** | # | **2,653** | **2,543** | **2,351** |
| Women with permanent (indefinite) contract | % | 14 | 13 | 12 |
| Men with permanent (indefinite) contract | % | 86 | 87 | 88 |
| **Total Employees with Permanent (Indefinite) Contract** | % | **100** | **100** | **100** |
| Women with temporary (fixed term) contract | # | 24 | 42 | 59 |
| Men with temporary (fixed term) contract | # | 577 | 702 | 718 |
| **Total Employees with Temporary (fixed term) Contract** | # | **601** | **744** | **777** |
| Women with temporary (fixed term) contract | % | 4 | 6 | 8 |
| Men with temporary (fixed term) contract | % | 96 | 94 | 92 |
| **Total Employees with Temporary (fixed term) Contract** | % | **100** | **100** | **100** |
| **Employees with non-guaranteed hours** | # | **0** | **0** | **0** |

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 2-7 Employees by Employment Type and Gender** | | | | |
| Women full-time employees | # | 370 | 339 | 298 |
| Men full-time employees | # | 2,571 | 2,590 | 2,394 |
| **Total Full-time Employees*** | # | **2,941** | **2,929** | **2,692** |
| Women full-time employees | % | 13 | 12 | 11 |
| Men full-time employees | % | 87 | 88 | 89 |
| **Total Full-time Employees** | % | **100** | **100** | **100** |
| Women part-time employees | # | 33 | 40 | 44 |
| Men part-time employees | # | 280 | 318 | 392 |
| **Total Part-time Employees*** | # | **313** | **358** | **436** |
| Women part-time employees | % | 11 | 11 | 10 |
| Men part-time employees | % | 89 | 89 | 90 |
| **Total Part-time Employees** | % | **100** | **100** | **100** |

*The calculation methodology has been refined for improved accuracy.

# 6.4. Performance Data: People

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 2-7 Employees by Employment Contract and Geography** | | | | |
| Permanent (indefinite) contract: United States | # | 1,154 | 1,167 | 1,113 |
| Permanent (indefinite) contract: Mexico | # | 1,499 | 1,376 | 1,238 |
| **Total Employees Permanent (indefinite) Contract** | # | **2,653** | **2,543** | **2,351** |
| Permanent (indefinite) contract: United States | % | 43 | 46 | 47 |
| Permanent (indefinite) contract: Mexico | % | 57 | 54 | 53 |
| **Total Employees with Permanent (Indefinite) Contract** | % | **100** | **100** | **100** |
| Temporary (fixed term) contract: United States | # | 238 | 238 | 220 |
| Temporary (fixed term) contract: Mexico | # | 363 | 506 | 557 |
| **Total Employees with Temporary (fixed term) Contract** | # | **601** | **744** | **777** |
| Temporary (fixed term) contract: United States | % | 40 | 32 | 28 |
| Temporary (fixed term) contract: Mexico | % | 60 | 68 | 72 |
| **Total Employees with Temporary (fixed term) Contract** | % | **100** | **100** | **100** |
| **Employees with non-guaranteed hours** | # | **0** | **0** | **0** |
| **GRI 2-7 Employees by Employment Type and Geography** | | | | |
| Full-time employees United States | # | 1,383 | 1,398 | 1,327 |
| Full-time employees Mexico | # | 1,558 | 1,531 | 1,365 |
| **Total Full-time Employees*** | # | **2,941** | **2,929** | **2,692** |
| Full-time employees United States | % | 47 | 48 | 49 |
| Full-time employees Mexico | % | 53 | 52 | 51 |
| **Total Full-time Employees** | % | **100** | **100** | **100** |
| Part-time employees United States | # | 9 | 7 | 6 |
| Part-time employees Mexico | # | 304 | 351 | 430 |
| **Total Part-time Employees*** | # | **313** | **358** | **436** |

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| Part-time employees United States | % | 3 | 2 | 1 |
| Part-time employees Mexico | % | 97 | 98 | 99 |
| **Total Part-time Employees** | % | **100** | **100** | **100** |

*Recalculated according to new, more refined methodology.

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 2-7 Employees by Type of Position and Gender** | | | | |
| Corporate Position | # | 856 | 894 | 837 |
| Technical Position | # | 2,398 | 2,393 | 2,291 |
| Corporate Position | % | 26 | 27 | 27 |
| Technical Position | % | 74 | 73 | 73 |
| Corporate Position Women | # | 274 | 256 | 237 |
| Corporate Position Men | # | 582 | 638 | 600 |
| Corporate Position Women | % | 32 | 29 | 28 |
| Corporate Position Men | % | 68 | 71 | 72 |
| Technical Position Women | # | 129 | 123 | 105 |
| Technical Position Men | # | 2,269 | 2,270 | 2,186 |
| Technical Position Women | % | 5 | 5 | 5 |
| Technical Position Men | % | 95 | 95 | 95 |
| **GRI 2-8 Total number of workers who are not employees and whose work is controlled by the organization*** | # | **64** | **116** | **111** |

*Security Personnel.

# 6.4. Performance Data: People

## Health and Safety

For the reporting of safety indicators, we follow the GCCA's Guidelines.

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 403-4 Worker participation, consultation, and communication on occupational health and safety** | | | | |
| Workforce represented in health and safety committees | % | 83 | 83 | 83 |
| **GRI 403-8 Workers covered by an occupational health and safety management system** | | | | |
| Total employees covered by such a system | # | 3,360 | 3,446 | 3,256 |
| Total employees covered by such a system | % | 100 | 100 | 100 |
| Workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system | % | 100 | 100 | 100 |
| Employees who are covered by such a system that has been internally audited | # | 3,360 | 3,446 | 3,256 |
| Employees who are covered by such a system that has been internally audited | % | 100 | 100 | 100 |
| Employees who are covered by such a system that has been audited or certified by an external party | # | 3,360 | 3,352 | 3,256 |
| Employees who are covered by such a system that has been audited or certified by an external party | % | 100 | 100 | 100 |
| Sites certified with OSHA 18001/ISO 45001 (cement operations) | % | 50 | 50 | 50 |

| | Unit | 2024 | 2023 | 2022 | |
|---|---|---|---|---|---|
| **GRI 403-9.a. Work-related Injuries for Employees** | | | | | |
| Fatalities as a result of work-related injury | # | 0 | 1 | 2 | gcca |
| Fatalities by location: on-site | # | 0 | 1 | 2 | |
| Fatalities by location: off-site | # | 0 | 0 | 0 | |
| Fatalities per 10,000 directly employed (rate) | # | 0 | 2.9 | 6.1 | gcca |
| LTI frequency rate directly employed | % | 7.8 | 10.4 | 11.1 | gcca |
| LTI severity rate (# of LTIs per million hours)* | # | 220.7 | 269.0 | 307.1 | gcca |
| LTI severity rate (# of LTIs per 200,000 hours)* | # | 44.1 | 53.8 | 61.4 | |
| TRIR employees (# of incidents per 200,000 hours) / Rate of recordable work-related injuries* | # | 2.2 | 3.3 | 3.1 | |
| TRIR employees (# of incidents per 1,000,000 hours) / Rate of recordable work-related injuries* | # | 10.8 | 16.4 | 15.6 | |

*The calculation methodology has been refined for improved accuracy.

# 6.4. Performance Data: People

## Retaining and Developing our Talent

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 404-1 Average Hours of Training per Year per Employee** | | | | |
| Total number of training hours provided to employees | # | 104,210 | 85,620 | 56,218 |
| Average training hours per employee | # | 32 | 26 | 18 |
| Average amount spent per FTE on training and development | US$ | 737 | 661 | 282 |
| **GRI 404-1.a. Training per Year by Gender** | | | | |
| Training hours provided to employees by gender: Women | # | 18,086 | 8,615 | 8,937 |
| Training hours provided to employees by gender: Men | # | 86,124 | 77,005 | 47,282 |
| Average training hours per employee by gender: Women | # | 45 | 23 | 26 |
| Average training hours per employee by gender: Men | # | 30 | 26 | 17 |
| **GRI 404-1.a. Training per Year by Age** | | | | |
| Training hours provided to employees by age: Under 30 years old | # | 46,781 | 25,518 | 18,973 |
| Training hours provided to employees by age: 30-50 years old | # | 43,052 | 43,296 | 27,594 |
| Training hours provided to employees by age: Over 50 years old | # | 14,377 | 16,807 | 9,649 |
| Average training hours per employee by age: Under 30 years old | # | 63 | 36 | 30 |
| Average training hours per employee by age: 30-50 years old | # | 26 | 26 | 17 |
| Average training hours per employee by age: Over 50 years old | # | 17 | 19 | 11 |
| **GRI 404-1.a. Training per Year by Geography** | | | | |
| Training hours provided to employees by region: United States | # | 46,681 | 25,167 | 15,580 |
| Training hours provided to employees by region: Mexico | # | 57,529 | 60,453 | 40,639 |
| Average training hours per employee by region: United States | # | 34 | 18 | 12 |
| Average training hours per employee by region: Mexico | # | 31 | 32 | 23 |

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 404-1.a. Training per Year by Position** | | | | |
| Training hours provided to non-management employees | # | 90,141 | 75,201 | 52,569 |
| Training hours provided to all management employees | # | 14,069 | 10,419 | 3,650 |
| - Training hours provided to top management employees | # | 1,235 | 1,918 | 363 |
| - Training hours provided to middle management employees | # | 7,663 | 3,100 | 712 |
| - Training hours provided to junior management employees | # | 5,171 | 5,401 | 2,575 |
| Average training hours per non-management employee | # | 30 | 24 | 18 |
| Average training hours per all management employee | # | 67 | 50 | 18 |
| - Average training hours provided to top management employees | # | 36 | 56 | 13 |
| - Average training hours provided to middle management employees | # | 124 | 55 | 12 |
| - Average training hours provided to junior management employees | # | 45 | 46 | 23 |
| **GRI 404-1.a. Training per Year by Type** | | | | |
| Training hours provided to employees by type: Technical training | # | 61,688 | 63,758 | 35,791 |
| Training hours provided to employees by type: Non-Technical training | # | 42,522 | 21,862 | 20,428 |
| Average training hours per employee by type: Technical training | # | 26 | 27 | 15 |
| Average training hours per employee by type: Non-Technical training | # | 50 | 17 | 18 |
| **GRI 404-2 Programs for upgrading employee skills and transition assistance programs** | | | | |
| Employees in program (mobility training program)* | # | 22 | 30 | 17 |

*The calculation methodology has been refined for improved accuracy.

# 6.4. Performance Data: People

| GRI 401-1.a. New Employee Hires, by Age Group, Gender and Region | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| New employee hires | # | 518 | 680 | 668 |
| Rate of new employee hires* | % | 16 | 21 | 21 |
| Percentage of open positions filled by internal candidates (internal hires) | % | 30 | 21 | 27 |
| New employee hires by gender: Women | # | 83 | 50 | 74 |
| New employee hires by gender: Men | # | 435 | 630 | 594 |
| Rate of new employee hires by gender: Women | % | 21 | 13 | 22 |
| Rate of new employee hires by gender: Men | % | 15 | 22 | 21 |
| New employee hires by age: Under 30 years old | # | 199 | 280 | 282 |
| New employee hires by age: 30-50 years old | # | 250 | 330 | 327 |
| New employee hires by age: Over 50 years old | # | 69 | 70 | 59 |
| Rate of new employee hires by age: Under 30 years old | % | 27 | 40 | 45 |
| Rate of new employee hires by age: 30-50 years old | % | 15 | 19 | 20 |
| Rate of new employee hires by age: Over 50 years old | % | 8 | 8 | 7 |
| New employees by region: United States | # | 320 | 210 | 279 |
| New employees by region: Mexico | # | 198 | 470 | 389 |
| Rate of new employees by region: United States | % | 23 | 15 | 21 |
| Rate of new employees by region: Mexico | % | 11 | 25 | 22 |
| New employee hires by management level: no management | # | 506 | 674 | 656 |
| New employee hires by management level: all management | # | 12 | 6 | 12 |
| - New employee hires by management level: top management | # | 1 | 1 | 0 |
| - New employee hires by management level: middle management | # | 4 | 2 | 3 |
| - New employee hires by management level: junior management | # | 7 | 3 | 9 |

* The calculation methodology has been refined for improved accuracy.

| GRI 401-1.b. Employee Turnover by Age Group, Gender and Region | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| Total number of employee turnover | # | 551 | 521 | 460 |
| Rate of employee turnover* | % | 17 | 16 | 15 |
| Rate of voluntary employee turnover* | % | 8 | 6 | 7 |
| Employee turnover by gender: Women | # | 59 | 35 | 40 |
| Employee turnover by gender: Men | # | 492 | 486 | 420 |
| Rate of employee turnover by gender: Women | % | 15 | 9 | 12 |
| Rate of employee turnover by gender: Men | % | 17 | 17 | 15 |
| Employee turnover by age: Under 30 years old | # | 106 | 159 | 145 |
| Employee turnover by age: 30-50 years old | # | 278 | 262 | 233 |
| Employee turnover by age: Over 50 years old | # | 167 | 100 | 92 |
| Rate of employee turnover by age: Under 30 years old | % | 14 | 23% | 23% |
| Rate of employee turnover by age: 30-50 years old | % | 17 | 15 | 14 |
| Rate of employee turnover by age: Over 50 years old | % | 20 | 11 | 10 |
| Employee turnover by region: United States | # | 337 | 205 | 203 |
| Employee turnover by region: Mexico | # | 214 | 316 | 257 |
| Rate of employee turnover by region: United States | % | 24 | 15 | 15 |
| Rate of employee turnover by region: Mexico | % | 11 | 17 | 14 |
| Employee turnover by management level: no management | # | 532 | 509 | 450 |
| Employee turnover by management level: all management | # | 19 | 12 | 10 |
| - Employee turnover by management level: top management | # | 0 | 0 | 2 |
| - Employee turnover by management level: middle management | # | 5 | 6 | 1 |
| - Employee turnover by management level: junior management | # | 14 | 6 | 7 |

* The calculation methodology has been refined for improved accuracy.
Note: turnover rates are calculated as follows: total turnover for the category (e.g. gender) / total headcount for the category * 100

# 6.4. Performance Data: People

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **Other Reasons for Termination** | | | | |
| Resignation by gender: Women | # | 38 | 20 | 30 |
| Resignation by gender: Men | # | 216 | 187 | 177 |
| **Total Resignation** | # | **254** | **207** | **207** |
| Dismissals by gender: Women | # | 15 | 12 | 8 |
| Dismissals by gender: Men | # | 213 | 269 | 210 |
| **Total Dismissals** | # | **228** | **281** | **218** |
| Retirement by gender: Women | # | 5 | 3 | 2 |
| Retirement by gender: Men | # | 52 | 27 | 27 |
| **Total Retirement** | # | **57** | **30** | **29** |
| Other by gender: Women | # | 1 | 1 | 0 |
| Other by gender: Men | # | 11 | 3 | 6 |
| **Total Other** | # | **12** | **4** | **6** |

## Working Towards Diversity and Inclusion

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 405-1.a. Diversity within Governance Bodies by Gender** | | | | |
| Board gender diversity: Women | % | 14 | 14 | 14 |
| Board gender diversity: Men | % | 86 | 86 | 86 |
| **Total board** | % | **100** | **100** | **100** |
| Women managers (includes top, middle and junior managers) | # | 28 | 29 | 26 |
| Men managers (includes top, middle and junior managers) | # | 183 | 178 | 174 |
| **Total managers (includes top, middle and junior managers)** | # | **211** | **207** | **200** |
| All management gender diversity: Women (includes top, middle and junior) | % | 13 | 14 | 13 |
| All management gender diversity: Men (includes top, middle and junior) | % | 87 | 86 | 87 |
| Top management gender diversity: Women | % | 6 | 9 | 7 |
| Top management gender diversity: Men | % | 94 | 91 | 93 |
| Middle management gender diversity: Women | % | 23 | 23 | 21 |
| Middle management gender diversity: Men | % | 77 | 77 | 79 |
| Junior management gender diversity: Women | % | 10 | 11 | 11 |
| Junior management gender diversity: Men | % | 90 | 89 | 89 |
| Women in management positions in revenue-generating functions (e.g. sales)* | % | 7 | 8 | 7 |
| Women in STEM-related positions** | % | 5 | 5 | 5 |

Note on methodology: calculated based on GRI suggested methodology: (employees in each category by gender or age/total employees in each category of management positions) * 100
*As % of all such managers (i.e. excluding support functions such as HR, IT, Legal, etc.)
**As % of total STEM positions

# 6.4. Performance Data: People

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 405-1.a. Diversity within Governance Bodies by Age and Ethnicity** | | | | |
| Top management employees by age: Under 30 yeards old | % | 0 | 0 | 0 |
| Top management employees by age: 30-50 yeards old | % | 24 | 21 | 17 |
| Top management employees by age: Over 50 yeards old | % | 76 | 79 | 83 |
| Middle management employees by age: Under 30 yeards old | % | 2 | 2 | 0 |
| Middle management employees by age: 30-50 yeards old | % | 37 | 38 | 41 |
| Middle management employees by age: Over 50 yeards old | % | 61 | 61 | 59 |
| Junior management employees by age: Under 30 yeards old | % | 5 | 4 | 4 |
| Junior management employees by age: 30-50 yeards old | % | 59 | 55 | 50 |
| Junior management employees by age: Over 50 yeards old | % | 36 | 41 | 46 |
| Asian managers/all management positions* | % | 1 | 1 | 1 |
| Black or African American managers/all management positions | % | 0 | 0 | 0 |
| Hispanic or Latino managers/all management positions | % | 20 | 13 | 13 |
| White managers/all management positions | % | 23 | 34 | 31 |
| Indigenous or Native managers/all management positions | % | 1 | 2 | 1 |
| Other ethnicity** managers (specify)/all management positions | % | 2 | 3 | 3 |

*Includes top, middle and junior management
**Two or more races / Not applicable

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 405-1.b. Total Workforce Diversity by Age and Ethnicity (see GRI 2-7 above for Gender)** | | | | |
| Under 30 years old | % | 23 | 21 | 20 |
| 30-50 years old | % | 51 | 52 | 52 |
| Over 50 years old | % | 26 | 27 | 28 |
| **Total workforce** | % | **100** | **100** | **100** |
| Coverage data reported on as a % of FTEs* | % | 36 | 36 | 35 |
| Asian employees/total employees | % | 0 | 0 | 0 |
| Black or African American employees/total employees | % | 1 | 1 | 1 |
| Hispanic or Latino/total employees | % | 16 | 16 | 16 |
| White employees/total employees | % | 17 | 17 | 16 |
| Indigenous or Native employees/total employees | % | 1 | 1 | 1 |
| Other ethnicity** employees (specify)/total employees | % | 1 | 1 | 1 |

*In Mexico the field is not mandatory
**Two or more races / Not applicable

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 405-2 Ratio of Basic Salary and Remuneration of Women to Men** | | | | |
| For top management | % | 99 | 100 | 104 |
| For middle management | % | 95 | 90 | 86 |
| For junior management | % | 86 | 84 | 84 |

# 6.4. Performance Data: People

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 401-3 Parental Leave by Gender*** | | | | |
| Employees entitled to parental leave, by gender: Women | # | 273 | 250 | 224 |
| Employees entitled to parental leave, by gender: Men | # | 1,589 | 1,632 | 1,571 |
| Employees that took parental leave: Women | # | 11 | 9 | 5 |
| Employees that took parental leave: Men | # | 17 | 14 | 11 |
| Employees that returned to work after parental leave ended: Women | # | 11 | 9 | 5 |
| Employees that returned to work after parental leave ended: Men | # | 17 | 14 | 11 |
| Employees that returned to work after parental leave ended that were still employed 12 months after their return to work: Women | # | 10 | 9 | 5 |
| Employees that returned to work after parental leave ended that were still employed 12 months after their return to work: Men | # | 13 | 13 | 6 |
| Return to work rate: Women | % | 100 | 100 | 100 |
| Return to work rate: Men | % | 100 | 100 | 100 |
| Retention rate: Women | % | 91 | 100 | 100 |
| Retention rate: Men | % | 76 | 93 | 55 |
| Parental leave period granted: Women | Days | 84 | 84 | 84 |
| Parental leave period granted: Men | Days | 5 | 5 | 5 |
| Percentage of salary paid in the parental leave period: Women | % | 100 | 100 | 100 |
| Percentage of salary paid in the parental leave period: Men | % | 100 | 100 | 100 |

* Only measured for Mexico Division

## Incentives and Satisfaction

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 404-3 Employees Receiving Regular Performance and Career Development Reviews** | | | | |
| Employees evaluated on their performance | # | 1,277 | 1,396 | 1,297 |
| Employees evaluated on their performance | % | 39 | 42 | 42 |
| Employees evaluated on their performance: Women | # | 329 | 331 | 302 |
| Employees evaluated on their performance: Men | # | 948 | 1,065 | 995 |
| Employees evaluated on their performance: Women | % | 26 | 24 | 23 |
| Employees evaluated on their performance: Men | % | 74 | 76 | 77 |
| Non-management employees evaluated on their performance | # | 1,066 | 1,189 | 1,097 |
| Non-management employees evaluated on their performance | % | 83 | 85 | 85 |
| Total management employees evaluated on their performance | # | 211 | 207 | 200 |
| Total management employees evaluated on their performance | % | 17 | 15 | 15 |
| Top management employees evaluated on their performance | # | 34 | 34 | 29 |
| Top management employees evaluated on their performance | % | 3 | 2 | 2 |
| Middle management employees evaluated on their performance | # | 62 | 56 | 58 |
| Middle management employees evaluated on their performance | % | 5 | 4 | 4 |
| Junior management employees evaluated on their performance | # | 115 | 117 | 113 |
| Junior management employees evaluated on their performance | % | 9 | 8 | 9 |

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 2-29 Approach to Stakeholder Engagement: Employee Engagement** | | | | |
| Employee engagement plans available and reviewed | % | 100 | 100 | 100 |
| Employee engagement method utilized (GPTW Institute survey)** | Index score | 78 | 78 | 77 |

# 6.4. Performance Data: People

| GRI 201-3 Contributions by employee to benefit and retirement plan | | | | |
|---|---|---|---|---|
| Portion of salary contributed by employee for a benefit/retirement plan | % | 10 | 10 | 10 |
| **GRI 202-2 Local Hiring** | | | | |
| % of senior management at significant locations of operation that are hired from the local community* | % | | 74 | 79 |
| On-site work modality | # | 3,254 | 3,287 | 3,128 |
| Flexible working modality | # | 0 | 0 | 0 |
| Remote work modality | # | 0 | 0 | 0 |
| All work modalities | # | 3,254 | 3,287 | 3,128 |
| **Work Modality** | | | | |
| On-site work modality by gender: Women | # | 403 | 379 | 342 |
| On-site work modality by gender: Men | # | 2,851 | 2,908 | 2,786 |
| On-site work modality by type of employee: Support | # | 0 | 0 | 0 |
| On-site work modality by type of employee: Departamental | # | 3,043 | 2,989 | 2,847 |
| On-site work modality by type of employee: Senior management | # | 177 | 243 | 230 |
| On-site work modality by type of employee: Executive management | # | 34 | 55 | 51 |

*Requires reporting definition used for 'senior management', geographical definition of 'local', 'significant locations of operation', claculation must use data on full-time employees.
**The calculation methodology has been refined for improved accuracy.

## Stronger Customer Relationships

### More Sustainable Products

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 2-1 - SASB EM-CM-410a.1 Products** | | | | |
| Net sales of sustainable products* | % | 24.9 | 17.5 | 10.9 |

* The calculation methodology has been refined for improved accuracy.

### Customer Satisfaction

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 416-2 Incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling** | | | | |
| Incidents of non-compliance with regulations resulting in a fine or penalty | # | 0 | 0 | 0 |
| Incidents of non-compliance with regulations resulting in a warning | # | 0 | 0 | 0 |
| Incidents of non-compliance with voluntary codes | # | 0 | 0 | 0 |
| **Total Incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling** | # | **0** | **0** | **0** |
| **GRI 417-2 Incidents of non-compliance concerning product and service information and labeling** | | | | |
| Incidents of non-compliance with regulations resulting in a fine or penalty | # | 0 | 0 | 0 |
| Incidents of non-compliance with regulations resulting in a warning | # | 0 | 0 | 0 |
| Incidents of non-compliance with voluntary codes | # | 0 | 0 | 0 |
| **Total Incidents of non-compliance concerning product and service information and labeling** | # | **0** | **0** | **0** |
| **GRI 418-1 Customer Privacy** | | | | |
| Substantiated complaints received concerning breaches of customer privacy | # | 0 | 0 | 0 |
| Total number of identified leaks, thefts, or losses of customer data | # | 0 | 0 | 0 |
| **Total Incidents concerning customer privacy** | # | **0** | **0** | **0** |
| **GRI 418-1 Customer Privacy** | | | | |
| Substantiated complaints received concerning breaches of customer privacy | # | 0 | 0 | 0 |
| Total number of identified leaks, thefts, or losses of customer data | # | 0 | 0 | 0 |
| **Total Incidents concerning customer privacy** | # | **0** | **0** | **0** |

# 6.4. Performance Data: People

## Improved Supplier Engagement

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 204-1 Proportion of Spending on Local Suppliers** | | | | |
| Suppliers from national markets (% of total suppliers)* | % | 93.0 | 95.0 | 95.5 |
| Spending on local** suppliers* | % | 38.0 | 38.0 | 44.0 |
| **GRI 414-1 Supplier Social Assessment** | | | | |
| Suppliers with Supplier code of conduct as part of contractual agreement | % | 100 | 100 | 100 |
| **Supplier Code of Conduct** | | | | |
| Does your company have a Supplier Code of Conduct? | | Yes | Yes | Yes |
| Does it include: | | | | |
| - Child labor | | x | x | x |
| - Industrial safety and health at work | | x | x | x |
| - Occupational health and safety | | x | x | x |
| - Discrimination | | x | x | x |
| - Equity and fairness in relationships with suppliers | | x | x | x |
| - Environmental responsability | | x | x | x |
| - Anti-corruption and conflict of interest | | x | x | x |
| - Anti-competitiveness | | x | x | x |
| **GRI 308-1 Supplier Environmental Assessment** | | | | |
| New Suppliers that were screened using environmental criteria | # | 531 | 460 | 306 |

*The calculation methodology has been refined for improved accuracy
** Local means located in the same state as the facility making the purchase

| | 2024 |
|---|---|
| **Supplier ESG Program** | |
| We publicly disclose the measures below related to supplier ESG programs. | No |
| • Purchasing practices are continuously reviewed to ensure alignment with the Supplier Code of Conduct and to avoid potential conflicts with ESG requirements. | Yes |
| • Training for company's buyers and/or internal stakeholders on their roles in the supplier ESG program. | No |

| | 2024 |
|---|---|
| **Supplier Screening** | |
| Do you apply supplier screening to systematically identify significant suppliers? | Yes |
| Which of the following aspects are considered in your screening process for significant suppliers? | |
| • Commodity-specific risk | Yes, diesel and raw materials |
| • Commodity volume (%) | 3.4 |
| **Supplier Assessment and Development** | |
| Does your company have a publicly available supplier assessment and development process in place? | No |
| **KPIs for Supplier Screening** | |
| Does your company monitor and report on coverage and progress of your supplier screening program? | Contractors only |

## Communities

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **GRI 413-1 Operations with local community engagement, impact assessments, and development programs** | | | | |
| Charitable Donations | % | 19 | 21 | 20 |
| Community Investments (Social investment projects)* | US$ | 1,083,125 | 1,119,651 | 1,101,017 |
| Community Investments (Social investment projects)* | % | 81 | 79 | 80 |
| Investments by category: | | | | |
| - Education | US$ | 235,644 | 229,535 | 202,122 |
| - Community | US$ | 346,089 | 384,302 | 413,333 |
| - Vulnerable Groups | US$ | 247,772 | 291,570 | 272,384 |
| - Organizations | US$ | 450,495 | 505,814 | 485,562 |
| Total number of beneficiaries consolidation year | # | 52 | 58 | 54 |
| Employee volunteering during paid working hours | Hours | 932 | 474 | 75 |

Note: includes only information for Mexico
*2022 data restated due to more precise calculations.

# 6.4. Performance Data: Planet

| | Unit | 2024 | 2023 | 2022 | |
|---|---|---|---|---|---|
| **GRI 305 Absolute Emissions** | | | | | |
| **GRI 305-1 Absolute Direct (Scope 1) GHG Emissions from our Cement Business** | | | | | |
| Gross CO2 emissions* (Scope 1) | Million $MtCO_2$ | 3.172 | 3.386 | 3.555 | gcca |
| Net $CO_2$ emissions (Scope 1) | Million $MtCO_2$ | 3.114 | 3.344 | 3.510 | gcca |
| **GRI 305-2 Absolute Energy Indirect (Scope 2) GHG Emissions from our Cement Business** | | | | | |
| Gross location-based energy indirect (Scope 2) GHG emissions | Million $MtCO_2e$ | 0.243 | 0.260 | 0.274 | |
| Gross market-based energy indirect (Scope 2) GHG emissions | Million $MtCO_2e$ | 0.197 | 0.212 | 0.234 | |
| **GRI 305-2 Absolute Energy Indirect (Scope 2) GHG Emissions from our Concrete Business** | | | | | |
| Gross $CO_2$ emissions (Scope 2) | Million $MtCO_2$ | 0.0045 | 0.0049 | 0.0042 | |
| **GRI 305-2 Absolute Energy Indirect (Scope 2) GHG Emissions from our Agreggates Business** | | | | | |
| Gross $CO_2$ emissions* (Scope 2) | Million $MtCO_2$ | 0.004 | n.m. | n.m. | |
| **GRI 305-3 Absolute Other Indirect (Scope 3) GHG Emissions from our Cement Business** | | | | | |
| Gross indirect (Scope 3) GHG emissions | Million $MtCO_2$ | 1.246 | 1.236 | 1.224 | |
| Upstream Scope 3 emissions | Million $MtCO_2$ | 0.043 | 0.091 | 0.187 | |
| - Category 1. Purchased goods and services | Million $MtCO_2$ | 0.000 | 0.031 | 0.113 | |
| - Category 3: Fuel and energy related activities** | Million $MtCO_2$ | 0.010 | 0.009 | 0.010 | |
| - Category 4: Upstream transport and distribution** | Million $MtCO_2$ | 0.033 | 0.051 | 0.065 | |
| Downstream scope 3 emissions | Million $MtCO_2$ | 1.203 | 1.145 | 1.037 | |
| - Category 9: Downstream transport | Million $MtCO_2$ | 0.076 | 0.079 | 0.042 | |
| - Category 11: Use of Sold Products** | Million $MtCO_2$ | 1.127 | 1.066 | 0.994 | |
| **Total Absolute GHG Emissions** | **Million $MtCO_2$** | **4.558** | **4.792** | **4.968** | |

*Gross $CO_2$ emissions are the total emissions resulting from the chemical decarbonization of limestone and the emissions resulting from the burning of fossilbased fuels and alternative fossil fuels. Compared with gross $CO_2$ emissions, net $CO_2$ emissions do not include $CO_2$ from alternative fossil fuels.

**The calculation methodology has been refined for improved accuracy.

## Environmental Governance

| | Unit | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **Environmental Compliance** | | | | |
| Environmental fines above US$10,000* | # | 3 | 3 | 4 |
| Fines and penalties paid* | US$ | 157,993 | 325,000 | 250,000 |
| **Environmental Management Systems and Investments** | | | | |
| Cement sites with an ISO 14001 certification* | % | 50 | 59 | 61 |
| Environmental capital investments* | US$ million | 52.6 | 38.2 | 30.0 |
| Environmental operating expenses | US$ million | 2.6 | 2.5 | 2.1 |
| Total expenses (capital + operating expenses)* | US$ million | 55.2 | 40.7 | 32.1 |

*The calculation methodology has been refined for improved accuracy.

## Our Approach to Net-Zero

| | Unit | 2024 | 2023 | 2022 | |
|---|---|---|---|---|---|
| **GRI 305-4 Specific GHG Emissions Intensity** | | | | | |
| Gross $CO_2$ (Scope 1) emissions/production of cementitious material | $kgCO_2/t$ | 688.8 | 706.1 | 741.2 | gcca |
| Net $CO_2$ (Scope 1) emissions/production of cementitious material | $kgCO_2/t$ | 676.3 | 697.4 | 731.7 | gcca |
| $CO_2$ (Scope 2) emissions/production of cementitious material | $kgCO_2/t$ | 42.7 | 44.2 | 57.1 | |
| **GRI 305-5 Reduction of Specific GHG Emissions as a Result of Reduction Initiatives** | | | | | |
| Reduction gross $CO_2$ (Scope 1) emissions/t cementitious from 2015 (SBTi target) | % | 10.2 | 7.9 | 3.3 | |
| Reduction net $CO_2$ (Scope 1) emissions/t cementitious from 2015 (SBTi target) | % | 11.8 | 9.0 | 4.6 | |
| Reduction $CO_2$(Scope 2) emissions/t cementitious from 2015 baseline (SBTi target) | % | 44.6 | 42.6 | 25.9 | |
| Reduction absolute $CO_2$ (Scope 3) from 2015 (SBTi target) Category 11 | % | 9.0 | 21.7 | 19.7 | |

Cementitious material is defined following the CSI/GCCA definition: Total clinker produced plus mineral components consumed for blending and production of cement substitutes.

# 6.4. Performance Data: Planet

## Decarbonization Roadmap

| | Unit | 2024 | 2023 | 2022 | |
|---|---|---|---|---|---|
| **GRI 302-1 Energy Consumption Within the Organization** | | | | | |
| **Thermal Energy** | | | | | |
| Thermal substitution rate in clinker production | % | 9.4 | 7.1 | 7.7 | gcca |
| Thermal energy consumption: fossil fuels (coal, coke, natural gas) | TJ | 13,737.6 | 14,770.4 | 15,406.4 | |
| Thermal energy consumption: biomass fuels (renewable energy) | TJ | 697.4 | 504.7 | 721.8 | |
| Thermal energy consumption: waste-based fuels* | TJ | 727.1 | 625.3 | 554.7 | |
| **Total thermal energy consumption** | **TJ** | **15,162.1** | **15,900.4** | **16,682.9** | |
| Thermal energy mix: % fossil fuels (coal and coke) in clinker production | % | 37.8 | 45.2 | 57.3 | |
| Thermal energy mix: % fossil fuels (natural gas) in clinker production | % | 52.8 | 47.6 | 35.0 | |
| Thermal energy mix: % biomass in clinker production | % | 4.8 | 3.2 | 4.3 | gcca |
| Thermal energy mix of clinker production: % alternative fuels | % | 4.6 | 3.9 | 3.3 | gcca |
| **Total thermal energy consumption in clinker production** | **%** | **100.0** | **100.0** | **100.0** | |
| Thermal energy consumption: fossil fuels (non-kiln) | TJ | 399.2 | 624.2 | 279.2 | |
| **Electricity** | | | | | |
| Electricity: non-renewable | % | 79.4 | 80.9 | 90.5 | |
| Electricity: renewable* | % | 20.6 | 19.1 | 9.5 | |
| **Total electricity energy consumption (cement business line)** | **%** | **100.0** | **100.0** | **100.0** | |

| | Unit | 2024 | 2023 | 2022 | |
|---|---|---|---|---|---|
| **Electricity** | | | | | |
| Electricity: non-renewable | MWh | 457,225.1 | 482,694.0 | 557,934.9 | |
| Electricity: renewable | MWh | 118,339.9 | 113,946.0 | 58,238.2 | |
| **Total electricity energy consumption (cement business line)** | **MWh** | **575,565.0** | **596,640.1** | **616,173.2** | |
| Total electricity consumption (concrete business line) | MWh | 11,095.6 | 11,623.1 | 9,807.0 | |
| Total electricity consumption (aggregates business line)** | MWh | 9,462.8 | 9,888.8 | 9,941.2 | |
| **Total electricity energy consumption in all business (Electrical)*** | **MWh** | **596,123.4** | **618,512.0** | **635,921.3** | |
| **Total electricity energy consumption in all business (Thermal + Electrical)*** | **TJ** | **17,707.4** | **18,750.0** | **19,251.4** | |
| **GRI 302-3 Energy Intensity** | | | | | |
| Heat consumption intensity (clinker production) | MJ/t | 3,917.5 | 3,924.5 | 4,019.6 | gcca |
| Electric consumption intensity (cement business line) | KWh/t cem | 127.1 | 126.6 | 129.8 | |
| Electric consumption intensity (concrete business line)** | KWh/$m^3$ | 6.1 | 6.0 | 5.1 | |
| Electric consumption intensity (aggregates business line) | KWh/t | 1.4 | 1.5 | 1.6 | |
| **GRI 302-4 Reduction of energy consumption** | | | | | |
| Reduction in heat/t clinker from 2015 baseline (4,233 MJ/tck) | % | 7.5 | 7.3 | 5.0 | |

*The calculation methodology has been refined for improved accuracy.
**The value was estimated using actual production data to complete missing information. The estimation was carried out following internal consistency and data quality practices.

# 6.4. Performance Data: Planet

## Blended Cements with a Lower Clinker Factor

| | Unit | 2024 | 2023 | 2022 | |
|---|---|---|---|---|---|
| **GRI 2-1 Products** | | | | | |
| Clinker produced | Million Metric Ton | 3.9 | 4.1 | 4.2 | |
| Cement produced | Million Metric Ton | 4.5 | 4.7 | 4.7 | |
| Ordinary portland cement | % | 7.6 | 8.2 | 41.3 | |
| Limestone cement | % | 70.6 | 71.4 | 38.7 | |
| Pozzolan cement | % | 2.4 | 1.9 | 2.2 | |
| Well cement | % | 14.1 | 13.5 | 12.8 | |
| Masonry | % | 1.8 | 1.9 | 2.0 | |
| Specialty cements | % | 3.5 | 3.2 | 3.0 | |
| Cementitious material produced* | Million Metric Ton | 4.6 | 4.8 | 4.8 | |
| Concrete produced** | Million $m^3$ | 1.8 | 1.9 | 1.9 | |
| Aggregates produced | Million Metric Ton | 6.7 | 6.4 | 6.1 | |
| Clinker factor (cementitious material) | % | 83.7 | 84.2 | 86.4 | gcca |
| Reduction clinker factor from 2015 baseline (88.8%) | % | 5.4 | 4.8 | 2.4 | |

*Cementitious material defined following the CSI/GCCA definition: Total clinker produced plus mineral components consumed for blending and production of cement substitutes.

**2022 and 2023 data restated due to more precise calculations.

## Environmental Stewardship

### Air Emissions

| | Unit | 2024 | 2023 | 2022 | |
|---|---|---|---|---|---|
| **GRI 305-7 Nitrogen oxides ($NO_x$), sulfur oxides ($SO_x$), and other significant air emissions** | | | | | |
| Total absolute $NO_x$ emissions | Metric Ton | 7,466.9 | 7,088.6 | 8,070.5 | gcca |
| Total absolute $SO_x$ emissions | Metric Ton | 911.1 | 368.8 | 461.0 | gcca |
| Total absolute PM emissions | Metric Ton | 155.8 | 170.5 | 105.5 | gcca |
| Total absolute VOC/THC emissions | Metric Ton | 1,759.3 | 2,007.3 | 1,002.3 | gcca |
| Total absolute HM1 emissions | kg | 11.4 | 12.4 | 7.2 | gcca |
| Total absolute HM2 emissions | kg | 3,199.2 | 3,299.5 | 3,187.2 | gcca |
| Total absolute Mercury emissions | kg | 64.8 | 76.0 | 40.8 | gcca |
| Total absolute PCDD/F emissions | mg | 17.1 | 3.5 | 31.1 | gcca |
| **Total $NO_x$, $SO_x$ and other significant air emissions** | **Metric ton** | **13,585.6** | **13,026.7** | **12,905.6** | |

# 6.4. Performance Data: Planet

| | Unit | 2024 | 2023 | 2022 | |
|---|---|---|---|---|---|
| **GRI 305-7 $NO_x$, $SO_x$ and Other Significant Air Emissions: Measurement Scope and Intensity** | | | | | |
| Overall coverage rate | % | 80.3 | 78.6 | 89.2 | gcca |
| Coverage rate continuous measurement | % | 40.6 | 44.5 | 45.0 | gcca |
| Coverage rate NOx | % | 99.8 | 83.8 | 95.0 | gcca |
| Coverage rate SOx | % | 99.8 | 83.8 | 86.7 | gcca |
| Coverage rate PM | % | 99.8 | 83.8 | 95.0 | gcca |
| Coverage rate VOC/THC | % | 84.6 | 83.8 | 95.0 | gcca |
| Coverage rate HM1 | % | 80.3 | 78.6 | 89.2 | gcca |
| Coverage rate HM2 | % | 80.3 | 78.6 | 89.2 | gcca |
| Coverage rate mercury | % | 84.6 | 83.8 | 95.0 | gcca |
| Coverage rate PCDD/F | % | 65.0 | 68.2 | 79.3 | gcca |
| $NO_x$ emissions intensity (clinker) | g/metric ton | 1,924.7 | 1,749.6 | 1,944.5 | gcca |
| $SO_x$ emissions intensity (clinker) | g/metric ton | 234.9 | 91.0 | 111.1 | gcca |
| PM emissions intensity | g/metric ton | 40.1 | 42.1 | 28.1 | gcca |
| VOC/THC emissions intensity | g/metric ton | 384.5 | 495.5 | 254.1 | gcca |
| HM1 emissions intensity (clinker) | mg/metric ton | 2.4 | 3.1 | 2.0 | gcca |
| HM2 emissions intensity (clinker) | mg/metric ton | 664.1 | 814.4 | 861.0 | gcca |
| Mercury emissions intensity | mg/metric ton | 14.2 | 18.8 | 10.3 | gcca |
| PCDD/F emissions intensity* | ng/metric ton | 3.2 | 0.9 | 8.4 | gcca |

*The calculation methodology has been refined for improved accuracy.

## Water Management

| | Unit | 2024 | 2023 | 2022 | |
|---|---|---|---|---|---|
| **GRI 303-1 Interactions with Water as a Shared Resource** | | | | | |
| % production plants in water-stressed area* | % | 87.5 | 87.5 | 36.7 | |
| % sales in risk water* | % | 92.7 | 93.4 | 26.5 | |

*The calculation methodology for 2023 has been refined for improved accuracy.

| | | | | | |
|---|---|---|---|---|---|
| **GRI 303-3 Water Withdrawal** | | | | | |
| Total freshwater withdrawal* | Million $m^3$ | 2.598 | 2.977 | 3.0503 | |
| Freshwater withdrawal from municipal water supplies | Million $m^3$ | 0.008 | 0.007 | 1.035 | |
| Freshwater withdrawal from quarry | Million $m^3$ | 0.000 | 0.000 | 0.004 | |
| Freshwater withdrawal from fresh surface water (lakes, rivers) | Million $m^3$ | n.m. | n.m. | n.m. | |
| Freshwater withdrawal from ground water | Million $m^3$ | 2.584 | 2.897 | 1.939 | |
| Quarry water used (non-freshwater sources) | Million $m^3$ | 0.000 | 0.000 | 0.072 | |
| External wastewater (non-freshwater sources) | Million $m^3$ | 0.006 | 0.073 | 0.000 | |
| **GRI 303-4 Water Discharge** | | | | | |
| Total water discharge | Million $m^3$ | 0.945 | 0.782 | 0.732 | |
| **GRI 305-5 Water Consumption** | | | | | |
| Total water consumption (cement business line) | Million $m^3$ | 1.653 | 2.195 | 2.318 | gcca |
| Total water consumption (concrete business line)* | Liter/$m^3$ | 249.08 | 348.56 | 317.67 | |
| Total water consumption (aggregates business line) | Liter/metric ton | 0.0110 | 0.0088 | 0.0089 | |
| Water usage per metric ton of cementitious products | Liter/metric ton | 359.0 | 457.9 | 483.4 | gcca |

*The calculation methodology for 2023 has been refined for improved accuracy.

# 6.4. Performance Data: Planet

## Waste Management

| | Unit | 2024 | 2023 | 2022 | |
|---|---|---|---|---|---|
| **GRI 301-1 Materials used by Weight or Volume** | | | | | |
| Total raw material consumption in cement | Metric Ton | 7,063,231 | 7,324,807 | 7,375,097 | |
| **GRI 301-2 Recycled Input Materials Used** | | | | | |
| Alternative raw material contained in cement | Metric Ton | 164,422 | 171,740 | 184,844 | |
| Alternative raw material contained in cement | % | 2.3 | 2.4 | 2.6 | gcca |
| **GRI 306-3 Waste Generated** | | | | | |
| Internal waste generated: hazardous | Metric Ton | 33 | 35 | 38 | |
| Internal waste generated: non-hazardous, other | Metric Ton | 3,390 | 5,642 | 4,027 | |
| **Total internal waste generated** | **Metric Ton** | **3,424** | **5,677** | **4,065** | |
| Total internal waste generated: hazardous | % | 1.0 | 0.6 | 0.9 | |
| Total internal waste generated: non-hazardous, other | % | 99.0 | 99.4 | 99.1 | |
| **Total internal waste generated** | **%** | **100.0** | **100.0** | **100.0** | |
| **GRI 306-4 Waste Diverted from Disposal*** | | | | | |
| Recycled input materials in the kilns for energy recovery: residues | Metric Ton | 29,167 | 21,660 | 24,301 | |
| Recycled renewable materials in the kilns for energy recovery: biomass | Metric Ton | 43,227 | 32,917 | 39,628 | |
| Total waste recycled for energy recovery: non-hazardous | Metric Ton | 72,394 | 54,577 | 63,929 | |
| **GRI 306-5 Waste Directed to Disposal** | | | | | |
| Total waste generated sent for disposal | Metric Ton | 2,907 | 5,677 | 4,065 | |

*The waste recycled corresponds to waste generated by other industries.

## Biodiversity

| | Unit | 2024 | 2023 | 2022 | |
|---|---|---|---|---|---|
| **GRI 304-1 Operational Sites Owned, Leased, Managed in, or Adjacent to, Protected Areas and Areas of High Biodiversity Value Outside Protected Areas** | | | | | |
| Quarries with high biodiversity importance with biodiversity management plan in place | % | n.m. | n.m. | n.m. | gcca |
| **GRI 304-3 Habitats Protected or Restored** | | | | | |
| Quarries with rehabilitation plan in place* | % | 46.4 | 48.1 | 46.4 | gcca |

*We assessed the quarries at the cement plants.

**Units keys** Mt - million tons | MJ - million joules | M GJ - million gigajoules | TJ - Terajoule | n.m. - not measured | N/A - Not Applicable | gcca categories are from GCCA

# 6.4. Performance Data: Planet

### Environmental data collection and reporting methodologies

- For reporting Scope 1 $CO_2$ cement emissions we use the GCCA 'Sustainability Guidelines for the monitoring and reporting of $CO_2$ from cement manufacturing' and the accompanying Excel spreadsheet, 'Cement $CO_2$ and Energy Protocol', Version 3.1, $CO_2$ Emissions and Energy Inventory, which has a default emission factors from IPCC 2006, 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

- We calculate Scope 2 $CO_2$ emissions from electricity in line with the method of the World Resources Institute Greenhouse Gas Protocol Scope 2 Guidance (2015), using Environmental Protection Agency (2023). Power Profiler Zip Code Tool and *Factor de Emisión de la Secretaría de Energía* (FESEN, for its acronym in spanish) in 2023 for emissions factors.

- We calculate Scope 3 $CO_2$ emissions in line with the GHG Protocol's Scope 3 Standard and the GHG Protocol's Scope 3 Standard for cement companies and according to WBCSD-CSI Scope 3 methodology. The methodology recommends the cement industry to consider at least the following four categories to determine the scope 3 emissions: I. emissions due to clinker/cement bought, II. fuel- and energy-related activities (not included in Scope 1 and 2), III. upstream transportation, and IV. downstream transportation and distribution.

  GCC has reaffirmed that the following categories are the most relevant for our business; Category 1: Purchased goods and services (including capital goods); Category 3: Fuel and energy related activities; Category 4: Upstream transportation and distribution; Category 9: Downstream transportation and distribution and Category 11: use of sold fuels. We added and calculate category 11 in 2021, due to the fact that we have a coal business. For the 2023 calculations, we reassigned emissions previously categorized under category 4 (upstream transport and distribution) to category 3 (fuel-related activities). This adjustment was made to reflect the transport associated with fuel consumption within the process. Scope 3 emissions are calculated based on the GHG Protocol, and methodologies for calculations are determined using the Cement Sector Scope 3 GHG Accounting and Reporting Guidance. Calculation tools are only used for category 4 and 9, the Mobile Combustion GHG Emissions Calculation Tool Version 2.6.

- For reporting co-processing fuels and raw materials, we use the GCCA Sustainability Guidelines for co-processing fuels and raw materials in cement manufacturing.

- Raw material substitution rate is expressed as the quantity of alternative raw materials, expressed as a percentage of the total virgin and alternative materials.

- For reporting air emissions, we use the GCCA 'Sustainability Guidelines for the monitoring and reporting of emissions from cement manufacturing'.

- For reporting of water, we used the GCCA 'Sustainability Guidelines for the monitoring and reporting of water in cement manufacturing'.

- For reporting the number of Locations in Physical Climate Risk (drought severity) we identify the number of locations (prior year location geocoordinate data) which are at "High" risk of drought severity expressed as a percentage of the total number of locations using the World Resource Institute's (WRI) Aqueduct Risk Atlas.

- For reporting local impacts, we use the GCCA 'Sustainability Guidelines for Quarry Rehabilitation and Biodiversity Management'.

# 6.5. Assurance Statement

Building a better working world

## Independent Limited Assurance Report

To the Board of Directors of GCC, S.A.B. de C.V.:

### 1. Scope of our Work

We have been engaged by GCC, S.A.B. de C.V. ("GCC" or the "Company") to perform a 'limited assurance engagement,' as defined by ISAE 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the *International Auditing and Assurance Standard Board (IAASB)* of the International *Federation of Accountants (IFAC)*, here after referred to as the "Engagement", to report on GCC's selected sustainability performance indicators ("Subject Matter") contained in the GCC's Integrated Report 2024 (the "Report") and mentioned in the Annex 1; for the period from January 1 to December 31, 2024.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

### 2. Criteria applied by GCC, S.A.B. de C.V.:

In preparing the selected sustainability performance indicators mentioned in the Annex 1, GCC, S.A.B. de C.V. applied in reference to the Global Cement and Concrete Association Sustainability Guidelines ("GCCA Guidelines"), as well as the Global Reporting Initiative Standard (GRI) mentioned in the Annex 2, henceforth "the Criteria".

### 3. GCC, S.A.B. de C.V. responsibilities

GCC, S.A.B. de C.V. management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with the Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

### 4. EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000'), and the terms of reference for this engagement as agreed with GCC, S.A.B. de C.V. on April 11th, 2025. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the

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procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

### 5. Our Independence and Quality Management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

### 6. Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of people responsible for preparing the selected sustainability performance indicators and related information and applying analytical and other appropriate procedures.

Our procedures included:

1. Interviews with responsible people to obtain an understanding of the data management systems and processes used to generate, disaggregate, and report information related to each Criteria.
2. Verify that the calculation Criteria have been correctly applied in accordance with the methodologies described in the Criteria.
3. Analytical procedures such as validation of reasons, and ratios or expected results and trends considering the correct application of calculations and formulas in the documentation submitted for the Criterion in question.

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# 6.5. Assurance Statement

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4. Sampling procedures to request additional evidence supporting the information provided
5. Identify and verify the assumptions supporting the calculations.
6. Inquiries to responsible persons regarding each of the Criteria to explain deviations from expected results and trends and to correct or document them.

We also performed such other procedures as we considered necessary in the circumstances.

Limitations of Our Assurance Engagement

Our assurance engagement was limited to the Subject Matter included in Annex 1, contained in the Report, for the period between January 1 to December 31, 2024. It does not cover information from previous years included in the Report, nor related to projections or future goals.

It also did not intend to determine whether the technological tools used for the development of the Report are the most appropriate and/or efficient.

7. Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the selected sustainability performance indicators presented in Annex 1, for the period from January 1 to December 31, 2024, in order for them to be in accordance with the Criteria.

8. Use of this Assurance Report

This report is intended exclusively for the information and use of GCC, S.A.B. de C.V. and is not intended to be used, nor should it be, by anyone other than those specified parties.

Our responsibility, in carrying out the assurance activities, is solely to the Company's management; therefore, we do not accept or assume any responsibility for any other purpose or to any other person or organization.

C.P.C. Sergio Mora González
Audit Partner
Mancera, S.C.
A Member Practice of Ernst & Young Global Limited
San Pedro Garza García Nuevo León, Mexico.
May 28, 2025

**Mancera, S.C.**
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Annex 1

Subject Matter

The sustainability information identified in the indicators included in the Report and included by GCC, S.A.B. de C.V. on its website[1] is presented in the following table:

| # | Material Issue | Criterion | Indicator | | Assured Value | Unit |
|---|---|---|---|---|---|---|
| 1 | Emissions | GCCA - CO2 emissions from cement manufacturing | Total direct $CO_2$ emissions - gross | | 3.172 | Million mt$CO_2$ |
| | | | Total direct $CO_2$ emissions - net | | 3.114 | Million mt$CO_2$ |
| | | | Specific $CO_2$ emissions - gross | | 688.8 | kg $CO_2$/t cem |
| | | | Specific $CO_2$ emissions - net | | 676.3 | kg $CO_2$/t cem |
| 2 | Emissions | GCCA - Emissions from cement manufacturing | Overall coverage rate | | 80.3 | % |
| | | | Coverage rate continuous measurement | | 40.6 | % |
| | | | Emission data pollutant (absolute and specific) ($NO_X$ $SO_2$ PM) | $NO_x$ | 7,466.9 | metric ton |
| | | | | $SO_2$ | 911.1 | |
| | | | | PM | 155.8 | |
| | | | | $NO_x$ | 1,924.7 | g/metric ton of clinker |
| | | | | $SO_2$ | 234.9 | |
| | | | | PM | 40.1 | |
| | | | Coverage rate ($NO_x$ $SO_2$ PM) | NOx | 99.8 | % |
| | | | | $SO_2$ | 99.8 | |
| | | | | PM | 99.8 | |
| 3 | Safety | GCCA - Safety in cement and concrete manufacturing | Fatality rate, directly employed | | 0 | # |
| | | | Number of fatalities (directly employed, contractors/sub-contractors, third parties) | | 0 | # |
| | | | LTI frequency rate, directly employed | | 7.8 | % |
| | | | LTI severity rate, directly employed | | 220.7 | # |
| 4 | Water | | Total water withdrawal | | 2.598 | Million $m^3$ |

1

*The maintenance and integrity of The Company's (Sustainability - GCC]) website repository of the Report, is the responsibility of the Management of GCC, S.A.B. de C.V. The work carried out by EY does not include consideration of these activities and, therefore, EY accepts no responsibility for any difference between the information presented on such website and the Subject Matter contained in the Report on which the Commitment was made and the conclusion was issued.*

*Other than as described in the table, which sets out the scope of our work, we do not apply assurance procedures on the remaining information included in the Report and, accordingly, we do not express a conclusion on that information.*

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# 6.5. Assurance Statement

| | | | | | |
|---|---|---|---|---|---|
| | | GCCA - Water in cement manufacturing | Total water discharge | 0.945 | Million $m^3$ |
| | | | Water withdrawal - Water discharge = Water consumption | 1.653 | Million $m^3$ |
| | | | Amount of water consumption per unit of product | 359.0 | Lt/t cem prod |
| 5 | Energy | GCCA - Fuels and raw materials in cement manufacturing | Alternative fuel rate (kiln fuels) | 4.6 | % |
| | | | Biomass fuel rate (kiln fuels) | 4.8 | % |
| | | | Specific heat consumption for clinker production | 3,917.5 | MJ/t |
| | | | Alternative Raw Materials rate (% ARM) | 2.3 | % |
| | | | Clinker/cement (equivalent) factor | 83.7 | % |
| 6 | Biodiversity | GCCA - Quarry Rehabilitation and Biodiversity Management | Percentage of quarries where rehabilitation plan is implemented | 46.4 | % |
| 7 | Energy | GRI 302-1 | Electrical energy consumption<br>Cement<br>Aggregates<br>Ready Mix | 596,123.4 | MWh |
| 8 | Emissions | GRI 305-2 | Scope 2 emissions for location-based - cement | 0.243 | Million $mtCO_2e$ |
| | | GRI 305-2 | Scope 2 emissions for market-based - cement | 0.197 | Million $mtCO_2e$ |
| | | GRI 305-2 | Scope 2 emissions for location-based - aggregates | 0.004 | Million $mtCO_2e$ |
| | | GRI 305-2 | Scope 2 emissions for location-based - ready mix | 0.0045 | Million $mtCO_2e$ |
| 9 | Energy | GRI 302-1 | Percentage of renewable energy - cement | 20.6 | % |
| 10 | Emissions | GRI 305-3 | Scope 3 - Category 11: Use of sold products | 1.127 | Million $mtCO_2$ |

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ANNEX 2

GRI Content Criteria

The assurance criteria that are applicable to the Subject Matter and the declaration of presentation of in reference, are defined based on the provisions of the document:

GRI 1 Foundation 2021, its thematic contents on the page:
https://www.globalreporting.org/how-to-use-the-gri-standards/gri-standards-english-language/

GCCA Content Criteria

The following are the assurance criteria that are applicable to the company's own indicators, objects of limited assurance, which are listed in the content index of the GCC, S.A.B. de C.V. Report and this Report in order to make them available to stakeholders.

These evaluation criteria form an integral part of our independent accountant's limited assurance report.

| Criterion | Indicator |
|---|---|
| CO2 emissions from cement manufacturing | Total direct CO2 emissions - gross |
| | Total direct CO2 emissions - net |
| | Specific CO2 emissions - gross |
| | Specific CO2 emissions - net |
| Emissions from cement manufacturing | Overall coverage rate |
| | Coverage rate continuous measurement |
| | Emission data pollutant (absolute and specific) (NOx SO2 PM) |
| | Coverage rate NOx SO2 PM |
| Safety in cement and concrete manufacturing | Fatality rate, directly employed |
| | Number of fatalities (directly employed, contractors/sub-contractors, third parties) |
| | LTI frequency rate, directly employed |
| | LTI severity rate, directly employed |
| Water in cement manufacturing | Total water withdrawal |
| | Total water discharge |
| | Water withdrawal - Water discharge = Water consumption |
| | Amount of water consumption per unit of product |
| Fuels and raw materials in cement manufacturing | Alternative fuel rate (kiln fuels) |
| | Biomass fuel rate (kiln fuels) |
| | Specific heat consumption for clinker production |
| | Alternative Raw Materials rate (% ARM) |
| | Clinker/cement (equivalent) factor |
| Quarry Rehabilitation and Biodiversity Management | Percentage of quarries where rehabilitation plan is implemented |

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# 6.6. GRI Content Index

| Statement of use |
|---|
| GCC has reported the information cited in this GRI content index for the period 1 January 2023 to 31 December 2023 with reference to the GRI Standards. |

| GRI 1 used |
|---|
| GRI 1: Foundation 2021 |

| GRI STANDARD | DISCLOSURE | PAGE, COMMENT, PERFORMANCE |
|---|---|---|
| GRI 2: General disclosures 2021 | 2-1 Organizational details | 11-13, 158-159 |
| | 2-2 Entities included in the organization's sustainability reporting | 158 |
| | 2-3 Reporting period, frequency and contact point | 11, 158, 269 |
| | 2-4 Restatements of information | Clarifications of restatements of information are included as notes in corresponding indicators. |
| | 2-5 External assurance | 185-188 |
| | 2-6 Activities, value chain and other business relationships | 12-13, 15-16, 94-95, 98 |
| | 2-7 Employees | 168-171 |
| | 2-8 Workers who are not employees | 171 |
| | 2-9 Governance structure and composition | 44-47, 51-52 |
| | 2-10 Nomination and selection of the highest governance body | 44, 46 |
| | 2-11 Chair of the highest governance body | 46 |
| | 2-12 Role of the highest governance body in overseeing the management of impacts | 40, 44-46, 52, 55 |
| | 2-13 Delegation of responsibility for managing impacts | 52, 55 |
| | 2-14 Role of the highest governance body in sustainability reporting | 55 |
| | 2-15 Conflicts of interest | 60 |
| | 2-16 Communication of critical concerns | 45, 60 |
| | 2-17 Collective knowledge of the highest governance body | 46, 48, 55 |
| | 2-19 Remuneration policies | 43, 57-58 |
| | 2-20 Process to determine remuneration | 57-58 |
| | 2-22 Statement on sustainable development strategy | 9-10 |
| | 2-23 Policy commitments | 20-21, 24, 56, 59-60, 65 |
| | 2-24 Embedding policy commitments | 21, 45, 52, 55 |
| | 2-25 Processes to remediate negative impacts | 55, 59-61 |
| | 2-26 Mechanisms for seeking advice and raising concerns | 59-61 |
| | 2-27 Compliance with laws and regulations | 167 |
| | 2-28 Membership associations | 159-163 |
| | 2-29 Approach to stakeholder engagement | 27, 56, 177 |
| | 2-30 Collective bargaining agreements | 65, 168 |
| GRI 3: Material Topics 2021 | 3-1 Process to determine material topics | 25-26 |
| | 3-2 List of material topics | 26 |
| **Climate Change & GHGs** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-26, 29, 41-42, 128-137, 150 |

# 6.6. GRI Content Index

| GRI STANDARD | DISCLOSURE | PAGE, COMMENT, PERFORMANCE |
|---|---|---|
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) GHG emissions | 179, 184 |
| | 305-2 Energy indirect (Scope 2) GHG emissions | 179, 184 |
| | 305-3 Other indirect (Scope 3) GHG emissions | 29, 179, 184 |
| | 305-4 GHG emissions intensity | 179 |
| | 305-5 Reduction of GHG emissions | |
| **Energy Management** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-26, 29, 130-137, 138-140, 145-149 |
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organization | 180 |
| | 302-2 Energy consumption outside of the organization | 180 |
| | 302-3 Energy intensity | 180 |
| | 302-4 Reduction of energy consumption | 180 |
| | 302-5 Reductions in energy requirements of products and services | 139-141 |
| **Air emissions** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-26, 152 |
| | 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions | 181-182 |
| **Health & Safety** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-26, 66, 69, 71-77 |
| GRI 403: Occupational Health and Safety 2018 | 403-1 Occupational health and safety management system | 71-72 |
| | 403-2 Hazard identification, risk assessment, and incident investigation | 71-73 |
| | 403-3 Occupational health services | 71, 73, 92 |
| | 403-4 Worker participation, consultation, and communication on occupational health and safety | 171 |
| | 403-5 Worker training on occupational health and safety | 72-76 |
| | 403-6 Promotion of worker health | 71, 72, 92 |
| | 403-8 Workers covered by an occupational health and safety management system | 171 |
| | 403-10 Work-related ill health | 171 |
| **Employee Attraction, Training & Development** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-26, 78-85, 89-92 |
| GRI 401: Employment 2016 | 401-1 New employee hires and employee turnover | 173 |
| | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | 90-92 |
| | 401-3 Parental leave | 176 |
| GRI 404: Training and Education 2016 | 404-1 Average hours of training per year per employee | 172 |
| | 404-2 Programs for upgrading employee skills and transition assistance programs | 78-85, 172 |
| | 404-3 Percentage of employees receiving regular performance and career development reviews | 176 |
| | 202-2 Proportion of senior management hired from the local community | 177 |

# 6.6. GRI Content Index

| GRI STANDARD | DISCLOSURE | PAGE, COMMENT, PERFORMANCE |
|---|---|---|
| **Product Quality & Safety, and Costumer Experience** | | |
| GRI 3: Material Topics 2021<br>GRI 416: Customer Health and Safety 2016 | 3-3 Management of material topics | 20-22, 24-26, 94-98 |
| | 416-1 Assessment of the health and safety impacts of product and service categories | 177 |
| | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | 177 |
| **Business Ethics** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-26, 59-61 |
| GRI 205: Anti-corruption 2016 | 205-1 Operations assessed for risks related to corruption | 166 |
| | 205-2 Communication and training about anti-corruption policies and procedures | 166 |
| | 205-3 Confirmed incidents of corruption and actions taken | 167 |
| **Water Management** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-26, 130, 153, 163 |
| GRI 303: Water and Effluents 2018 | 303-1 Interactions with water as a shared resource | 153, 182 |
| | 303-2 Management of water discharge-related impacts | 153 |
| | 303-3 Water withdrawal | 182 |
| | 303-4 Water discharge | 182 |
| | 303-5 Water consumption | 182 |
| **Waste & Materials Management** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-26, 130, 133 |
| GRI 301: Materials 2016 | 301-1 Materials used by weight or volume | 183 |
| | 301-2 Recycled input materials used | 183 |
| GRI 306: Waste 2020 | 306-1 Waste generation and significant waste-related impacts | 130, 133 |
| | 306-2 Management of significant waste-related impacts | 130, 133 |
| | 306-3 Waste generated | 183 |
| | 306-4 Waste diverted from disposal | 183 |
| | 306-5 Waste directed to disposal | 183 |
| **Biodiversity** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-26, 100, 102, 130, 133, 154 |
| GRI 304: Biodiversity 2016 | 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | 154, 183-184 |
| | 304-2 Significant impacts of activities, products and services on biodiversity | 154 |
| | 304-3 Habitats protected or restored | 183-184 |
| **Diversity, Equity, & Inclusion** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-26, 65-66, 69-70, 86-88 |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees | 174-175 |
| | 405-2 Ratio of basic salary and remuneration of women to men | 175 |
| **Labor Practices** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-26, 66-70 |
| GRI 402: Labor/Management Relations 2016 | 402-1 Minimum notice periods regarding operational changes | 168 |

# 6.6. GRI Content Index

| GRI STANDARD | DISCLOSURE | PAGE, COMMENT, PERFORMANCE |
|---|---|---|
| **Data Security & Privacy** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-27, 40-41, 98 |
| GRI 418: Customer Privacy 2016 | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | 178 |
| **Human Rights** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-26, 65-66, 86-88, 162, 168 |
| GRI 406: Non-discrimination 2016 | 406-1 Incidents of discrimination and corrective actions taken | 167 |
| 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 | 65, 168 |
| GRI 408: Child Labor 2016 | 408-1 Operations and suppliers at significant risk for incidents of child labor | 168 |
| GRI 409: Forced or Compulsory Labor 2016 | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | 168 |
| GRI 410: Security Practices 2016 | 410-1 Security personnel trained in human rights policies or procedures | 168 |
| **Community Relations** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-26, 100-103, 152-154 |
| GRI 413: Local Communities 2016 | 413-1 Operations with local community engagement, impact assessments, and development programs | 100-103, 178 |
| | 413-2 Operations with significant actual and potential negative impacts on local communities | 152-154 |
| GRI 203: Indirect Economic Impacts 2016 | 203-1 Infrastructure investments and services supported | 100-103, 178 |
| | 203-2 Significant indirect economic impacts | 100-103, 178 |

| GRI STANDARD | DISCLOSURE | PAGE, COMMENT, PERFORMANCE |
|---|---|---|
| **Governance of "ESG"** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-26, 31, 55 |
| GRI 201: Economic Performance 2016 | 201-1 Direct economic value generated and distributed | 31, 165 |
| | 201-4 Financial assistance received from government | 167 |
| GRI 415: Public Policy 2016 | 415-1 Political contributions | 167 |
| **Systemic Risk Management** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-26, 32-42 |
| GRI 201: Economic Performance 2016 | 201-2 Financial implications and other risks and opportunities due to climate change | 41-42, 164 |
| **Stakeholder Engagement** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-27, 56, 68 |
| **Board Independence & Diversity** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-26, 44, 46-47 |
| **Sustainable Products, Innovation & Digital Transformation** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 15, 20-22, 24-26, 78, 94-95, 139-140, 142-144 |
| **Competitive Behavior** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-26, 30, 90-92, 116 |
| GRI 206: Anti-competitive Behavior 2016 | 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | 167 |
| **Product Life Cycle & Circular Economy** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-26, 130-132, 136, 146-148 |

# 6.6. GRI Content Index

| GRI STANDARD | DISCLOSURE | PAGE, COMMENT, PERFORMANCE |
|---|---|---|
| **Supply Chain Management** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 20-22, 24-26, 98-99 |
| GRI 204: Procurement Practices 2016 | 204-1 Proportion of spending on local suppliers | 98, 178 |
| GRI 308: Supplier Environmental Assessment 2016 | 308-1 New suppliers that were screened using environmental criteria | 178 |
| GRI 414: Supplier Social Assessment 2016 | 414-1 New suppliers that were screened using social criteria | 178 |

# 6.7. GCC - SASB

## Sustainability Disclosure Topics & Metrics

| Topic | Metric | Page, comment, performance | Code |
|---|---|---|---|
| Greenhouse Gas Emissions | Gross global Scope 1 emissions | p. 129, 179, 184 | EM-CM-110a.1 |
| | Percentage covered under emissions-limiting regulations | This data is covered in the annual CDP disclosure, section C5 Emissions Methodology. Our Scope 1 emissions continue to only include emissions from our cement operations, the most significant and material source of GCC's emissions. | EM-CM-110a.1 |
| | Discussion of long-term and short-term strategy or plan to manage scope 1 emissions, emissions reduction targets and an analysis of performance against those targets | p. 22, 24, 29, 41-42, 128-133, 130-150 | EM-CM-110a.2 |

# GCC - SASB

| Topic | Metric | Page, comment, performance | Code |
|---|---|---|---|
| Air Quality | Air emissions of the following pollutants:<br>(1) NOx (excluding N2O), (2) SOx, (3) particulate matter (PM10), (4) dioxins/furans, (5) volatile organic compounds (VOCs), (6) polycyclic aromatic hydrocarbons (PAHs) and (7) heavy metals | p. 180-181<br>All emissions stated in absolute and specific figures.<br>GCC reports annually on all emissions with the exception of polycyclic aromatic hydrocarbons (PAH) in this report. We also report specific emissions by clinker material. | EM-CM-120a.1 |
| Energy Management | Total energy consumed | p. 180, 184 | EM-CM-130a.1 |
| | Percentage alternative | p. 180 | |
| | Percentage renewable | p. 180 | |
| Water Management | Total water withdrawn | p. 182 | EM-CM-140a.1 |
| | Total water consumed | p. 182 | |
| | Percentage of each in regions with High or Extremely High Baseline Water Stress | p. 182 | |
| Waste Management | Amount of waste generated | p. 183 | EM-CM-150a.1 |
| | Percentage hazardous | p. 183 | |
| | Percentage recycled | 0% | |
| Biodiversity Impacts | Percentage of products that qualify for credits in sustainable building design and construction certifications | p. 130, 133, 154 | EM-CM-160a.1 |
| | Total addressable market and share of market for products that reduce energy, water or material impacts during usage or production | Information not available. We report the percentage of quarries with a rehabilitation plan in place 48.3%. | EM-CM-160a.2 |
| Workforce Health & Safety | • Total recordable incident rate (TRIR)<br>• Near miss frequency rate (NMFR) for (a) full time employess<br>• Near miss frequency rate (NMFR) for (b) contract employess | p. 171<br>GCC is establishing policies to collect and analyze this information. | EM-CM-320a.1 |
| | Number of reported cases of silicosis | GCC has no reported cases. | EM-CM-320a.2 |
| Product Innovation | Percentage of products that qualify for credits in sustainable building design and construction certifications | p. 177<br>GCC currently does not collect this information. However, we report % sales of sustainable products | EM-CM-410a.1 |
| | Total addressable market and share of market for products that reduce energy, water or material impacts during usage or production | Data is covered in the annual CDP disclosure, section C9. Additional metrics | EM-CM-410a.2 |
| Pricing Integrity & Transparency | Total amount of monetary losses as a result of legal proceedings associated with cartel activities, price fixing, and anti-trust activities | p. 167 | EM-CM-520a.1 |

## Activity Metrics

| Activity Metric | Page, comment, performance | Code |
|---|---|---|
| Production by major product line | p. 177 | EM-CM-000.A |

# 6.8. Audited Financial Report

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## Independent Auditor's report

To the Shareholders Meeting
of GCC, S.A.B. de C.V.

### Opinion

We have audited the accompanying consolidated financial statements of GCC, S.A.B. de C.V. and its subsidiaries (“the Company”), which comprise the consolidated statements of financial position as of December 31, 2024, the consolidated statements of profit, the consolidated statements of other comprehensive income, the consolidated statements of changes in stockholders’ equity and the consolidated statements of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of GCC, S.A.B. de C.V. and its subsidiaries as of December 31, 2024, and their consolidated financial performance and their consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

### Basis for opinion

We have carried out our audit in accordance with International on Standards Auditing (ISA). Our responsibilities under these standards are further described in the "Auditor's Responsibilities in relation to the audit of the consolidated financial statements" section of our report. We are independent of the Company in accordance with the "International Code of Ethics for Professional Accountants (Including International Independence Standards)" ("IESBA Code of Ethics") in conjunction with the ethical requirements applicable to our audit of the consolidated financial statements in Mexico by the "Professional Ethics Code of the Mexican Institute of Public Accountants" ("IMCP Code of Ethics") and we have fulfilled other ethical responsibilities in accordance with those requirements and the IESBA Code of Ethics. We believe that the audit evidence we have obtained provides a sufficient and adequate basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements” section of our report, including those related to the key audit matters. Consequently, our audit included the application of procedures designed to respond to our assessment of the risks of material misstatement of the attached consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

### Uncertain tax positions IFRIC 23

### Description and why it was considered a key audit matter

We have considered ongoing legal processes as a key audit matter as of December 31, 2024, arising from the application of tax criteria or treatments where there is uncertainty about whether the tax authority will accept such treatment. This is due to the judgments and assumptions used in determining the tax treatment; an unfavorable resolution for management would imply the outflow of resources that would impact the financial information of the Company.

As mentioned in Note 30 to the consolidated financial statements, as of December 31, 2024, the Company is facing a series of legal processes in the normal course of

operations arising from the application of tax criteria or treatments where there is uncertainty about whether the tax authority will accept such treatment in accordance with applicable legislation. The resolution of these processes could imply the outflow of resources in the event of unfavorable outcomes for management.

**How our audit addressed the matter**

During our planning phase, we considered the legal processes the Company is facing regarding the tax treatment of transactions carried out in periods prior to our audit as a significant risk. In the event of an unfavorable outcome for the Company, there could be a likelihood of a material impact on the financial statements. As a result, we increased the nature and scope of our procedures as follows:

During our planning phase, both on the preliminary and final phase, the audit team, together with the tax and tax controversy team, held various meetings with different areas of management (tax, legal, finance, etc.) to conduct inquiries and gain a better understanding of the legal processes the Company is facing regarding the tax treatment of transactions carried out in periods prior to our audit. We also interviewed the executives in charge of the audits as of December 31, 2023, and 2022, from the predecessor audit firm, specifically to understand their conclusions regarding the tax positions taken by management.

From our planning phase, we involved our tax controversy specialists to assist us in evaluating the conclusions issued by the external legal advisors of management, as well as to conduct an analysis and reach an independent conclusion based on the assumptions used by management and the amounts of resources to be paid in the event of unfavorable outcomes.

We evaluated the assumptions used by management based on the resolutions obtained from their legal advisors, as well as the judgments applied during and after the closing of the fiscal year related to the legal processes.

We carried out our understanding of the process and the controls employed by management for the identification and analysis of uncertain tax positions.

We requested and considered in our working papers the evidence obtained from management, which helped in evaluating and reaching the conclusions made by our tax controversy specialists.

We assessed the reasonableness of the disclosures included in Note 30 to the Company's consolidated financial statements.

**Other matters**

The consolidated financial statements of the Company as of and for the year ended December 31, 2023 and 2022 were audited by other independent auditor, who issued an unqualified opinion on those consolidated financial statements on April 25, 2024 and April 27, 2023, respectively.

**Other information**

Management is responsible for the other information. The other information comprises the information included in the annual report filed with the National Banking and Securities Commission (the CNBV) and the annual report submitted to the shareholders but does not include the consolidated financial statements and our auditor's report thereon.

We expect to obtain the other information after the date of this auditor's report. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read and consider the other information when we have access to it and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read and consider the Annual Report filed with the CNBV, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to issue a statement on the Annual Report required by the CNBV that contains a description of the matter.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the accompanying consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Mancera, S.C.
Integrante de Ernst & Young Global Limited

Our audit opinion and the accompanying financial statements and footnotes have been translated from Spanish version into English for convenience purposes only.

Monterrey, Nuevo León,
April 4, 2025

# GCC, S.A.B. de C.V. and Subsidiaries

## Consolidated statements of financial position

(In thousands of U.S. dollars ($))

| | Note | As of December 31, 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **CURRENT ASSETS** | | | | |
| Cash and cash equivalents | 6 | $830,592 | $958,725 | $826,227 |
| Accounts receivable: | | | | |
| Trade accounts receivable, net | 7 | 118,913 | 142,458 | 105,129 |
| Other accounts receivable | 7 | 29,741 | 30,283 | 31,826 |
| Due from related parties | 8 | 3,170 | 2,216 | 5,700 |
| | | **151,824** | **174,957** | **142,655** |
| Inventories | 9 | 162,066 | 142,020 | 108,041 |
| Prepaid expenses | 12 | 14,252 | 14,029 | 12,739 |
| **Total current assets** | | **1,158,734** | **1,289,731** | **1,089,662** |
| **NON-CURRENT ASSETS** | | | | |
| Inventory properties | 13 | 52,868 | 41,447 | 38,060 |
| Investments in associates, joint ventures and other investments | 13 | 28,075 | 30,174 | 23,050 |
| Property, plant and equipment, net | 15 | 1,445,576 | 1,142,871 | 1,002,294 |
| Right of use assets, net | 10 | 27,590 | 27,020 | 21,223 |
| Goodwill | 17 | 218,708 | 212,598 | 212,598 |
| Intangible assets, net | 18 | 61,516 | 55,458 | 57,423 |
| Other assets | 19 | 13,906 | 13,794 | 9,864 |
| **Total non-current assets** | | **1,848,239** | **1,523,362** | **1,364,512** |
| **TOTAL ASSETS** | | **$3,006,973** | **$2,813,093** | **$2,454,174** |

| | Note | As of December 31, 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **LIABILITIES AND EQUITY** | | | | |
| **CURRENT LIABILITIES** | | | | |
| Trade accounts payable | 20 | 160,700 | 153,735 | 149,604 |
| Due to related parties | 8 | 1,022 | 989 | 2,547 |
| Short-term employee benefits | 21 | 42,198 | 47,580 | 37,127 |
| Accrued expenses and taxes | 23 | 78,283 | 85,164 | 67,533 |
| Provisions | 23 | 3,112 | 3,753 | 44,009 |
| Lease liability | 11 | 9,248 | 9,443 | 9,010 |
| **Total current liabilities** | | **294,563** | **300,664** | **309,830** |
| **NON-CURRENT LIABILITIES** | | | | |
| Long-term financial debt | 22 | 497,300 | 496,986 | 496,684 |
| Lease liability | 11 | 19,846 | 18,419 | 12,114 |
| Employee benefits | 21 | 28,541 | 33,186 | 31,479 |
| Provision for environmental restoration | 23 | 24,875 | 25,797 | 25,781 |
| Other long-term liabilities | | - | - | 1,941 |
| Deferred income tax | 24 | 188,833 | 173,790 | 152,533 |
| **Total non-current liabilities** | | **759,395** | **748,178** | **720,532** |
| **TOTAL LIABILITIES** | | **$1,053,958** | **1,048,842** | **1,030,362** |

# GCC, S.A.B. de C.V. and Subsidiaries

## Consolidated statements of financial position

(In thousands of U.S. dollars ($))

| | Note | As of December 31, 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **STOCKHOLDER'S EQUITY** | 25 | | | |
| Issued capital | | 32,070 | 32,018 | 32,044 |
| Shared premium | | 148,365 | 148,365 | 148,365 |
| Legal reserve | | 22,659 | 22,659 | 22,659 |
| Retained earnings | | 2,054,934 | 1,758,855 | 1,499,427 |
| Other comprehensive loss | | (305,684) | (198,614) | (279,644) |
| Equity attributable to holders of the parent | | **1,952,344** | **1,763,283** | **1,422,851** |
| Non-controlling interest | | 671 | 968 | 961 |
| **Total stockholders' equity** | | **1,953,015** | **1,764,251** | **1,423,812** |
| **TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY** | | **$3,006,973** | **$2,813,093** | **$2,454,174** |

See accompanying notes to consolidated financial statements.

## Consolidated statements of profit

(In thousands of U.S. dollars ($))

| | Note | For the years ended December 31, 2024 | 2023 | 2022 |
|---|---|---|---|---|
| Net sales | 29 | $1,366,679 | $1,363,917 | $1,168,319 |
| Cost of sales | 27 | 848,951 | 862,205 | 803,844 |
| Gross profit | | 517,728 | 501,712 | 364,475 |
| General, administrative and selling expenses | 27 | 118,307 | 119,405 | 96,131 |
| **Operating income before other expenses** | | **399,421** | **382,307** | **268,344** |
| Other expenses, net | 27 | 11,139 | 6,639 | 50,622 |
| **Operating income** | | **388,282** | **375,668** | **217,722** |
| Financial expenses | 28 | 24,207 | 28,109 | 38,611 |
| Financial income – interest income | | 65,227 | 57,967 | 22,124 |
| Foreign exchange (loss) gain, net | | 6,720 | (4,529) | (1,780) |
| Share of profit of associates and joint venture | 14 | 3,849 | 3,300 | 3,284 |
| Income before income taxes | | 439,871 | 404,297 | 202,739 |
| Income tax expense | 24 | 114,017 | 108,832 | 62,478 |
| **Net income for the year** | | **$325,854** | **$295,465** | **$140,261** |
| Consolidated net income for the year attributable to: | | | | |
| Equity holders of the parent | | 325,851 | 295,462 | 140,258 |
| Non-controlling interests | | 3 | 3 | 3 |
| **Net income for the year** | | **$325,854** | **$295,465** | **$140,261** |

# GCC, S.A.B. de C.V. and Subsidiaries

## Consolidated statements of profit

(In thousands of U.S. dollars ($))

| | Note | For the years ended December 31, 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **Basic and diluted earnings per share:** | | | | |
| Weighted average outstanding shares (thousands) | | 327,538 | 326,815 | 327,970 |
| Basic and diluted earnings per share (in dollars) | | $0.99 | $0.90 | $0.43 |

See accompanying notes to consolidated financial statements.

## Consolidated statements of other comprehensive income

(In thousands of U.S. dollars ($))

| | Note | For the years ended December 31, 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **Net income for the year** | | $325,854 | $295,465 | $140,261 |
| **Other comprehensive income:** | | | | |
| Items that are or may be reclassified to net income (loss) in the future: | | | | |
| Cumulative translation adjustments net | 25 | (111,209) | 78,661 | 10,592 |
| Items that will not be reclassified to net income (loss) in the future: | | | | |
| Remeasurements of employee benefits | 25 | 5,914 | 3,385 | 7,696 |
| Income taxes effect | 25 | (1,775) | (1,016) | (2,309) |
| Total comprehensive income | | **107,070** | 81,030 | 15,979 |
| **Net comprehensive income for the year** | | **$218,784** | **$376,495** | **$156,240** |
| **Net comprehensive income for the year attributable to:** | | | | |
| Equity holders of the parent | | $219,084 | $376,492 | $156,239 |
| Non-controlling interests | | (300) | 3 | 1 |
| | | **$218,784** | **$376,495** | **$156,240** |

See accompanying notes to consolidated financial statements.

# GCC, S.A.B. de C.V. and Subsidiaries

## Consolidated statements of cash flows

(In thousands of U.S. dollars ($))

| | Note | For the years ended December 31, 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **OPERATING ACTIVITIES** | | | | |
| Consolidated net income for the year | | $325,854 | $295,465 | $140,261 |
| Adjustments for: | | | | |
| Increase in pensions plan and seniority premium | 21 | 8,917 | 8,868 | 6,538 |
| Share of profit of associates and joint venture | 14 | (3,849) | (3,300) | (3,284) |
| Depreciation | 15 | 84,060 | 70,181 | 72,337 |
| Depreciation for right of use asset | 10 | 11,755 | 12,373 | 13,791 |
| Amortization | 18 | 5,199 | 6,675 | 7,119 |
| Gain on sale of property, plant and equipment | | (226) | 1,080 | 202 |
| Income tax | 24 | 114,017 | 108,832 | 62,478 |
| Financial expenses - interest | 28 | 24,207 | 28,109 | 38,611 |
| Financial income - interest | | (65,227) | (57,967) | (22,124) |
| (Payment of) Arbitration procedure provision | 27 | - | (41,000) | 50,035 |
| Movements in working capital: | | | | |
| Trade accounts receivable | | 23,046 | (37,329) | 4,493 |
| Due to related parties | | (921) | 1,926 | (2,504) |
| Other accounts receivable | | 4,042 | 3,101 | 2,277 |
| Other assets | | - | - | - |
| Inventories | | (15,004) | (37,366) | (14,634) |
| Prepaid expenses | | (223) | (1,290) | 113 |
| Trade accounts payable | | 6,965 | 5,674 | 37,730 |
| Direct benefits paid to employees | 21 | (5,452) | (6,858) | (5,066) |
| Accruals and liabilities | | (35,890) | (10,142) | 993 |
| Cash provided by operating activities | | 481,270 | 347,032 | 389,366 |
| Income tax paid | | (79,495) | (76,285) | (15,059) |
| Net cash flows generated by operating activities | | 401,775 | 270,747 | 374,307 |
| **INVESTING ACTIVITIES** | | | | |
| Interest received | | 65,227 | 57,967 | 22,124 |
| Purchases of property, plant and equipment and other assets | | (336,813) | (163,592) | (96,378) |
| Business acquisition | 16 | (101,039) | - | - |
| Land development and purchases | 13 | (20,901) | - | - |
| Proceeds from sale of property, plant and equipment | | 1,347 | 2,780 | 2,426 |
| Net cash flows used in investing activities | | ($392,179) | ($102,845) | ($93,952) |

# GCC, S.A.B. de C.V. and Subsidiaries

## Consolidated statements of cash flows

(In thousands of U.S. dollars ($))

| | | For the years ended December 31, | | |
|---|---|---|---|---|
| | Note | 2024 | 2023 | 2022 |
| **FINANCING ACTIVITIES** | | | | |
| Payments of short-term and long-term financing | 20 | - | - | (540,000) |
| Long-term financing | | - | - | 500,000 |
| Payment of leases | 11 | (11,901) | (12,234) | (14,925) |
| Repurchase of own shares | | 119 | (13,216) | (26,443) |
| Commission for long-term debt prepayment | | - | - | (8,911) |
| Interest paid | | (21,051) | (21,051) | (18,460) |
| Dividends paid | 23 | (29,958) | (24,617) | (19,125) |
| Net cash used in financing activities | | (62,791) | (71,118) | (127,864) |
| Net increase in cash and cash equivalents | | (53,195) | 96,784 | 174,615 |
| Adjustment to cash flows for variations in exchange rates | | (74,938) | 35,714 | (31,350) |
| Cash and cash equivalents at the beginning of year | | 958,725 | 826,227 | 682,962 |
| **Cash and cash equivalents at the end of the year** | | **$830,592** | **$958,725** | **$826,227** |

See accompanying notes to consolidated financial statements.

# GCC, S.A.B. de C.V. and Subsidiaries

## Consolidated statements of changes in stockholders' equity

(In thousands of U.S. dollars ($))

| | | Issued capital | Shared premium | Legal reserve | Retained earnings | Other comprehensive (loss) | Equity attributable to owners | Non-controlling interest | Total stockholders' equity |
|---|---|---|---|---|---|---|---|---|---|
| **Balances as of January 1, 2022** | | **$32,070** | **$148,365** | **$22,659** | **$1,402,880** | **($295,623)** | **$1,310,351** | **$631** | **$1,310,982** |
| Net income for the year | | - | - | - | 140,258 | - | 140,258 | 3 | 140,261 |
| Dividends paid | 25 | - | - | - | (19,154) | - | (19,154) | - | (19,154) |
| Repurchase of own shares | | (26) | - | - | (24,557) | - | (24,583) | - | (24,583) |
| Other comprehensive loss | | - | - | - | - | 15,979 | 15,979 | 327 | 16,306 |
| **Balances as of December 31, 2022** | | **$32,044** | **$148,365** | **$22,659** | **$1,499,427** | **($279,644)** | **$1,422,851** | **$961** | **$1,423,812** |
| Net income for the year | | - | - | - | 295,462 | - | 295,462 | 3 | 295,465 |
| Dividends paid | 25 | - | - | - | (24,926) | - | (24,926) | - | (24,926) |
| Repurchase of own shares | | (26) | - | - | (11,108) | - | (11,134) | - | (11,134) |
| Other comprehensive loss | | - | - | - | - | 81,030 | 81,030 | 4 | 81,034 |
| **Balances as of December 31, 2023** | | **$32,018** | **$148,365** | **$22,659** | **$1,758,855** | **($198,614)** | **$1,763,283** | **$968** | **$1,764,251** |
| Net income for the year | | - | - | - | 325,854 | - | 325,854 | - | 325,854 |
| Dividends paid | 25 | - | - | - | (30,306) | - | (30,306) | - | (30,306) |
| Repurchase of own shares | | 52 | - | - | 531 | - | 583 | - | 583 |
| Other comprehensive loss | | - | - | - | - | (107,070) | (107,070) | (297) | (107,367) |
| **Balances as of December 31, 2024** | | **$32,070** | **$148,365** | **$22,659** | **$2,054,934** | **($305,684)** | **$1,952,344** | **$671** | **$1,953,015** |

See accompanying notes to consolidated financial statements.

# GCC, S.A.B. de C.V. and Subsidiaries

## Notes to the consolidated financial statements

For the years ended December 31, 2024, 2023 and 2022 (In thousands of U.S. dollars ($))

### 1. Description of activities

#### Description of activities

GCC, S. A. B. de C. V. is a holding company that is organized under the laws of Mexico and whose subsidiaries are principally engaged in the production and sale of hydraulic cement, concrete and aggregates in the markets of Mexico (state of Chihuahua) and the United States of America (in the central corridor from the state of Texas and New Mexico to Montana and North Dakota). GCC, S. A. B. de C. V. is listed on the Mexican Stock Exchange (BMV, by its acronym in Spanish) and is a subsidiary of CAMCEM, S. A. de C. V. (direct holding), an entity that owns 50.8% of its shares and 49.2% is traded on the BMV with the symbol GCC*.

Hereinafter the terms “GCC” or the “Company" are used to refer to GCC, S. A. B. de C. V. and Subsidiaries.

The corporate offices are located at Avenida Vicente Suarez and calle Sexta s/n, Colonia Zona Industrial Nombre de Dios, C.P. 31105, Chihuahua, Chihuahua, Mexico.

### 2. Application of new and amendments International Financial Reporting Standards (“IFRS” or “IAS”).

#### a. New and amendments IFRS Standards

In the year, GCC has applied new and revised IFRS Standards, issued by the International Financial Reporting Standards Board (IASB), which are mandatory for accounting periods beginning on or after January 1, 2024. GCC has not early adopted any standards, interpretations, or amendments that have been published but are not yet effective.

#### Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback

The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the GCC financial statements.

#### Amendments to IAS 1 - Classification of Liabilities as Current or Non-current

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity’s right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments have resulted in additional disclosures but have not had an impact on the classification of GCC liabilities.

# GCC, S.A.B. de C.V. and Subsidiaries

### Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosures required by these amendments are included in Note 20.

## 3. Functional and presentation currency

The Group's consolidated financial statements are presented in US dollar; therefore. the controlling company's functional currency is Mexican peso. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency (see Note 4 subsection d) where the functional currency of each entity is detailed). The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

The functional currency is the currency of the main economic environment in which the entity operates, that in which it generates and uses cash, GCC's operations are mainly located in the United States of America and Mexico, so US dollars and Mexican peso, respectively, currency have been designated as a functional currency.

The Company's reporting currency for purposes of the presentation of its consolidated financial statements, including the comparative amounts and the notes, is the US dollar (dollars or "$"). The aforementioned is due to the fact that the economic environment in which the Company operates is mostly in US dollars, so the consolidated financial statements expressed in US dollars reflect the results and the financial situation of the Company more adequately and reading the financial information in a global reference currency.

The consolidated financial statements are presented in US dollars ($), all values have been rounded up to thousands (000), except when another situation is mentioned.

## 4. Material accounting policies

### a) Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRS issued by the International Accounting Standards Board (IASB), adopted by the public entities in Mexico in accordance with the Rules for Public Companies and other Participants of the Mexican Stock Market, stablished by the National Commission of bank and stock.

On April 04, 2025, Maik Strecker (Chief Financial and Planning Officer), authorized the emission of the Financial Consolidated Statements.

### b) Basis of presentation and disclosure

The consolidated financial statements represent the last three years to facilitate the analysis to the reader, mostly to the foreign analysts, holders of the debt bond placed in the international markets and to facilitate possible debt and capital collocations in different markets.

The Company adopted Disclosure of Accounting Policies (Amendments to IAS 1) starting January 1, 2024. The amendments require the disclosure of "material" rather than "significant" accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The Company reviewed the accounting policies and made updates to the information disclosed in Note 4 Material Accounting Policies (2022: Significant Accounting Policies) in certain cases in accordance with the modifications.

# GCC, S.A.B. de C.V. and Subsidiaries

Reclassifications

The consolidated financial statements as of December 31, 2023, and 2022 have been reclassified in some categories to confirm the 2024 presentation..

c) Basis of preparation

The consolidated financial statements were prepared on a historical cost basis, except for the liability for employee benefits and right-of-use liabilities, which are measured at present value.

Historical cost

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for the transactions of stock-based payments that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 - inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - inputs are unobservable inputs for the asset or liability.

d ) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and those of entities controlled by the Company (its subsidiaries). Control is achieved when GCC:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to affect such returns through its power over the company in which it invests.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than the majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;

# GCC, S.A.B. de C.V. and Subsidiaries

- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to align their accounting policies with the Company's accounting policies.

All assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Company are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Company's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Company's ownership interests in existing subsidiaries

Changes in the Company's ownership interests in subsidiaries that do not result in the Company losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

When the Company loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts formerly recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Company had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

The subsidiaries included in the consolidated financial statements are presented as follows:

# GCC, S.A.B. de C.V. and Subsidiaries

| SUBSIDIARIES | % Ownership As of December 31, | | |
|---|---|---|---|
| | 2024 | 2023 | 2022 |
| **DIRECT EQUITY INTEREST IN MEXICAN SUBSIDIARIES** | | | |
| Cementos de Chihuahua, S. A. de C. V. | 99.999 | 99.999 | 99.999 |
| GCC Cemento, S. A. de C. V. | 99.999 | 99.999 | 99.999 |
| GCC Corporativo, S. A. de C. V. | 99.990 | 99.990 | 99.990 |
| **INDIRECT EQUITY INTEREST IN MEXICAN SUBSIDIARIES** | | | |
| Materiales Industriales de Chihuahua, S. A. de C. V. | 99.964 | 99.964 | 99.964 |
| GCC Concreto, S. A. de C. V. | 99.998 | 99.998 | 99.998 |
| Minera Rarámuri, S. A. | 99.990 | 99.990 | 99.990 |
| Construcentro de Chihuahua, S. A. de C. V. | 99.990 | 99.990 | 99.990 |
| GCC Edificaciones y Servicios, S. A. de C. V. | 99.990 | 99.990 | 99.990 |
| GCC Transporte, S. A. de C. V. | 99.950 | 99.950 | 99.950 |
| GCC Comercial, S. A. de C. V. | 99.990 | 99.990 | 99.990 |
| Urbanizaciones Contemporáneas, S. A. de C. V. | 99.990 | 99.990 | 99.990 |
| GCC Latinoamérica, S. A. de C. V. | 99.990 | 99.990 | 99.990 |
| GCC Mercantil, S. A. de C. V. | 99.990 | 99.990 | 99.990 |
| GCC Generación, S. A. de C. V. | 99.990 | 99.990 | 99.990 |
| GCC Solar Samalayuca, S. A. de C. V. | 99.990 | 99.990 | 99.990 |
| AMD Transportes, S. A. de C. V. | 51.000 | 51.000 | 51.000 |
| GCC Gasoductos, S. A. de C. V. | 99.990 | 99.990 | 99.990 |

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| **INDIRECT EQUITY INTEREST IN FOREIGN SUBSIDIARIES (located mainly in the United States of America)** | | | |
| GCC of America, Inc. | 100.000 | 100.000 | 100.000 |
| GCC Rio Grande, Inc. (GCCRG) | 100.000 | 100.000 | 100.000 |
| GCC Dacotah, Inc. (Dacotah) | 100.000 | 100.000 | 100.000 |
| GCC Ready Mix, LLC. (GCCRM) | 100.000 | 100.000 | 100.000 |
| Mid Continent Concrete Company, Inc. (Midco) | 100.000 | 100.000 | 100.000 |
| Alliance Transportation, Inc. (Alliance) | 100.000 | 100.000 | 100.000 |
| American Investments Company, LLC. | 100.000 | 100.000 | 100.000 |
| GCC Energy, LLC. (GCCE) | 100.000 | 100.000 | 100.000 |
| Consolidated Ready Mix, Inc. (CRM) | 100.000 | 100.000 | 100.000 |
| Materiales (Hungary) Investment Group Financing, Ltd. | 100.000 | 100.000 | 100.000 |
| GCC Alliance Concrete, Inc. (GCCAC) | 100.000 | 100.000 | 100.000 |
| Colorado Energy Recyclers, LLC. | 100.000 | 100.000 | 100.000 |
| GCC Technology and Processes, S. A. | 100.000 | 100.000 | 100.000 |
| GCC Investment, Ltd. | 100.000 | 100.000 | 100.000 |
| GCC Premium Transloaders, LLC. | 100.000 | 100.000 | 100.000 |
| Cross Border Logistics, LLC. | 49.999 | 49.999 | 49.999 |
| Sunset Properties, LLC. | 100.000 | 100.000 | 100.000 |
| NM Energy, LLC. | 100.000 | 100.000 | 100.000 |
| GCC Permian, LLC. | 100.000 | 100.000 | 100.000 |

# GCC, S.A.B. de C.V. and Subsidiaries

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| **INDIRECT EQUITY INTEREST IN FOREIGN SUBSIDIARIES (located mainly in the United States of America)** | | | |
| GCC Sun City Materials, LLC. | 100.000 | 100.000 | 100.000 |
| New Materiales Investment, LLC. | 100.000 | 100.000 | 100.000 |
| GCC Trident, LLC. (GCCTF) (formerly GCC Three Forks, LLC.) | 100.000 | 100.000 | 100.000 |
| GCC Canadian Holding, Inc. | 100.000 | 100.000 | 100.000 |

The financial statements of the subsidiaries and associates are prepared using the same reporting period as the Company, using consistent accounting policies. Intercompany balances, investments and transactions were eliminated in the consolidated financial statements.

### e) Cash and cash equivalents

Cash and cash equivalents are financial assets. Cash and cash equivalents are readily convertible into a known amount of cash with original maturities of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and in banks, deposits held on call with banks and other short-term, highly liquid investments, net of outstanding bank overdrafts.

### f) Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

### g) Financial assets

At initial recognition, the financial assets are classified as followed, according to the business model and the characteristics of their contractual flows, such as:

- Accounts receivable

Financial assets held within a business model in order to collect contractual cash flows financial assets held with the objective of collecting contractual cash flows and selling the financial asset.

All regular purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

#### Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss.

Despite the foregoing, the Company may make the following irrevocable election / designation at initial recognition of a financial asset:

- The Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and
- The Company may irrevocably designate a debt investment that meets the amortized cost or fair value through other comprehensive income (FVTOCI) criteria if doing so eliminates or significantly reduces an accounting mismatch (see (iii) below).

(i) Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortized cost of the debt instrument on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Company recognizes interest income by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit impaired.

Interest income is recognized in profit or loss and is included in the "finance income - interest income" line item.

# GCC, S.A.B. de C.V. and Subsidiaries

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- For financial assets measured at amortized cost that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss in the "Exchange (loss) gain, net";
- For debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortized cost of the debt instrument are recognized in profit or loss in the "Exchange (loss) gain, net other exchange differences are recognized in other comprehensive income in the investment's revaluation reserve;
- For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss in the "Exchange (loss) gain, net"; and
- For equity instruments measured at FVTOCI, exchange differences are recognized in other comprehensive income in the investment's revaluation reserve.

Impairment of financial assets

The Company recognizes an allowance and loss for expected credit losses on investments in debt instruments that are measured at amortized cost or at FVTOCI, cash and cash equivalents, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognizes lifetime expected credit losses (ECL) for cash and cash equivalents, trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognizes lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, GCC measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime expected credit losses represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month expected credit losses represents the portion of lifetime expected credit losses that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, GCC considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relate to the Company's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

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- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- Significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortized cost;
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- An actual or expected significant impairment in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor;
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Regardless of the outcome of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

(1) The financial instrument has a low risk of default,

(2) The debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and

(3) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligation.

The Company considers a financial asset to have low credit risk when the asset has an external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of "performing". Performing means that the counterparty has a strong financial position and there are no past due amounts.

For financial guarantee contracts, the date that the Company becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since the initial recognition of a financial guarantee contract, the Company considers the changes in the risk that the specified debtor will default on the contract.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them accordingly to ensure that the criteria are able to identify a significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the debtor; or;
- Information generated internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Company).

Regardless of the above analysis, GCC considers that default has occurred when a financial asset is more than 90 days past due unless GCC has reasonable and reliable information to demonstrate that a more lagging default criterion is more appropriate.

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(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

a. significant financial difficulty of the issuer or the borrower;

b. a breach of contract, such as a default or past due event (see (ii) above);

c. the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

d. it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or

e. the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default), and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses are consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16 "Leases".

For a financial guarantee contract, as the Company is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Company expects to receive from the holder, the debtor or any other party.

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Company recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the consolidated statement of financial position.

Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues

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to control the transferred asset, GCC recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Upon derecognition of a financial asset measured at amortized cost, the difference between the book value of the asset and the sum of the consideration received and receivable is recognized in profit or loss. In addition, upon derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss formerly accumulated in the investment revaluation reserve is reclassified to profit or loss. In contrast, in the decrease of an investment in a capital instrument that the Company chose in the initial recognition to measure fair value through other comprehensive income, the cumulative gain or loss formerly accumulated in the investment revaluation reserve is not reclassified to profit or loss but is transferred to retained earnings.

h) Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issuance costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

The financial liabilities are classified as financial liabilities to fair value through change in profit or as other financial liabilities.

Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated statements of financial position if, and only if (i) there is currently a legally enforceable right to offset the recognized amounts, and (ii) the intention is to settle on a net basis or to realize the assets and settle the liabilities in a simultaneously amount.

Long-term financial debt

After initial recognition, long-term financial debt and notes payable are subsequently measured at amortized cost using the effective interest rate. Gains and losses are recognized in the consolidated statement of other comprehensive income when the liabilities are derecognized as well as through the amortization process of the effective interest rate.

Amortized cost is calculated taking into account any discount or premium on acquisition and fees and costs that are an integral part of the effective interest rate. The amortization is included under the caption financial expenses in the consolidated statements of other comprehensive income.

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Exchange gain and loss

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, gains and losses in foreign currency are determined based on the amortized cost of the instruments. These gains and losses in foreign currency are recognized under the heading “Exchange (loss) gain, net” in results for financial liabilities that are not part of a designated hedging relationship. For those who are designated as a hedging instrument for a hedge of foreign currency risk, gains and losses in foreign currency are recognized in other comprehensive income and accumulated in a separate component of equity.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and converted at the exchange rate at the end of the reporting period. For financial liabilities that are measured at fair value through profit or loss, the foreign currency component is part of the fair value gains or losses and is recognized in profit or loss for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company’s obligations are discharged, canceled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

i) Hedge accounting

The Group uses derivative financial instruments to hedge its foreign currency risks and are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group’s net investment in a foreign operation. These are recognized in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognized in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI, or profit or loss are also recognized in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognizes the nonmonetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

On consolidation, the assets and liabilities of foreign operations are translated into euros at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

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Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

### j) Inventories and cost of sales

Inventories are stated at the lower cost and net realizable value. The cost of inventories includes all the purchase and production costs incurred to provide them with their current location and condition, and is valued as follows:

- Raw material: at acquisition cost according to the average cost formula.
- Finished goods and work in process: at acquisition cost in accordance with the average cost formula, includes payments incurred in their purchase, production or conversion costs and other costs incurred to have them in their current condition and location, excluding financial costs.
- Finished goods on sale: at cost based on the average cost.
- Spare parts and supplies: at cost based on the average cost.

Net realizable value is the sale price estimated in the ordinary course of operations, and less applicable sale expenses. The inventories line item includes developed lands that are traded as part of the normal operating activities, which are recorded at their acquisition cost, which does not exceed net realizable value.

The Company have an operation dedicated to the development of residential properties, which are marketed in the ordinary course of its operations. The Company's inventory of real state land consists of developed land, land in process of development and land reserves. These reserves are held with the intention of being developed and subsequently marketed as residential lots, both to housing developers and individuals, the land for development and land reserves are presented as long-term inventory properties, as it is expected that their development and sale will occur within a period exceeding 12 months.

These lands are stated at acquisition cost, including all direct and indirect costs associated with their development, until they are ready for sale.

The Company recognizes that the valuation of these lands is subject to changes based on market conditions and development costs. Therefore, a periodic review is conducted to ensure that inventories are maintained at a value that does not exceed their net realizable value, considering the estimated expenses to complete their development and sale.

### k) Prepaid expenses

Prepayments are recognized for the amount paid, less any subsequent amortization during the period that services or related goods are provided. The Company recognizes advance payments as an asset when it has the right to receive goods or services in the future.

### l) Property, plant and equipment

Property, plant and equipment and their significant components with useful lives different from the other assets that compose a group of fixed assets, are initially recognized at acquisition value and are presented net of the accumulated depreciation and accumulated losses for impairment.

The acquisition value of the property, plant and equipment components include costs initially incurred to be acquired or constructed, and those incurred subsequently to replace them or increase their potential service or productivity.

Property, plant and equipment are presented using the cost model as required by IAS 16 "Property, Plant and Equipment". Depreciation is recognized for expensing the cost or valuation of assets (other than land and properties under construction) less their residual value and is calculated using the straight-line method based on the estimated useful life of the assets, which is estimated according to the period in which the benefits derived from their use will be received. The useful life, residual value and depreciation method are reviewed periodically by management of the Company and the effect of any changes in the registered estimate is recognized on a prospective basis.

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Depreciation begins when the asset is available for use and is calculated based on the following annual rates, which are allocated according to their estimated useful life:

| | Percentage |
|---|---|
| Buildings | 2.00% - 4.00% |
| Machinery and equipment | 3.33% - 10.00% |
| Vehicles | 10.00% - 25.00% |
| Furniture and equipment | 10.00% - 33.33% |

### Construction in progress

Construction in progress includes the costs associated with the construction of property, plant and equipment. Once construction is complete, these assets are classified as property, plant and equipment and depreciation begins as of the date they are capitalized, which is when their period of use begins.

### Maintenance and repairs

Major repair and maintenance costs are capitalized, and a useful life and depreciation rate are estimated similarly as the other components of the same Company or class, with similar lives, and, lastly, the part of the replaced component is written off.

### Property, plant and equipment sales and write-offs

Property, plant and equipment are written off upon their sale or when future economic benefits are not expected from their use or sale. Any profit of loss upon write-off of the asset (calculated as the difference between the net income arising from the sale of the asset and its carrying amount), is included in the consolidated statement of comprehensive income in the period in which it occurs.

### Restoration provisions

The present value of the initial estimate of the place decommissioning and remediation obligation of the assets subject to this type of legal obligation is included in the Company's property cost. Changes in the measurement of a provision that result from changes in the estimated timing or amount of cash outflows, or a change in the discount rate, are added to, or deducted from, the cost of the related fixed asset.

## m) Intangible assets

### Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The costs of development are recognized at the acquisition cost less the amortization and the impairment loss. The amortization is recognized according to the exhaustion of the estimated reserve.

The amounts for the mining rights for the extraction of coal used as fuel for cement plants and for sale to third parties are depreciated according to depletion of estimated reserves.

### Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale.
- The intention to complete the intangible asset and use or sell it.

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- The ability to use or sell the intangible asset.
- How the intangible asset will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, an intangible asset that is generated internally is recognized at cost less accumulated amortization and any accumulated impairment losses on the same basis as intangible assets acquired separately.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is derecognized.

n) Goodwill

Goodwill arising on an acquisition of a business is carried at a cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested.

The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognized by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 17.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or Companies of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

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Any impairment loss for goodwill is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

### o) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

### p) Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified. The Company performs the impairment test considering assets groups that constitute cash generating units (CGU).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit.

### q) Investments in associates and joint ventures

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in deciding the financial and operating policies of the Company in which it invests but does not imply a control or joint control over those policies.

A joint venture is a contractual arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control in a business, which exists when decisions about the relevant activities require the unanimous consent of the parties sharing control.

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The results, assets and liabilities of associates and joint ventures are incorporated into the consolidated financial statements using the equity method, unless the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5, "Assets Non-current Held for Sale and Discontinued Operations". Under the equity method, investments in associates or joint ventures are initially recognized in the consolidated statement of financial position at cost and adjusted for subsequent changes to the acquisition by the Company's participation in the profit or loss and of the associate or joint venture. When the participation of the Company in the losses of an associated entity or joint venture exceeds the participation of the Company in the associate or joint venture, the Company ceases to recognize its share of losses. Additional losses are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

These assets are tested for impairment upon the occurrence of internal or external indicators of impairment affecting the asset, or derecognized in the results of operations, to determine whether their carrying value will not be recovered. An impairment loss is recognized within "Other expenses, net" for the excess of the asset's carrying amount over its recoverable amount.

When the Company carries out transactions with its associate or joint venture, the profit or loss resulting from such transactions with the associate or joint venture are recognized in the consolidated financial statements of the Company only to the extent of participation in the associate or set that is not related to the Company.

r) Leasing

The Company as lessee

The Company evaluates whether a contract contains a lease at its source. The Company recognizes a right-of-use and a corresponding lease liability with respect to all lease agreements in which it is a lessee, except for short-term leases (12 months or less) and low-value assets (such as electronic tablets, personal computers and small office furniture and telephone). For these leases, the Company recognizes rental payments as an operating expense under the straight-line method throughout the term of the lease, unless another method is more representative of the pattern of time in which the economic benefits from the consumption of leased assets.

The lease liability is initially measured at the present value of rent payments that are not paid on the start date, discounted by the rate implied in the contract. If this rate cannot be easily determined, the Company uses incremental rates.

The rent payments included in the measurement of the lease liability consist of:

- Fixed rent payments (including fixed payments in substance), less any lease incentives received;
- Variable income payments that depend on an index or rate, initially measured using the index or rate on the start date;
- The expected amount to be paid by the lessee under residual value guarantees;
- The exercise price of call options, if the lessee is reasonably certain to exercise the options; and
- Payments for penalties resulting from the termination of the lease, if the lease period reflects the exercise of a lease termination option.

The lease liability is presented as a separate concept in the consolidated statement of financial position.

The lease liability is subsequently measured with the increase in carrying amount to reflect the interest accrued on the lease liability (using the effective interest method) and reducing the carrying amount to reflect the rental payments made.

The Company redeems the lease liability (and makes the corresponding adjustment to the asset for related use rights) provided that:

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- The lease term is modified or there is a significant event or change in the circumstances of the lease resulting in a change in the evaluation of the purchase option exercise, in which case the lease liability is measured by discounting the updated rent payments using an updated discount rate.
- Rent payments are modified as a result of changes in rates or rates or a change in the expected payment under a guaranteed residual value, in which cases the lease liability is revalued by discounting the updated rent payments using the same discount rate (unless the change in rent payments is due to a change in a variable interest rate, in which case an updated discount rate is used).
- A lease is amended, and the modification of the lease is not accounted for as a separate lease, in which case the lease liability is revalued based on the lease term of the modified lease, discounting the updated rent payments using an updated discount rate at the effective date of the modification.

The Company did not realize any of the adjustment mentioned on the periods presented.

Assets for rights of use consist of the initial measurement of the corresponding lease liability, rent payments made on or before the start date, minus any lease incentive received and any initial direct costs. Subsequent valuation is cost less accumulated depreciation and impairment losses.

If the Company incurs an obligation arising from costs of dismantling and removing a leased asset, restore the place in which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision measured in accordance with IAS 37 must be recognized. To the extent that costs are related to an asset for use rights, costs are included in the asset for related use rights, unless such costs are incurred to generate inventories.

The right-of-use assets depreciate over the shortest period between the lease period and the useful life of the underlying asset. If a lease transfer ownership of the underlying asset or the cost of the asset for rights of use reflects that the Company plans to exercise a purchase option, the right-of-use asset will depreciate over the useful life. Depreciation begins on the start date of the lease.

Right-of-use assets are presented as a separate concept in the consolidated statement of financial position.

The Company applies IAS 36 to determine if a right-of-use asset is impaired and accounts for any impairment loss identified as described in the “Property, plant and equipment, net” policy.

Leases with variable incomes that do not depend on an index or rate, they are not included in the measurement of the lease liability and the right-of-use asset. Related payments are recognized as an expense in the period in which the event or condition that triggers the payments occurs and is included in the concept of “Other expenses” in the consolidated statement of profit (see Note 27).

### s) Business combinations

Business combinations are accounted for using the acquisition method. The aggregate transferred in a business combination is measured at fair value, which is calculated as the sum of the fair values of the assets transferred by the entity, less the liabilities incurred by the entity with the previous owners of the acquired company and the equity interests issued by the entity in exchange for control of the company. Acquisition-related costs are generally recognized in the income statement as they are incurred.

At the acquisition date, identifiable assets acquired, and liabilities assumed are recognized at fair value, except for:

- Deferred tax assets or liabilities and assets or liabilities related to employee benefits, which are recognized and measured in accordance with IAS 12 “Income taxes” and IAS 19 “Employee benefits”, respectively;
- Goodwill is measured as the excess of the sum of the transferred consideration, the amount of any non-controlling interest in the acquired entity (if any) over the net amounts of identifiable acquired assets and assumed liabilities at the acquisition date.

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When the aggregate transferred by the Entity in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its fair value at the acquisition date and included as part of the transferred consideration in a business combination. Changes in the fair value of contingent consideration that qualify as measurement period adjustments are retrospectively adjusted with the corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) regarding facts and circumstances that existed at the acquisition date.

The accounting treatment for changes in the fair value of contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration classified as equity is not remeasured at subsequent reporting dates, and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured at subsequent reporting dates in accordance with IAS 39, or IAS 37, 'Provisions, Contingent Liabilities and Contingent Assets', as appropriate, recognizing the corresponding gain or loss in the statement of profit or loss.

When a business combination is achieved in stages, the Entity's previously held equity interest in the acquired entity is remeasured at fair value at the acquisition date, and any resulting gain or loss, if any, is recognized in the statement of profit or loss. Amounts arising from interests in the acquired entity before the acquisition date that have been previously recognized in other comprehensive income are reclassified to profit or loss when this treatment is appropriate if such interest is eliminated.

If the initial accounting for a business combination is incomplete at the end of the reporting period in which the combination occurs, the Entity reports provisional amounts for items whose accounting is incomplete. These provisional amounts are adjusted during the measurement period (as mentioned above) or additional assets or liabilities are recognized to reflect new information obtained about the facts and circumstances that existed at the acquisition date and which, had they been known, would have affected the amounts recognized at that date.

### t) Transactions in foreign currencies

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. Assets and liabilities in foreign currencies are translated in functional currency at the rates prevailing at consolidated financial statement's date and exchange fluctuations are recognized in the year's statement, excepting the balances with related parties in foreign currency, in which case its payment has not been planned, and it is not anticipated to pay in the future as a result, it's balances are permanent investment. Exchange differences on monetary items are recognized in "Other Comprehensive Income" in the period as part of the result from translation.

In preparing the financial statements of each individual entity, transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items carried at fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

The differences in currencies are recognized in the profit statement, except for the differences in currencies that come from transactions relates to risk management rates.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Company's foreign operations are translated into U.S. dollars using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

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The exchange rates used in the conversion are presented below:

| MXN | December 31, 2024 | December 31, 2023 | December 31, 2022 |
|---|---|---|---|
| Closing exchange rate | 20.2683 | 16.9220 | 19.4143 |
| Average exchange rate | 18.3103 | 17.7597 | 20.1222 |

The exchange rate at the date of issuance of the consolidated financial statements is $20.5010 pesos per U.S. dollar.

u) Short-term and other long-term employee benefits and statutory employee profit sharing “PTU”

Employee benefits for pension and retirement

Contributions to the defined benefit retirement benefit plans are recognized as expenses at the time the employees have rendered the services that grant them the right to contributions. Contributions made to the benefit plan of the state pension scheme are accounted for as payments for the contribution plans of the Company’s obligations, this under the plans that are equivalent to the contributions of the pension benefit plan.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the consolidated statements of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in other comprehensive income and is not subsequently reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements),
- Net interest expense,
- Remeasurement.

The Company presents the first two components of defined benefit cost in the consolidated statement of income according to their respective nature. Gains and losses for service reduction are recognized as costs for past services.

The retirement benefit obligation recognized in the consolidated statements of financial position represents the actual deficit or surplus in the Company’s defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Any termination obligation is recognized at the time that the Company can no longer withdraw the compensation offer and/or when the Company recognizes the related restructuring costs. Gains and losses on service reduction are recognized as past service costs. In Mexico, termination benefits consist of a single payment equivalent to three months of salary plus 20 days for each year of service, in case of unjustified dismissal.

Defined benefits plan and seniority premiums granted to employees of subsidiaries in Mexico

The Company has a defined benefit pension covering all employees in the Mexican subsidiaries. Pensions are determined based on the compensation of employees in their final year of service, years of service in the Company and the age at retirement. Additionally, it is required to cover the employees with seniority premiums in Mexico, which are determined based on the provisions of the Federal Labor Law. Under Mexican

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law, the payment is equivalent to twelve days' salary for each year of service, where an employee becomes entitled to benefits after fifteen years of service. The cost of pension and seniority premiums are recognized based on calculations by independent actuaries using the projected unit credit method.

### Defined benefit plans and seniority premiums granted to employees of subsidiaries in the United States

The subsidiaries of the Company, GCC Rio Grande, Inc. (GCCRG) and GCC Dacotah (Dacotah), Inc., have established the following pension plans and benefits:

GCCRG and Dacotah, have both established defined benefit plans and supplemental executive retirement plans, determined based on actuarial calculations using the projected unit credit method and nominal financial assumptions.

The employees of GCCRG and Dacotah are not beneficiaries of this plan until they have a seniority of five and three years, respectively. When they fulfill such terms, they are 100% beneficiaries of the plan. Additionally, GCCRG, Dacotah, CRM, GCCE, Midco, GCCAC, GCC Three Forks, GCC Permian, GCC Sun City and Alliance have a defined contribution plan, which qualifies as a 401(k) plan and covers substantially all of their employees. The Company matches contributions up to 4.0% of their salary paid. Dacotah also has a sick leave plan as described in Note 19. All gains and losses from remeasurements associated with changes in actuarial assumptions and losses are recognized in other comprehensive income for all defined benefit plans and are not reclassified to earnings in future periods. The financial cost component that is part of the net periodic cost is presented in financial expenses in the consolidated statements of profit.

### Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees with respect to wages and salaries, annual leave and sick leave in the period of service in which it is provided for the undiscounted amount for the benefits expected to be paid for that service.

Liabilities recognized for short-term employee benefits are valued at the amount not discounted for the benefits expected to be paid for that service.

Liabilities recognized for other long-term benefits are valued at the present value of the estimated future cash disbursements that the Company expects to make related to the services provided by the employees at the reporting date.

### Contributions from employees or third parties to defined benefit plans

Discretionary contributions made by employees or third parties reduce the cost of service by paying these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, accounting depends on whether contributions are linked to the service, as follows:

- If contributions are not tied to services (for example, contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), reflected in the new measurement of net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. By the amount of contribution that depends on the number of years of service, the Company reduces the cost of service by attributing contributions to service periods, using the attribution method required by IAS 19 paragraph 70 for gross profit. For the amount of the contribution that is independent of the number of years of service, the Company reduces the cost of service by attributing contributions to employee service periods, in accordance with IAS 19 paragraph 70.

### Statutory employee profit sharing (PTU)

PTU is recorded in the profit (loss) for the year in which it is incurred and presented under operating expenses in the consolidated statements of profit.

As a result of the Income Tax Law of 2014, as of December 31, 2024, 2023 and 2022, the PTU is determined based on the taxable income under Section I of Article 9 of the same Law.

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v) Share-based payments arrangements

Share-based payment transactions of the Company

Equity-settled share-based payment to employees is measured at the fair value of the equity instruments at the date they are granted. Details regarding the determination of the fair value of equity-settled share-based transactions are presented in Note 26.

The fair value determined at the date granting the payments based on shares that can be settled through equity instruments is recorded as an expense on a straight-line basis during the vesting period, based on the Company's estimate of the equity instruments that they will eventually be awarded with a corresponding increase in equity. At the end of each period, the Company reviews its estimates of the number of equity instruments that are expected to be forfeited. The effect of the change in the original estimates, if any, is recognized in the results of the period so that the cumulative expense reflects the revised estimate, with the corresponding adjustment to equity.

w) Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current income tax

The effect on the Income Statement caused by income taxes recognizes the amounts caused on the period, as well as deferred income taxes, determined according by the tax legislation, reflecting, uncertainty on tax treatments.

Current income tax is payable on the taxable base of the year. Taxable income differs from net income as reported in profit or loss because it excludes components of income or expenses that are cumulative or deductible in other years and excludes components that have never been cumulative or deductible. The Company's liabilities for the taxes caused are calculated using the tax rates that have been decreed at the end of the reporting period.

A provision is recognized for those reasons where the tax determination is uncertain, but it is considered probable that there is a future outflow of funds for a tax authority. Provisions are valued at the best amount expected to become payable. The evaluation is based on the judgment of tax experts supported by previous experiences of the Company in these types of activities and in some cases based on the consultation of an independent tax specialist.

Deferred income tax

Deferred income taxes are recognized on temporary differences between the book value of the assets and liabilities included in the financial statements and the corresponding tax bases used to determine the fiscal result, to which the corresponding tax rate is applied. Differences and, if applicable, include the benefits of the tax losses to be amortized and of some tax credits. The deferred income tax asset or liability is generally recognized for all temporary tax differences. A deferred tax asset will be recognized for all deductible temporary differences, to the extent that it is probable that the Company will have future taxable profits against which these deductible temporary differences may apply. These assets and liabilities are not recognized if the temporary differences arise from goodwill or from the initial recognition (different from the business combination) of other assets and liabilities in an operation that does not affect the fiscal result or the accounting result.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences, and they are expected to reverse in the foreseeable future.

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The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right that allows offsetting current tax assets against current tax liabilities and when they are related to income taxes collected by the same tax authority and the Company has the intention to settle your current tax assets and liabilities on a net basis.

Income tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

### x) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, it carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, an account receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the account receivable can be measured reliably.

Restoration provisions

Provisions for the costs of restoring plant assets leased to their original condition, as stipulated in the terms and conditions of the lease, are recognized when the obligation is incurred, either on the start date of the lease or as a consequence having used the underlying asset during a particular period of the lease for the amount that management reasonably estimates will be required to restore the assets. The estimates are reviewed on a regular basis and are appropriately adjusted to the new circumstances that arise.

### y) Revenue recognition

Revenue is recognized in accordance with IFRS 15 “Revenue from Contracts with Customers”, based on the transfer of control of Goods and services to customers as the contractual performance obligations are satisfied. Revenue from the sale of cement, concrete, aggregates, and other similar products is recognized at a point in time, when control of the goods is transferred to the customer, which generally occurs at the time of delivery of the products.

According to IFRS, the amount of revenue recognized corresponds to the selling price, before sales taxes, that is expected to be received for the goods or services supplied. Revenue is adjusted for any discounts or volume rebates granted on the sale, as well as for variable considerations. Variable consideration is recognized when it is highly probable

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that a significant reversal of the recognized accumulated revenue will not occur. It is measured using the estimated value or the most likely amount method, depending on which of these methods is expected to better predict the amount to be received, based on the terms and conditions of the contract.

In relation to marketing activities, where the Company acquires finished goods for resale, revenue and costs are recognized on a gross basis. This is because the Company assumes the risks of ownership over the acquired products and does not act as an agent or commissionaire in these transactions. Therefore, revenue is recognized in full, reflecting the total amount of the sale.

### z) Earnings per share

Net earnings per share result from dividing the consolidated net income attributable to controlling interest for the year by the weighted average of outstanding shares during the year. To determine the weighted average of the outstanding shares, the shares repurchased by the Company are excluded.

Earnings (loss) per share should reflect in both the numerator and denominator the assumption that convertible instruments can be converted, that options can be exercised, or ordinary shares subject to specified conditions are issued, to the extent that such assumption results in a reduction in basic earnings per share or increase in basic loss per share, otherwise, the effects of potential shares are not considered because they generate antidilution.

### aa) Treasury shares

The Company recognizes a reserve for repurchase of its own shares and it is presented within retained earnings in the consolidated financial statements. In the event that the sale price is greater than the cost, the difference is recorded as contributed capital within additional-paid-in capital.

### ab) Presentation of the consolidated statements of profit

The costs and expenses reflected in the consolidated statements of profit of the Company were classified according to their function (in Note 27, costs and expenses by nature are disclosed). The gross profit is presented because it shows an objective assessment of operating margin, considering the industry in which the Company operates.

The line “Other expenses, net” on the Consolidated statements of profit is integrated mostly by incomes and expenses that are not related directly with the principal activities of the Company.

The Company chose to present the earnings in two statements: the first includes only the net earning or loss and is denominate “Consolidated Statements of profit”, and the second statement that includes net earnings or loss that concludes the profit statements and presents the other incomes and the participation of affiliates. It is called the “Consolidated statement of other comprehensive income”.

### ac) Presentation of the consolidated statement of cash flow

The consolidated statement of cash flow of the Company is represented using the indirect method.

### ad) Segment information

Operating segments are defined as components of a Company that develop activities, and which economic benefits and results obtained are reviewed by management on a regular basis for decision making.

The Company’s management analyzes geographical segment information by country. Consequently, management evaluates the performance of its operating results for Mexico and the United States of America for the following products: cement, ready mix concrete and the rest of the segments are grouped in “Other” (see Note 29).

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Under the concept "Other" are included products with similar characteristics related to the core business such as the sale of aggregates, concrete blocks and other building materials.

### 5. Key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note 4, the management of the Company is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Changes to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the change affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a) Useful lives of property, plant and equipment. - The Company reviews the estimated useful life of property, plant and equipment at the end of each annual period. The degree of uncertainty related to the estimated useful lives is related to the changes in the market and the use of assets for production volumes as well as technological developments.

b) Impairment of non-financial assets. - When testing assets for impairment, the Company estimates the value in use assigned to property, plant and equipment, and of its cash generating units. The calculations of value in use require the Company to determine future cash flows generated by cash generating units and an appropriate discount rate to calculate the present value thereof. The Company uses cash inflow projections using estimated market conditions, determination of future prices of products and volumes of production and sale. Similarly, for discount rate and perpetuity growth purposes, the Company uses market risk premium indicators and long-term growth expectations of markets where the Company operates.

c) Contingencies. - The Company is subject to contingent transactions or events on which it uses professional judgment in the development of estimates of occurrence probability. The factors considered in these estimates are the current legal situation as of the date of the estimate, and the legal advisors' opinion.

d) Deferred income tax. - Deferred tax assets are recognized for all tax loss carry forwards to the extent that management believes that recovery is probable through the generation of future taxable income, which are estimated using future flows.

e) Discount rates used to determine the carrying amount of the Company's defined benefit obligations and the right-of-use assets. - The determination of the benefits of borrowed obligations and right-of-use assets depend on some assumptions; they include the selection and calculation of the discount rates:

The discount rate for the benefits of borrowed obligations – is determined by reference to market performance at the end of the period in corporate bonds. Significant assumptions need to be made when setting criteria for the bonds and must be included in the yield curve. The most important criteria to consider for bond selection includes the current size of corporate bonds, the quality and identification of the guidelines that are excluded.

The discount rate for right-of-use assets - is determined by estimating the interest rate that a lessee would have to pay to borrow for a similar term and with a similar guarantee, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment.

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These assumptions are considered as keys to the estimation of uncertainty, as they may have a significant effect on the Entity's Financial Statements for the following year.

f) Lease terms. - The Company has the option to renew some of its lease agreements, particularly those related to rail cars. As there is a reasonable certainty that these leases will be renewed, management has estimated the lease period most probable of being utilized. Additionally, these contracts are historically renewed under market conditions at the expiration date, which impacts the estimate associated with the lease liability and right of use asset.

g) Uncertain tax positions. - The Company evaluates uncertain tax positions separately or in conjunction with one or more uncertain tax positions based on the relevant circumstances. Management estimates the expected resolution of the uncertainty and recognizes a provision based on the amount that is not probable to be sustained based on all legal avenues available. Due to the uncertainty associated with such tax positions, there is a possibility that at the ultimate result could differ from the amount recognized.

## 6. Cash and cash equivalents

The Cash deposited in bank accounts earns interest at variable rates based on the daily rates determined by the respective banks. Cash equivalents correspond to "on-demand" deposits made for various periods ranging from one day to three months, depending on the Company's immediate cash needs, and they earn interest at the respective rates for each deposit, which are market rates.

As of December 31, 2024, 2023 and 2022, the cash and cash equivalents are as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Cash and bank balances | $169,435 | $265,900 | $309,677 |
| Cash equivalents | 661,157 | 692,825 | 516,550 |
| | **$830,592** | **$958,725** | **$826,227** |

## 7. Trade accounts receivable and other accounts receivable

Balances receivable from customers and allowance for doubtful accounts as of December 31, 2024, 2023 and 2022, are as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Trade accounts receivable | $124,984 | $150,194 | $112,929 |
| Expected credit loss | (6,071) | (7,736) | (7,800) |
| | **$118,913** | **$142,458** | **$105,129** |

Movements in the expected credit loss are as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Beginning balance | ($7,736) | ($7,800) | ($7,056) |
| Increases during the year | (1,616) | (2,502) | (5,074) |
| Write-offs | 2,564 | 3,187 | 4,577 |
| Translation effect | 717 | (621) | (247) |
| | **($6,071)** | **($7,736)** | **($7,800)** |

The impairment loss on financial assets, included on the accounts receivables, are recognized using expected credit loss assessment (ECL) for all the entire lifetime of the asset in their initial recognition, and in subsequent period, even in the absence of a loss, considering for their measure on past events and actual conditions, based on moderate expectations that affects the collectability. We segment our accounts receivables by country, customer type or credit risk and we determined for each segment an average rate of impairment loss, considering the real experience of credit loss of the last 24 months and the possible future bad debt, that is applied to each balance of the accounts receivable. The average rate of the impairment loss increases in each segment of days of bad debt up to 100% for 365 or more days.

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The credit risk in accounts receivable from clients is diversified as the Company has a broad client base that is geographically dispersed in both Mexico and the United States of America, which is why their management of the credit and collection is based on the commercial practices in each country.

In Mexico, the management is responsible and has the ability to establish the processes and procedures for the administration of the guarantees that support the existing credit lines. A client's credit is suspended when its account reaches the credit limit granted, if it presents past due balances or if there is potential risk of non-collection. The Company's management can authorize payment plans with clients up to four months and at a competitive rate according to the market, to validate past due accounts.

In the United States of America, the average credit term on the sale of goods is 60 days. There is no interest charge on accounts receivable from customers for the first 60 days after billing. After that date, 18% annual interest is charged on the outstanding balance. The Company has recognized an allowance for doubtful accounts for 95% of all accounts receivable that are 120 days old or more, because from experience accounts receivable overdue for more than 120 days are not recovered. For accounts receivable that are between 60 and 120 days old, an allowance for doubtful accounts is recognized based on irrecoverable amounts determined by the counterparty default experiences and an analysis of their current financial position.

There has been no change in the estimation of the techniques or assumptions made during the period.

Before accepting any new client, the Company uses an internal credit rating system to assess the credit quality of the potential client and defines the credit limits per client. The limits and ratings attributed to clients are reviewed once a year or at the end of each project, when this is the case. 55% of accounts receivable from customers that are not due or impaired have the highest attributable credit rating according to the internal credit rating system used by the Company.

From the balance of accounts receivable from customers at year-end, the customer with the most significant balance as of December 31, 2024, 2023 and 2022, owes $ 6,035, $ 6,240 and $ 5,318 respectively. No other customer accounts for more than 4.9% of the total balance of accounts receivable.

The balance of other accounts receivable are as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Recoverable taxes | $26,546 | $24,662 | $26,705 |
| Other | 3,195 | 5,621 | 5,121 |
| | **$29,741** | **$30,283** | **$31,826** |

## 8. Balance and transactions with related parties

a) As of December 31, 2024, 2023 and 2022, the accounts receivable from related parties are as follows:

| ACCOUNTS RECEIVABLE | 2024 | 2023 | 2022 |
|---|---|---|---|
| Inmobiliaria Ruba, S.A. de C.V. | $2,374 | $1,018 | $1,486 |
| Copachisa, S.A. de C.V. | 128 | 969 | 3,465 |
| Abastecedora de Fierro y Acero, S.A. de C.V. | 519 | 188 | 606 |
| Cemex, S.A.B. de C.V. | 149 | 41 | 143 |
| | **$3,170** | **$2,216** | **$5,700** |

Balances due from related parties are considered recoverable, this is evaluated according to the impairment loss on financial assets described in Note 7. Accordingly, for the years ended December 31, 2024, 2023 and 2022, there was no expense resulting from the uncollectible balances due from related parties, considering their expected credit loss.

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b) As of December 31, 2024, 2023 and 2022, accounts payable to related parties are as follows:

| ACCOUNTS PAYABLE | 2024 | 2023 | 2022 |
|---|---|---|---|
| Cemex, S. A. B. de C. V. | $493 | $74 | $1,902 |
| Madata IT, S. A. de C. V. | 525 | 882 | 610 |
| Abastecedora de Fierro y Acero, S. A. de C. V. | 4 | 33 | 35 |
| | **$1,022** | **$989** | **$2,547** |

c) During the years ended December 31, 2024, 2023 and 2022, the Company had transactions with related parties, as follows:

| SALES OF CEMENT AND CONSTRUCTION MATERIALS | 2024 | 2023 | 2022 |
|---|---|---|---|
| Inmobiliaria Ruba, S. A. de C. V. | $13,417 | $11,618 | $8,349 |
| Copachisa, S. A. de C. V. | 2,408 | 13,700 | 10,602 |
| Abastecedora de Fierro y Acero, S. A. de C. V. | 2,403 | 3,083 | 2,543 |
| Cemex, S. A. B. de C. V. | - | - | 199 |
| | **$18,228** | **$28,401** | **$21,693** |

| PURCHASES OF INVENTORIES AND OTHER SERVICES | 2024 | 2023 | 2022 |
|---|---|---|---|
| Madata IT, S. A. de C. V. | $6,442 | $6,449 | $5,834 |
| Cemex, S. A. B. de C. V. | 5,211 | 7,775 | 8,572 |
| Abastecedora de Fierro y Acero, S. A. de C. V. | 678 | 742 | 736 |
| | **$12,331** | **$14,966** | **$15,142** |

d) An analysis of employee benefits granted to the Company's directors and senior management for the years ended December 31, 2024, 2023 and 2022, is as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Short-term benefits | $8,835 | $9,901 | $9,547 |
| Long-term benefits | $5,146 | $2,301 | $2,347 |

## 9. Inventories

An analysis of this line item as of December 31, 2024, 2023 and 2022, is as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Finished goods | $60,535 | $47,313 | $34,162 |
| Work in process | 33,046 | 33,295 | 26,542 |
| Raw materials and spare parts | 68,485 | 61,412 | 47,337 |
| | **$162,066** | **$142,020** | **$108,041** |

The amount of inventories that was recognized in cost of sales in 2024, 2023 and 2022 amounted to $ 848,951, $ 861,363 and $803,844, respectively.

During the years ended December 31, 2024, 2023 and 2022, there were no decreases in inventory due to impairment.

## 10. Right of use assets

The Company leases various assets, including rail cars, heavy machinery and vehicles. The average lease term is five years for 2024, 2023 and 2022.

The main contracts entered into by the Company as a lessee do not have the option of buying the leased assets for a nominal amount at the end of the lease period. The obligations of the Company are secured by the title of the lessor to the assets leased in such leases.

New leases replaced overdue contracts with identical underlying assets. This resulted in the additions of lease right of use assets as of December 31, 2024, 2023 and 2022, for

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$ 12,325, $ 18,170 and $ 19,730, respectively. For 2024, the additions were of rail cars for $ 8,161, machinery and equipment for $ 247, vehicles for $ 1,720 and properties for $ 2,067. For 2023, the additions were of rail cars for $ 12,602, machinery and equipment for $ 2,017, vehicles for $ 1,759 and properties for $ 1,792. For 2022, the additions were rail cars for $ 12,489, machinery and equipment for $ 2,132, vehicles for $ 2,389 and properties for $1,617.

The lease right of use asset recognized in the consolidated statement of financial position as of December 31, 2024, 2023 and 2022, is integrated as follows:

| RIGHT OF USE ASSET | Rail cars | Machinery and equipment | Vehicles | Property | Total |
|---|---|---|---|---|---|
| As of December 31, 2022 | $14,894 | $1,486 | $2,925 | $1,918 | $21,223 |
| As of December 31, 2023 | $18,403 | $1,846 | $3,829 | $2,942 | $27,020 |
| As of December 31, 2024 | $18,533 | $1,205 | $3,932 | $3,920 | $27,590 |
| | | | | | |
| Depreciation expense 2024 | ($9,430) | ( $2,252) | ($1,019) | ($1,090) | ($13,791) |
| Depreciation expense 2023 | ($9,575) | ($698) | ($1,330) | ($770) | ($12,373) |
| Depreciation expense 2022 | ($8,161) | ($963) | ($1,617) | ($1,014) | ($11,755) |

During the years ended December 31, 2024, 2023 and 2022, low-value asset leases, short-term lease and leases with variable payments, are not relevant.

The weighted average incremental rates on which the minimum payments of the lease agreements within the scope of IFRS 16 for the 2024, 2023 and 2022 contracts were discounted to present value were 3.61%, 3.61% and 3.31% respectively.

## 11. Lease liability

As of December 31, 2024, 2023 and 2022, changes in the lease liability related to the finance activities in accordance with the consolidated statement of cash flows are integrated as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Beginning balance as of January 1, | $27,862 | $21,124 | $16,409 |
| New contracts | 12,235 | 18,168 | 18,627 |
| Adjustments to the liability balance | - | - | - |
| Interest expense for lease liabilities | 808 | 804 | 1,013 |
| Lease payments | (11,811) | (12,234) | (14,925) |
| **End balance** | **$29,094** | **$27,862** | **$21,124** |

The leases liability is integrated by:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Short-term | 9,248 | 9,443 | 9,010 |
| Long-term | 19,846 | 18,419 | 12,114 |
| **End balance** | **$29,094** | **$27,862** | **$21,124** |

The total of future fixed payments of leases that include un-accrued interest is analyzed as follows:

| MATURITY ANALYSIS | |
|---|---|
| 2025 | $11,791 |
| 2026 | 7,526 |
| 2027 | 4,826 |
| 2028 | 3,075 |
| 2029 | 1,666 |
| 2030 and subsequent | 2,606 |
| | 31,490 |
| Un-accrued interest | (2,396) |
| | **$29,094** |

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The Company does not face a significant liquidity risk with respect to its lease liabilities. The Company's treasury department monitors lease liabilities.

## 12. Prepaid expenses

An analysis of this line item as of December 31, 2024, 2023 and 2022, is as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Advances to suppliers | $9,894 | $10,814 | $9,511 |
| Prepaid expenses | 4,358 | 3,215 | 3,228 |
| | **$14,252** | **$14,029** | **$12,739** |

## 13. Inventory property

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Residential and commercial land for sale | $3,375 | $4,361 | $4,733 |
| Land under development | 23,040 | 28,246 | 25,622 |
| Land reserves | 26,453 | 8,840 | 7,705 |
| | **$52,868** | **$41,447** | **$38,060** |

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Beginning balance | $41,447 | $38,060 | $35,775 |
| Incurred development costs | 1,830 | 434 | 4,195 |
| Sale of completed properties | (2,638) | (2,652) | (4,064) |
| Acquisition of land reserves for development | 19,070 | - | - |
| Translation effect | (6,841) | 5,605 | 2,154 |
| | **$52,868** | **$41,447** | **$38,060** |

As mentioned in Note 4 j), the Company has an operation dedicated to the development of residential properties, which are marketed in the ordinary course of its operations. The Company's real inventory properties consist of developed land, land under development, and land reserves. These reserves are maintained with the intention of being developed and later sold as residential lots, both to housing developers and individuals.

The majority of the land under development, as well as the land reserves, are expected to be completed and sold within a period of 4 to 5 years. This timeframe is due to the fact that the land development process requires significant time to comply with urban planning regulations, carry out necessary infrastructure works, and ensure the quality of services to be provided to future residents.

The Company does not expect to complete and sell the majority of the inventory properties in the next fiscal year, as the development cycle for these lands is long and subject to various factors, including obtaining permits, urban planning, and market conditions. Therefore, the real estate inventory is considered a long-term strategic investment, aligned with the Company's growth and expansion objectives in the residential sector.

## 14. Investments in associates, joint ventures and other investments

a) The associated companies are business in Mexico with activities different from those of the Company and are private entities that are not listed on a stock exchange. The interests in these companies are recognized using equity method in the consolidated financial statements. An analysis of this line item as of December 31, 2024, 2023 and 2022, is as follows:

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| | % Equity Interest | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| Associated companies: | | | | |
| Operadora y Tenedora de Acciones, S.A. de C.V. | 17.5 | $16,581 | $17,706 | $12,587 |
| Servicios de Previsión Integral, S.A. de C.V. | 33.3 | 7,848 | 8,221 | 6,721 |
| Total associates | | $24,429 | $25,927 | $19,308 |
| Joint ventures: | | | | |
| Madata IT, S.A. de C.V. | 58 | $2,593 | $2,924 | $2,578 |
| Desarrolladora de Infraestructura Productiva, S.A. de C.V. | 50 | 554 | 642 | 630 |
| Total joint ventures | | $3,147 | $3,566 | $3,208 |
| Other investments | | 499 | 681 | 534 |
| | | **$28,075** | **$30,174** | **$23,050** |

b) The net income of the entities is recognized under the equity method in 2024, 2023 and 2022 as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Associates: | | | |
| Operadora y Tenedora de Acciones, S.A. de C.V. | $2,336 | $2,844 | $2,003 |
| Servicios de Previsión Integral, S.A. de C.V. | 1,309 | 476 | 1,015 |
| Total associates | $3,645 | $3,320 | $3,018 |
| Joint ventures: | | | |
| Madata IT, S.A. de C.V. | 186 | (29) | 318 |
| Desarrolladora de Infraestructura Productiva, S.A. de C.V. | 18 | 9 | (52) |
| Total joint ventures | $204 | ($20) | $266 |
| | **$3,849** | **$3,300** | **$3,284** |

During the years 2024, 2023 and 2022, associates do not distributed dividends.

## 15. Property, plant and equipment

An analysis of this line item as of December 31, 2024 is as follows:

| | December 31, 2023 | Additions | Disposals | Transfers | Depreciation | Translation effect | December 31, 2024 |
|---|---|---|---|---|---|---|---|
| Property | $405,228 | $1,601 | $ - | $17,596 | $ - | ($26,893) | $397,532 |
| Machinery and equipment | 1,178,493 | 60,350 | (705) | 170,888 | - | (84,143) | 1,324,883 |
| Vehicles | 181,769 | 15,038 | (5,238) | 2,769 | - | (7,318) | 187,020 |
| Furniture and equipment | 38,135 | 1,100 | (1) | 1,929 | - | (3,825) | 37,338 |
| Accumulated depreciation | (1,231,211) | - | 5,657 | - | (84,060) | 89,804 | (1,219,810) |
| Net carrying amount | 572,414 | 79,089 | (287) | 193,182 | (84,060) | (32,375) | 726,964 |
| Land | 209,238 | 82,529 | 88 | 1,332 | - | (30,600) | 262,587 |
| Investments projects in process | 361,219 | 316,253 | - | (208,065) | - | (13,382) | 456,025 |
| | **$1,142,871** | **$476,871** | **($199)** | **($13,551)** | **($84,060)** | **($76,357)** | **$1,445,576** |

An analysis of this line item as of December 31, 2023 is as follows:

| | December 31, 2022 | Additions | Disposals | Transfers | Depreciation | Translation effect | December 31,2023 |
|---|---|---|---|---|---|---|---|
| Property | $373,324 | $2,858 | ($707) | $13,304 | $ - | $16,449 | $405,228 |
| Machinery and equipment | 1,096,498 | 15,139 | (2,174) | 18,282 | - | 50,748 | 1,178,493 |
| Vehicles | 158,176 | 12,693 | (2,863) | 4,047 | - | 9,716 | 181,769 |
| Furniture and equipment | 33,330 | 719 | (101) | 1,540 | - | 2,647 | 38,135 |
| Accumulated depreciation | (1,101,284) | - | 4,692 | - | (70,181) | (64,438) | (1,231,211) |

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| | December 31, 2022 | Additions | Disposals | Transfers | Depreciation | Translation effect | December 31,2023 |
|---|---|---|---|---|---|---|---|
| Net carrying amount | 560,044 | 31,409 | (1,153) | 37,173 | (70,181) | 15,122 | 572,414 |
| Land | 202,541 | 968 | (2,812) | 21 | - | 8,520 | 209,238 |
| Investments projects in process | 239,709 | 150,979 | - | (37,814) | - | 8,345 | 361,219 |
| | **$1,002,294** | **$183,356** | **($3,965)** | **($620)** | **($70,181)** | **$31,987** | **$1,142,871** |

An analysis of this line item as of December 31, 2022, is as follows:

| | December 31, 2021 | Additions | Disposals | Transfers | Depreciation | Translation effect | December 31,2022 |
|---|---|---|---|---|---|---|---|
| Property | $365,800 | $1,006 | $- | $203 | $- | $6,315 | $373,324 |
| Machinery and equipment | 1,052,272 | 16,396 | (2,802) | 8,943 | - | 21,689 | 1,096,498 |
| Vehicles | 144,598 | 13,634 | (6,188) | 2,749 | - | 3,383 | 158,176 |
| Furniture and equipment | 30,518 | 1,563 | (31) | 342 | - | 938 | 33,330 |
| Accumulated depreciation | (1,015,092) | - | 8,429 | - | (72,337) | (22,284) | (1,101,284) |
| Net carrying amount | 578,096 | 32,599 | (592) | 12,237 | (72,337) | 10,041 | 560,044 |
| Land | 197,983 | 1,277 | (1) | - | - | 3,282 | 202,541 |
| Investments projects in process | 158,031 | 92,697 | - | (12,277) | - | 1,258 | 239,709 |
| | **$934,110** | **$126,573** | **($593)** | **($40)** | **($72,337)** | **$14,581** | **$1,002,294** |

The additions for 2024 includes $ 20,399 of machinery and equipment and $ 71,449 of land originating from the acquisition of assets in Texas see Note 16.

As of December 31, 2024, construction in progress is mainly related to improvements in the cement plants for $ 456,026, which are distributed in the United States of America and Mexico for $ 420,469 and $ 35,557, respectively. In addition to the installation of the furnace 3 in the United States of America for $ 359,647 and the increase in production capacity on plant Samalayuca, Mexico.

The capitalized borrowing costs are included in the category of property, plant and equipment and depreciated over the useful life of such assets.

The balances of construction in progress for the years ended December 31, 2024, 2023 and 2022 is as follows:

| CUMULATIVE AMOUNT OF | |
|---|---|
| | **Investment for the acquisition of qualifying assets** |
| Construction in progress 2024 | $316,253 |
| Construction in progress 2023 | $150,979 |
| Construction in progress 2022 | $92,697 |

The depreciation expense recognized in net income statement for the years ended December 31, 2024, 2023 and 2022 was $ 84,060, $ 70,181 and $ 72,337, respectively.

Machinery and equipment include strategic spare parts of $ 21,291, $ 23,907 and $ 19,887 as of December 31, 2023, 2022 and 2021, respectively.

The capitalized interests during 2024 were $ 3,761, the capitalized interest rate was 3.61%

As of December 31, 2024, 2023 and 2022 the fully depreciated assets that are still in use were $ 489,496, $ 481,919 and $ 423,264, respectively.

## 16. Business combinations

a) As of September 30, and December 31 2024, the Company acquire assets in Texas, United States of America with purpose of continue with the expansion activities and strengthening the Aggregates operations, which will be operated by the Company NM Energy, LLC. (subsidiary company).

Acquired assets as of the acquisition date:

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| | Total |
|---|---|
| Short-term assets: | |
| Inventory | $2,404 |
| Long-term assets: | |
| Properties, plant and equipment (Note 15) | 91,869 |
| Non-complete agreement | 656 |
| **Total assets** | **$94,929** |

b) Goodwill determined in the preliminary acquisition

| | Total |
|---|---|
| Transferred consideration | $101,039 |
| Less: net fair value of the acquired assets | 94,929 |
| **Goodwill determined in the preliminary acquisition** | **$6,110** |

c) Effect of acquisition on the Company's result

The result for the year includes $ 49 attributable to additional business. The income of the period includes $ 3,434.

If business combinations had been made as of January 1, 2024, the results for the year and revenues would not have had significant changes.

## 17. Goodwill

As of December 31, 2024, 2023 and 2022, this line item is as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Beginning balance | $212,598 | $212,598 | $212,598 |
| Increase (Note 15) | 6,110 | - | - |
| **Ending balance** | **$218,708** | **$212,598** | **$212,598** |

The main cash generating units (CGU) with goodwill and their book values as of December 31, 2024, 2023 and 2022 are described as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Cement and energy division (USA) | $136,913 | $136,913 | $136,913 |
| Concrete division (USA) | 81,795 | 75,685 | 75,685 |
| | **$218,708** | **$212,598** | **$212,598** |

Assessment of goodwill impairment

The behavior of the economic and competition trends in the markets where the Company operates have a significant impact in the assessment of goodwill impairment and the determination of recovery values of its cash-generating units. The total goodwill balance arose from business combinations in the United States of America.

The following factors are considered to assess the recoverable value:

- Market share and expected price levels
- Size of the market where the Company operates for purposes of estimating the recoverable values
- Behavior of main costs of raw materials and inputs, and the expenses necessary to maintain fixed assets in operational conditions
- The specific discount rate of the country where the Company operates, based on the weighted cost of capital and variables of market conditions as of the measurement date
- Estimated perpetuity growth rate

Below are the parameters used to measure the recoverable value of the cash-generating units to which goodwill is assigned:

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- Cash flow projections of the next five years based on the estimates performed during the last quarter of the year of the assessment date, considering the budget approved by Management as a baseline, which includes the most recent trends
- A discount rate of the country where the Company operates, which considers specific market risks
- Perpetuity growth rate for the business segment and the market where the Company operates

Below are the discount and perpetuity growth rates corresponding to the United States of America market used for the periods ended December 31, 2024, 2023 and 2022:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Discount rate | 9.6% | 9.5% | 8.3% |
| Perpetuity growth rate | 2.1% | 2.0% | 2.2% |

As of December 31, 2024, the Company performed a sensitivity analysis on the impact of a possible increase or decrease of one percentage point in the discount rate and the perpetuity growth rate for the Cash Generating Units and is as follows:

| Cash generating unit | Excess recoverable value over carrying amount | Impact on decrease or increase | | | |
|---|---|---|---|---|---|
| | | Discount rate | | Perpetuity growth rate | |
| | | + 1% | - 1% | + 1% | - 1% |
| Cement and energy division | $2,784,567 | $2,376,968 | $3,310,625 | $3,057,953 | $2,570,814 |
| Concrete division (USA) | 240,797 | 186,282 | 312,167 | 278,859 | 211,616 |

## 18. Intangible assets

As of December 31, 2024, this item is as follows:

| | Useful life | December 31, 2023 | Investments | Amortization | Translation effect | December 31, 2024 |
|---|---|---|---|---|---|---|
| Customer relations | 20 and 15 | $57,330 | $ - | $ - | $ - | $57,330 |
| Non-compete agreements | 5 | 24,601 | - | - | 97 | 24,698 |
| Software licenses | 5 | 28,884 | 972 | - | (2,915) | 26,941 |
| Road improvement agreement | 5 and 15 | 23,925 | 10,790 | - | (5,126) | 29,589 |
| Mining rights | | 2,833 | 4,930 | - | (266) | 7,497 |
| Installation expenses | | 1,629 | - | - | - | 1,629 |
| Accumulated amortization | | (83,744) | - | (5,199) | 2,775 | (86,168) |
| | | **$55,458** | **$16,692** | **($5,199)** | **($5,435)** | **$61,516** |

As of December 31, 2023, this item is as follows:

| | Useful life | December 31, 2022 | Investments | Amortization | Translation effect | December 31, 2023 |
|---|---|---|---|---|---|---|
| Customer relations | 20 and 15 | $57,330 | $ - | $ - | $ - | $57,330 |
| Non-compete agreements | 5 | 25,258 | - | - | (657) | 24,601 |
| Software licenses | 5 | 26,318 | 293 | - | 2,273 | 28,884 |
| Road improvement agreement | 5 and 15 | 20,808 | 5,121 | - | 320 | 21,249 |
| Mining rights | | 2,626 | - | - | 207 | 2,833 |
| Installation expenses | | 1,629 | - | - | - | 1,629 |
| Accumulated amortization | | (76,546) | - | (6,675) | (2,847) | (86,068) |
| | | **$57,423** | **$5,414** | **($6,675)** | **($704)** | **$50,458** |

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As of December 31, 2022, this item is as follows:

| | Useful life | December 31, 2021 | Investments | Amortization | Translation effect | December 31, 2022 |
|---|---|---|---|---|---|---|
| Customer relations | 20 and 15 | $57,330 | $ - | $ - | $ - | $57,330 |
| Non-compete agreements | 5 | 25,258 | - | - | - | 25,258 |
| Software licenses | 5 | 25,348 | 114 | - | 856 | 26,318 |
| Road improvement agreement | 5 and 15 | 19,738 | 1,037 | - | 33 | 20,808 |
| Mining rights | | 2,546 | - | - | 80 | 2,626 |
| Installation expenses | | 1,629 | - | - | - | 1,629 |
| Accumulated amortization | | (69,098) | - | (7,119) | (329) | (76,546) |
| | | **$62,751** | **$1,151** | **($7 ,119)** | **$640** | **$57,423** |

As of December 31, 2024, 2023 and 2022 the fully depreciated intangible assets that are still in use were $ 25,277, 26,649 and 22,398, respectively.

## 19. Other assets

As of December 31, 2024, 2023 and 2022, this item consists of the following:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Long-term accounts and notes receivable | $3,166 | $3,957 | $2,594 |
| Operation permits and others | 9,439 | 8,114 | 5,811 |
| Guarantee deposits | 819 | 1,040 | 1,105 |
| Restricted cash | 482 | 683 | 354 |
| | **$13,906** | **$13,794** | **$9,864** |

Restricted cash consists of cash deposited in an escrow account required by the State of Colorado's Mined Land Reclamation Board, in the United States of America, that the company will keep until a construction project that is in progress in that state and a cash deposit on a special account for the insurance supplier that has agreed to keep.

## 20. Accounts payable

Accounts payable are integrated mostly to outstanding amounts for business purchases and ongoing costs. The average Credit period for the purchase of certain goods is 3 months. The entity has implemented a financial risk management policy to ensure the payment of the accounts Payable in accordance with pre-agreed credit terms.

The Company has a financing agreement that is offered to all of its suppliers. Participation in the agreement is at the discretion of the suppliers. The suppliers who choose to participate in the supplier financing agreement will receive early payment for the invoices submitted to the Company by the Company's external financing provider. If suppliers opt to receive early payment, they must pay a fee to the financing provider, in which the Company is not involved. In order for the financing provider to make the payment for the invoices, the goods must have been received or supplied, and the Company must have approved the invoices. The financing provider processes payments to the suppliers before the invoice due date, and in all cases, the Company settles the original invoice by paying the financing provider in accordance with the original invoice due date mentioned above. No renegotiation of payment terms with suppliers has occurred in relation to the agreement. The Company does not provide any guarantee to the financing provider.

All the commercial accounts payable under the supplier financial agreement are included in "Trade accounts payable" in the consolidated statements of financial position.

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Carrying amount of accounts payable that are part of the Supplier financial agreement, and for which the suppliers have already received payment | $25,003 | $29,781 | $22,651 |

There have been no changes that do not involve significant cash flows in the carrying amount of accounts payable included in the Company's supplier financing agreement.

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## 21. Employee benefits

### Short-term benefits

Short-term employee benefits as of December 31, 2024, 2023 and 2022, are as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Salaries and wages payable | $24,635 | $29,304 | $23,846 |
| Vacations and vacation bonus | 7,976 | 8,237 | 7,104 |
| Social security contributions and other taxes | 2,354 | 1,814 | 1,342 |
| Other benefits | 7,233 | 8,225 | 4,835 |
| | **$42,198** | **$47,580** | **$37,127** |

### Post-retirement benefit obligation

a) Retirement benefits are granted through defined pension plans that cover all workers of the Mexican subsidiaries. Pensions are determined based on employees' salaries in their last year of work, seniority in the Company, and their age upon retirement. Seniority premiums are paid to personnel based on the provisions of the Mexican Labor Law.

b) The components of the net cost of the period charged to profit or loss for the years ended December 31, 2024, 2023 and 2022, as well as the employee benefit obligations as of such dates are integrated as follows:

| NET COST OF THE YEAR | 2024 | 2023 | 2022 |
|---|---|---|---|
| Mexico | $5,219 | $5,120 | $3,064 |
| United States of America | 3,698 | 3,748 | 3,474 |
| | **$8,917** | **$8,868** | **$6,538** |

The employee benefit obligation as of December 31, 2024, 2023 and 2022, is as follows:

| DEFINED BENEFIT OBLIGATIONS | 2024 | 2023 | 2022 |
|---|---|---|---|
| Mexico | $20,629 | $21,332 | $15,584 |
| United States of America | 7,912 | 11,854 | 15,895 |
| | **$28,541** | **$33,186** | **$31,479** |

Balances as of December 31, 2024, are as follows:

| DEFINED BENEFIT OBLIGATIONS (DBO) | Seniority premium | Pension plan | Total Mexico | Pension plan USA |
|---|---|---|---|---|
| DBO present value as of January 1, 2024 | $1,042 | $20,290 | $21,332 | $55,684 |
| Service cost | 65 | 1,499 | 1,564 | 1,083 |
| Interest cost | 89 | 1,660 | 1,749 | 2,615 |
| Past service cost | 2,275 | 642 | 2,917 | - |
| Early retirement or settlement | 562 | 1,343 | 1,905 | - |
| Net cost of the period | $2,991 | $5,144 | $8,135 | $3,698 |
| Actuarial remeasurement | 59 | 1,173 | 1,232 | (2,756) |
| Benefits paid | (617) | (3,098) | (3,715) | (2,597) |
| Translation effect | - | (6,355) | (6,355) | - |
| | ($558) | ($8,280) | ($8,838) | ($5,353) |
| DBO present value as of December 31, 2024 | $1,200 | $19,429 | $20,629 | $54,029 |
| Fair value of plan assets | - | - | - | (46,117) |
| **Net liability** | **$1,200** | **$19,429** | **$20,629** | **$7,912** |

# GCC, S.A.B. de C.V. and Subsidiaries

Plan assets (PA) are recognized at fair value; as of December 31, 2024, the changes to these assets are as follows:

| 2024 | Mexico | USA |
|---|---|---|
| PA fair value as of January 1, 2024 | ($63) | ($43,830) |
| Contributions made by the Company | - | (2,675) |
| Benefits paid | - | (2,388) |
| Expected return on assets | 63 | (2,000) |
| **PA fair value as of December 31, 2024** | **$ -** | **($46,117)** |

Balances as of December 31, 2023, are as follows:

| DEFINED BENEFIT OBLIGATIONS (DBO) | Seniority premium | Pension plan | Total Mexico | Pension plan USA |
|---|---|---|---|---|
| DBO present value as of January 1, 2023 | $1,058 | $14,525 | $15,583 | $54,157 |
| Service cost | 69 | 1,818 | 1,887 | 1,190 |
| Interest cost | 94 | 1,607 | 1,701 | 2,558 |
| Early retirement or settlement | 416 | 1,116 | 1,532 | - |
| Net cost of the period | $579 | $4,541 | $5,120 | $3,748 |
| Actuarial remeasurement | 72 | 818 | 890 | (53) |
| Benefits paid | (667) | (3,980) | (4,647) | (2,168) |
| Translation effect | - | 4,386 | 4,386 | - |
| | ($595) | $1,224 | $629 | ($2,221) |
| DBO present value as of December 31, 2023 | $1,042 | $20,290 | $21,332 | $55,684 |
| Fair value of plan assets | - | - | - | (43,830) |
| **Net liability** | **$1,042** | **$20,290** | **$21,332** | **$11,854** |

Plan assets (PA) are recognized at fair value; as of December 31, 2023, the changes to these assets are as follows:

| 2023 | Mexico | USA |
|---|---|---|
| PA fair value as of January 1, 2023 | ($63) | ($38,262) |
| Contributions made by the Company | - | (2,000) |
| Benefits paid | - | 2,168 |
| Expected return on assets | 63 | (5,736) |
| **PA fair value as of December 31, 2023** | **$ -** | **($43,830)** |

Balances as of December 31, 2022, are as follows:

| DEFINED BENEFIT OBLIGATIONS (DBO) | Seniority premium | Pension plan | Total Mexico | Pension plan USA |
|---|---|---|---|---|
| DBO present value as of January 1, 2022 | $1,182 | $15,291 | $16,473 | $70,580 |
| Service cost | 69 | 1,527 | 1,596 | 1,622 |
| Interest cost | 77 | 1,273 | 1,350 | 1,852 |
| Early retirement or settlement | 9 | 109 | 118 | - |
| Net cost of the period | $155 | $2,909 | $3,064 | $3,474 |
| Actuarial remeasurement | 113 | (1,754) | (1,641) | (17,686) |
| Benefits paid | (391) | (2,463) | (2,854) | (2,211) |
| Translation effect | - | 542 | 542 | - |
| | ($278) | ($3,675) | ($3,953) | ($19,897) |
| DBO present value as of December 31, 2022 | $1,058 | $14,525 | $15,584 | $54,157 |
| Fair value of plan assets | - | - | - | (38,262) |
| **Net liability** | **$1,058** | **$14,525** | **$15,584** | **$15,895** |

# GCC, S.A.B. de C.V. and Subsidiaries

Plan assets (PA) are recognized at fair value; as of December 31, 2022, the changes to these assets are as follows:

| 2022 | Mexico | USA |
|---|---|---|
| PA fair value as of January 1, 2022 | ($63) | ($47,202) |
| Contributions made by the Company | - | (2,000) |
| Benefits paid | - | 2,211 |
| Expected return on assets | 63 | 8,729 |
| **PA fair value as of December 31, 2022** | **$ -** | **($38,262)** |

The fair value of pension plan assets of the Company in its division in USA as of December 31, 2024, 2023 and 2022, is as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Cash equivalents | $161 | $1,232 | $921 |
| Listed shares: | | | |
| USA companies | 11,461 | 15,867 | 15,452 |
| International companies | 8,025 | 7,595 | 7,256 |
| Fixed income exchange traded funds: | | | |
| Corporate bonds | 23,333 | 16,097 | 11,922 |
| USA government bonds | - | 171 | 416 |
| Other exchange traded funds | 3,137 | 2,868 | 2,295 |
| **Total** | **$46,117** | **$43,830** | **$38,262** |

### Level 1.- Quoted prices in active markets for identical assets

Fixed income consists of corporate bonds, government securities, and fixed income share funds. Government securities are measured by third party pricing sources. Corporate bonds are measured using either the yields currently available on comparable securities of issuers with similar credit ratings or using a discounted cash flows approach that utilizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such credit and liquidity risks. Fixed income share funds are measured at the net asset value per share multiplied by the number of shares held as of the measurement date. Hedge funds are investments structures that contain an array of investments strategies with a wide range of different securities, including derivatives instruments.

The most significant assumptions selected in the determination of the Company's labor obligations are as follows:

| ACTUAL RATES | 2024 | 2023 | 2022 |
|---|---|---|---|
| **Mexico** | | | |
| Discount rates | 10.30% | 10.20% | 10.30% |
| Salary increase rate | 5.00% | 5.00% | 5.00% |
| **United States of America** | | | |
| Discount rates | 5.45% | 4.76% | 4.96% |
| Salary increase rate | 4.78% | 4.95% | 4.93% |

The liability for employee benefits is sensitive to the movements of the interest rates used to discount the obligations, below, a sensitivity analysis is presented with scenarios of an increase and a decrease of 1% in the discount rate and salary increases, assuming that all other actuarial assumptions remain unchanged:

| SENSITIVITY ANALYSIS | Mexico | USA |
|---|---|---|
| DBO present value | $21,645 | $54,029 |
| + 1 % Discount rate | 19,961 | 48,148 |
| - 1 % Discount rate | 18,415 | 60,460 |

# GCC, S.A.B. de C.V. and Subsidiaries

Plan assets in the United States of America:

The Company's investment policy for its pension plan is to balance the risk and return using a diversified portfolio consisting primarily of high-quality equity and fixed-income securities. Plan assets are managed by outside investment managers. Dacotah's Employee Pension Plan Committee provides an oversight of the investments and the performance of the investment managers.

Equity securities consist of publicly traded U.S. companies and international companies. Publicly traded securities are valued at the closing prices reported in the active market in which the individual securities are traded.

These investments are made through funds-of-funds (commingled, multi-manager fund structures) and through direct investments in individual hedge funds. Hedge funds are primarily valued by each administrator based upon the valuation of the underlying securities and instruments and mainly by applying a market or income valuation methodology as appropriate depending on the specific type of security or instrument held. "Funds-of-funds" are valued based upon the net asset values of the underlying investments in hedge funds.

The Company's funding policy in the United States of America, is as follows:

The Company funds its pension plan and no contributions are made by employees. The Company funds the plan annually by making a contribution of at least the minimum amount required by applicable regulations and as recommended by the Company's actuary. However, the Company also may fund the plan in excess of the minimum required amount. Cash contributions in subsequent years will depend on a number of factors including the performance of plan assets.

401(k) Plans

GCCRG, GCC Dacotah, CRM, GCCE, Midco, GCCAC, GCC Permian, GCC Sun City, GCC Three Forks and Alliance, have defined contribution benefit plans (the Plans), which qualify as 401(k) plans and are based on the tax laws of the United States of America. The plans are available to substantially all employees. The Company matches contributions up to 4.0% of their salary paid. The Company's contributions to the plans recorded in the consolidated statements of profit for the years ended of December 31, 2024, 2023 and 2022, amounted to $ 3,554, $ 3,173 and $ 2,888, respectively.

Bonus Plan

The Company has a bonus plan. As of December 31, 2024, 2023 and 2022, the Company has provisioned for this purpose $ 8,034, $ 10,342 and $ 7,802, respectively.

Sickness Disability Plan

GCC Dacotah has a sickness disability leave plan, which pays employees 25% of their unused sick leave at their current pay rate, not to exceed 550 hours in total, per employee.

## 22. Financial instruments

Capital risk management

The objectives of the Company's capital management are primarily focused on ensuring that the financial requirements are met to continue as a going concern and to meet its growth objectives in order to maximize profits for shareholders, provide benefits for other stakeholders and to maintain an optimal capital structure. The Company manages the capital structure and makes adjustments considering the changes in economic conditions, its business, investment and growth plans and risk characteristics of the underlying assets.

The Company's management reviews monthly the ratios of financial debt and interest expense against the operating cash flow (adjusted EBITDA, which equals operating income before other expenses plus depreciation and amortization) for the purposes of complying with contract requirements and to maintain the net debt and interest rate hedging ratios. The Company's overall strategy remains consistent for all years presented.

# GCC, S.A.B. de C.V. and Subsidiaries

## Debt ratio

The debt ratio for the reporting period is as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Financial debt (i) | $497,300 | $496,986 | $496,684 |
| Cash and cash equivalents | 830,592 | 958,725 | 826,227 |
| Net debt | ($333,292) | ($461,739) | ($329,543) |
| Stockholders' equity (ii) | $1,950,668 | $1,764,258 | $1,423,812 |
| **Net debt to equity ratio** | **(17%)** | **(26%)** | **(22%)** |

(i) Debt is defined as long and short-term loans, as described in Notes 4.h and 19.b.

(ii) Stockholders' equity includes all reserves and capital stock of the Company that are managed as capital.

Company's management actively manages the debt to equity, which has decreased significantly as of December 31, 2024 due to the amounts of cash and cash equivalents that the Company maintains.

## Financial instruments category

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| **Financial assets:** | | | |
| Cash and cash equivalents | $830,592 | $958,725 | $826,227 |
| Trade accounts receivable | 118,592 | 142,458 | 105,129 |
| Others | - | 5,621 | 5,121 |
| Due from related parties | 3,170 | 2,216 | 5,700 |
| Long-term accounts and notes receivable | 3,166 | 3,957 | 2,594 |
| Restricted cash | 482 | 683 | 354 |

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| **Financial liabilities at amortized cost:** | | | |
| Trade accounts payable | $160,700 | $155,278 | $149,604 |
| Due to related parties | 1,022 | 989 | 2,547 |
| Payables and financial debt | 497,300 | 496,986 | 496,684 |
| Lease liability | 28,094 | 27,862 | 21,124 |

## Financial risk management objectives

The Company's Corporate Treasury function provides services to businesses, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports, which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk, liquidity risk and risk of interest rate of the cash flow.

The Corporate Treasury function applies the policies authorized by the Board of Directors to mitigate risk exposures.

The main risks associated with the financial instruments of the Company are:

- Market risk
- Credit risk
- Liquidity risk

The Board of Directors, upon recommendation from the Audit and Corporate Practices Committee, reviews and approves the risk management policies of the Company. For the years ended December 31, 2024, 2023 and 2022, the Company has not contracted any derivative financial instrument.

# GCC, S.A.B. de C.V. and Subsidiaries

i) Market risk: interest rate

Market risk is the risk of the market prices changes, for example, on the conversion rates, interest rates or shares prices that affect the Company's incomes or in the financial instruments values. The goal of the risk management is to manage and control the exposure to the risk in reasonable parameters and at the same time optimize the profitability..

ii) Interest rate risk

The Company's interest rate risk in the financial instruments for the years ended December 31, 2024, 2023 and 2022, are as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Financial assets | $976,246 | $1,131,466 | $963,182 |
| Financial liabilities | (658,000) | (685,172) | (846,119) |
| **Net asset position** | **$321,246** | **$446,294** | **$117,063** |

Fair value sensitivity analysis for fixed rate instruments- The Company does not record fixed rate financial assets and liabilities at fair value through profit and loss and does not designate derived (interest rate swaps) as hedging instruments according to a fair value hedge. Therefore, a variation in interest rates at the date of the financial statements would not affect the result.

iii) Market risk: foreign currency

The Company's exposure to the volatility of the Mexican peso exchange rate against the U.S. dollar is shown as follows as of December 31, 2024, 2023 and 2022:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Financial assets | $343,360 | $381,237 | $264,383 |
| Financial liabilities | (70,758) | (97,725) | (83,044) |
| **Net asset position** | **$272,602** | **$283,512** | **$181,339** |

As mentioned in Note 4.i, the Company designates its net investment in a foreign operation as an investment hedge, whereby the exchange fluctuations arising from financial debt denominated in U.S. dollars, associated to its investment in subsidiaries in the United States of America, is recognized in other comprehensive income.

The following table shows a sensitivity analysis of the financial assets and liabilities based on a possible fluctuation of the Mexican peso compared to the U.S. dollar, showing the effects in the consolidated statements of profit and the consolidated statements of stockholders' equity as of December 31, 2024, 2023 and 2022:

| SENSITIVITY ANALYSIS | Results | Equity (1) |
|---|---|---|
| **2024** | | |
| Mexican peso appreciation 10% | $31,215 | $6,433 |
| Mexican peso depreciation 10% | (38,151) | (7,862) |
| **2023** | | |
| Mexican peso appreciation 10% | $34,526 | $8,884 |
| Mexican peso depreciation 10% | (42,198) | (10,858) |
| **2022** | | |
| Mexican peso appreciation 10% | $24,035 | $7,549 |
| Mexican peso depreciation 10% | (29,376) | (9,227) |

(1) The effect of the resulting devaluation of financial long-term debt will be offset by the effect of the revaluation or appreciation of foreign investment since the investment is considered as a hedge of cash flows.

The Company assumes that a 10% change in the exchange rate is reasonably possible for purposes of performing the sensitivity analysis.

iv) Credit risk

Credit risk represents the potential loss due to the failure of the counterparty to meet all its payment obligations.

# GCC, S.A.B. de C.V. and Subsidiaries

Financial instruments that could potentially bind the Company to significant credit risk are cash and cash equivalents and accounts receivable. Cash and cash equivalents of the Company are held in various financial institutions with high credit quality. The Company's policy is designed to limit its exposure to any single financial institution or counterparty.

The credit risk on accounts receivable is diversified because the Company has a broad customer base that is geographically dispersed in both Mexico and the United States. As of December 31, 2024, 2023 and 2022, no individual customer represents a significant amount of reported net sales or accounts receivable balance.

The Company periodically evaluates the creditworthiness of its customers and, if necessary, guarantees are required from them to ensure the recovery of receivables.

The carrying amount of financial assets represents the maximum credit exposure, on December 31, 2024, 2023 and 2022, is as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Cash and cash equivalents | $830,592 | $958,725 | $826,227 |
| Trade accounts receivable: | | | |
| Mexico | 33,889 | 46,967 | 33,908 |
| United States | 85,024 | 95,491 | 71,221 |
| Other accounts receivables | 29,741 | 30,283 | 31,826 |

## Cash and cash equivalents

An analysis of the credit ratings of financial institutions where the Company maintains cash and cash equivalents at the close of each period is as follows:

| | As of December 31, | | |
|---|---|---|---|
| | 2024 | 2023 | 2022 |
| AA rating institutions | $220,532 | $170,899 | $ - |
| MXAA rating institutions | 210,840 | 222,751 | 116,839 |
| AA- rating institutions | 145,980 | 170,253 | 251,014 |
| MXAA rating institutions | 75,492 | 76,218 | 72,810 |
| A+ rating institutions | 48,049 | 65,172 | 89,921 |
| A rating institutions | 40,001 | - | - |
| MXA+ rating institutions | 32,974 | - | - |
| A- rating institutions | 844 | 129,954 | 831 |
| MXAA- rating institutions | 748 | 1,080 | 965 |
| BBB+ rating institutions | - | 45,862 | 178,788 |
| MXA rating institutions | - | 35,564 | 37,206 |
| Not applicable | 55,132 | 40,972 | 77,853 |
| | **$830,592** | **$958,725** | **$826,227** |

Impairment of cash and cash equivalents has been measured based on the 12-month expected credit loss and reflects the short-term maturities of the exposures. The Company considers that its cash and cash equivalents have a low credit risk based on the external credit ratings of counterparties, therefore an estimate for impairment has not been considered.

## Trade accounts receivable

Below is an analysis of the aging of trade accounts receivable as of December 31, 2024, 2023 and 2022:

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| MATURITIES | | | | | | | |
|---|---|---|---|---|---|---|---|
| Year | Current | 1-30 days | 31-60 days | 61-90 days | 91-120 days | Over 121 days | Total |
| 2024 | $106,012 | $5,941 | $4,695 | $1,906 | $1,017 | $5,912 | $125,483 |
| 2023 | $122,020 | $15,468 | $4,768 | $928 | $762 | $6,248 | $150,194 |
| 2022 | $85,946 | $8,049 | $8,479 | $2,425 | $1,461 | $6,569 | $112,929 |

i) Liquidity risk

Cash generated from operations is used to make debt payments and capital expenditures. The management of the Company administers liquidity and establishes adequate working capital policies to manage the short, medium and long-term financing. The Company handles liquidity risk by maintaining adequate reserves, banking facilities and authorized credit lines to obtain credits through continuous monitoring of actual and projected cash flows and reconciling the maturity profiles of financial assets and liabilities. The contractual maturities of financial debt instruments and other financial liabilities as of December 31, 2024, are shown in the following table:

| Line item | CONTRACTUAL MATURITIES | | | | | |
|---|---|---|---|---|---|---|
| | 1 year | 2 years | 3 years | 4 years | More than 5 years | Total |
| Trade accounts payable | $160,700 | $ - | $ - | $ - | $ - | $160,700 |
| Due to related parties | $1,022 | $ - | $ - | $ - | $ - | $1,022 |
| Financial debt | $ - | $ - | $ - | $ - | $500,000 | $500,000 |
| Leases | $11,791 | $7,526 | $4,826 | $3,075 | $4,272 | $31,490 |
| Interest | $18,070 | $18,070 | $18,070 | $18,070 | $63,245 | $135,525 |

As of December 31, 2024, 2023 and 2022, the Company had access to lines of credit up to an amount of $ 270,000, $ 275,909 and $ 275,151, respectively, which were undrawn at the end of these years. Additionally, as of December 31, 2024, 2023 and 2022, the Company had contracted letters of credit for $ 168,990, $ 11,683 and $ 13,377, respectively, which are primarily used to ensure the payment of deductibles in connection to insurance programs of the Company in the United States and as collateral for bonds issued in the United States and to ensure its natural gas supply.

a) Fair value of financial instruments

Except as for the detail in the following table, management believes that the carrying amounts of assets and liabilities recognized at amortized cost in the consolidated financial statements, approximates their fair value given their short-term maturities.

The fair value of financial instruments presented below has been determined by the Company using available market information or other valuation techniques that require judgment in developing and interpreting the estimates of fair values, and uses assumptions based on market conditions existing at each of the dates in the consolidated statements of financial position.

The fair value of the Company's debt financial instruments included in the disclosure presented in the following table is determined per unit of account; for the international bond, the fair value was determined considering the market price of the instrument prevailing at the date of the consolidated statements of financial position, while borrowings with banks was estimated using the present value of discounted cash flows at market rates as of December 31 of each year, which is located in level 2 of the fair value hierarchy.

Their book values and their fair values as of December 31, 2024, 2023 and 2022, are as follows:

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Payables and financial liabilities recognized at amortized cost:

| | Carrying amount | Fair value |
|---|---|---|
| December 31, 2024 | $497,300 | $429,000 |
| December 31, 2023 | $496,986 | $430,000 |
| December 31, 2022 | $496,684 | $415,000 |

## b) Payables and financial debt

(i) As of December 31, 2024, 2023 and 2022, the financial debt is as follows:

| As of December 31, 2024 | | | MATURITIES | | |
|---|---|---|---|---|---|
| Loans | Currency | Interest rates | Amounts | Current portion of the long-term debt | Long-term debt |
| International bond | | | | | |
| 10 years (due date 2032) | U.S. Dollars | 3.614% | $500,000 | $ - | $500,000 |
| Issuance costs | | | (2,700) | - | (2,700) |
| | | | **$497,300** | **$ -** | **$497,300** |

| As of December 31, 2023 | | | MATURITIES | | |
|---|---|---|---|---|---|
| Loans | Currency | Interest rates | Amounts | Current portion of the long-term debt | Long-term debt |
| International bond | | | | | |
| 10 years (due date 2032) | U.S. Dollars | 3.614% | $500,000 | $ - | $500,000 |
| Issuance costs | | | (3,014) | - | (3,014) |
| | | | **$496,986** | **$ -** | **$496,986** |

| As of December 31, 2022 | | | MATURITIES | | |
|---|---|---|---|---|---|
| Loans | Currency | Interest rates | Amounts | Current portion of the long-term debt | Long-term debt |
| International bond | | | | | |
| 10 years (due date 2032) | U.S. Dollars | 3.614% | $500,000 | $ - | $500,000 |
| Issuance costs [1] | | | (3,316) | - | (3,316) |
| | | | **$496,684** | **$ -** | **$496,684** |

(1) All issuance costs are totally related to the Syndicated loan.

(ii) In January 2022, GCC, S.A.B. de C.V, issued successfully an international bond associated with sustainability for $500,00, with rate of 3.614% and expiration date of April 2032. This bond has the goal to perform the central, relevant and material sustainability, as the CO2 reduction. The resources that were used to discharge the credit of GCC with rate of 5.250% and expiration date of 2024, by an amount of $260,000, as well as resources of their own to prepay the residual syndicated loan issued by 2018.

(iii) Loan agreements establish specific clauses relating to the sale of assets, investments, additional financing and debt payments, as well as the obligation to maintain certain specific financial ratios (net financial leverage ratio and net interest coverage), which in case of non-compliance, would lead to a breach of contract allowing the creditor to require the advance payment of the corresponding loan. As of December 31, 2024, the Company has complied with these conditions. The financial ratios required and / or permitted by the contracts for the period ended December 31, 2024, are as follows:

| | 2024 | Required / Permitted |
|---|---|---|
| Net leverage ratio [1] | (0.67) | 3.50 |
| Interest coverage [2] | (10.84) | 3.50 |

(1) Net leverage - means the number of times net debt (debt with financial cost) less cash over adjusted EBITDA.

(2) Interest coverage - means the number of times adjusted EBITDA on financial expenses.

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For the year ended December 31, 2024, 2023 and 2022 the weighted average interest rate of the international bonds was 3.614%.

The average life of the financial debt as of December 31, 2024, was approximately 7.3 years.

The Company's subsidiaries, GCC Cemento, S. A. de C. V., Cementos de Chihuahua, S. A. de C. V. and GCC of America, Inc., are guarantors for the current debts.

c) The following is a reconciliation of obligations derived from financing activities:

| | January 1, 2024 | Disposals | Payments made (capital) | Accrued interest | Payments made (interest) | December 31, 2024 |
|---|---|---|---|---|---|---|
| International bond 2022 | 503,514 | - | - | 21,051 | (21,051) | 503,514 |
| | **$503,514** | **$ -** | **$ -** | **$21,051** | **($21,051)** | **$503,514** |

| | January 1, 2023 | Disposals | Payments made (capital) | Accrued interest | Payments made (interest) | December 31, 2023 |
|---|---|---|---|---|---|---|
| International bond 2022 | 503,514 | - | - | 21,051 | (21,051) | 503,514 |
| | **$503,514** | **$ -** | **$ -** | **$21,051** | **($21,051)** | **$503,514** |

| | January 1, 2022 | Disposals | Payments made (capital) | Accrued interest | Payments made (interest) | December 31, 2022 |
|---|---|---|---|---|---|---|
| International bond 2017 | $260,265 | - | ($260,000) | $910 | ($1,175) | $ - |
| Syndicated loan | 280,218 | - | (280,000) | 327 | (545) | - |
| International bond 2022 | - | 500,000 | - | 17,066 | (13,552) | 503,514 |
| | **$540,483** | **$500,000** | **($540,000)** | **$18,303** | **($15,272)** | **$503,514** |

Accrued interest payable derived from the financial debt is presented in accrued expenses and taxes other than income taxes in the consolidated statement of financial position for 2024, 2023 and 2022, amounting to $ 21,051, $ 21,051 and $ 18,303, respectively.

## 23. Accrued expenses and taxes and provisions

a) Accrued expenses and taxes

Accrued expenses and taxes as of December 31, 2024, 2023 and 2022, are as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Taxes payable | $24,091 | $35,589 | $30,101 |
| Customer advances | 29,963 | 34,034 | 20,343 |
| Other accounts payable | 20,725 | 12,036 | 13,584 |
| Interest payable | 3,504 | 3,505 | 3,505 |
| | **$78,283** | **$85,164** | **$67,533** |

b) Provisions

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Beginning balance | $3,753 | $44,009 | $2,167 |
| Increase during the year | 12,181 | 24,986 | 56,708 |
| Payments made | (12,454) | (65,468) | (14,939) |
| Translation effect | (368) | 226 | 73 |
| **Ending balance** | **$3,112** | **$3,753** | **$44,009** |

c) Provision for environment restoration

The Company's subsidiaries GCCRG, Dacotah, GCCE and GCCTF are required to fulfill reclamation requirements to the applicable state regulatory agencies. The estimated

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remediation costs from these plans are $ 34,799. As of December 31, 2024, 2023 and 2022, the Company has recorded a liability for these obligations of $ 16,659, $ 17,869 and $ 18,158 respectively, which corresponds to the present value of its future obligations.

The Company recorded remediation liabilities related with a closure and post-closure plan filed with the Texas Commission of Environmental Quality for a permit to operate a disposal site and related with the estimated remediation costs from an operating permit of a leased aggregate quarry over a 15-year and 9-year period, respectively. The costs for ambiental restoration are $8,301. As of December 31, 2024, 2023 and 2022, the Company has recorded a liability for these obligations of $ 5,225, $ 4,925 and $ 4,637, respectively, which corresponds to the present value of its future obligations.

The Company has included these obligations in the Consolidated statement of financial position as long-term liabilities. The adjustments are included on the asset related cost and the accrual expenses associated with the reversal of the discount effects are recognized as financial expenses.

The reconciliation of the beginning and ending balance of the liability is as follows:

| | United States | Mexico | Total |
|---|---|---|---|
| Balance as of December 31, 2023 | $22,794 | $3,003 | $25,797 |
| Change in estimated cash flows | 440 | - | 440 |
| Additions | 429 | - | 429 |
| Accrued expense | 1,212 | - | 1,212 |
| Payments made in the period | (2,991) | (12) | (3,003) |
| **Balance as of December 31, 2024** | **$21,884** | **$2,991** | **$24,875** |

GCC has guaranteed $ 7,890 in the event that GCCRG fails to successfully complete the reclamation obligations. In addition, GCCRG, GCCE, and GCCTF have several bonds to meet the regulatory requirements. The following details the bonds by company and the government entity that it is assigned to:

| COMPANY | GOVERNMENT AGENCY | |
|---|---|---|
| GCCRG | United States Department of Agriculture, Forest Service | $70 |
| GCCRG | State of Colorado | 2,722 |
| GCCRG | State of New Mexico | 2,674 |
| GCCE | Colorado Dept. of Reclamation, Mining and W | 1,299 |
| GCCE | United States Department of the Interior | 1,076 |
| GCCE | La Plata County | 1,253 |
| GCCTF | State of Montana Dept. of Environmental Quality | 6,402 |
| | | **$15,496** |

The Mining Law of the State of New Mexico in the USA requires the Company to incur costs to restore operations affected by raw material extraction where the plant is located at the end of operations in the same area. Measures have been planned for the incremental and simultaneous implementation of the plan over a period of forty years, with more than half of the surface disturbed, the same being recovered during the operational life of the plan area. The Company has recognized a long-term provision for the estimated costs to be incurred in restoring the site at present value using the appropriate discount rate. As of December 31, 2024, 2023 and 2022, the USA Division has recognized a provision of $ 21,884, $ 22,794 and $ 22,795, respectively, for such liquidation measures.

Additionally, for the Mexican division there is an obligation under the General Law of Ecological Equilibrium and Environmental Protection, which states that whoever carries out activities that affect the environment is required to prevent, minimize or repair the damage involved. The Act establishes the obligation to perform an environmental impact assessment. As of December 31, 2024, 2023 and 2022, the Mexican division has recognized a provision of $ 2,991, $ 3,003 and $ 2,052, respectively, for such restoration activities.

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Movements in the provision for environmental restoration are as follows:

| | Balances as of January 1, 2024 | Increases during the year | Interest cost | Balances as of December 31, 2024 |
|---|---|---|---|---|
| Environmental restoration provision | $25,797 | ($937) | $15 | $24,875 |

| | Balances as of January 1, 2023 | Increases during the year | Interest cost | Balances as of December 31, 2023 |
|---|---|---|---|---|
| Environmental restoration provision | $25,781 | $ - | $16 | $25,797 |

| | Balances as of January 1, 2022 | Decreases during the year | Interest cost | Balances as of December 31, 2022 |
|---|---|---|---|---|
| Environmental restoration provision | $23,247 | $2,429 | $105 | $25,781 |

## 24. Income taxes

The Company in Mexico is subject to ISR whose rate for 2024, 2023 and 2022 was 30% and will continue at 30% for subsequent years. The Company caused ISR on a consolidated basis until 2013 with its Mexican subsidiaries. Due to changes in the income tax law in effect as of December 31, 2013, the tax consolidation regime was eliminated, therefore, the Company and its subsidiaries have the obligation to pay the deferred tax determined at that date during the following ten annual periods from 2014, as shown below.

Income taxes of the subsidiaries in the United States of America are determined on a consolidated basis with their direct holding company GCC of America, Inc., The income tax rate, for the Swiss subsidiary, used for 2019 was 9.6%, and in accordance with the Swiss tax reform that eliminated the privileged mixed tax status and entered into force on January 1, 2020, a temporary increase will be applied with a profit tax rate of 11.9% from 2020 to 2024, and from 2025 the profit tax rate will be 14.0%.

While the 2014 Tax Law repealed the tax consolidation regime, an option was established to calculate ISR together in groups of companies (under a tax integration regimen). The new system allows for consolidated companies owned directly or indirectly by more than 80% to have certain benefits in their tax determination (when within the integrated group of companies there are some with profits or losses in the same year), which may deferred for three years and reported at the filing date of the tax return corresponding to the tax year following the completion of the aforementioned three-year period.

The Company and its Mexican subsidiaries opted to join the integration regimen, so income tax for the year 2024, 2023 and 2022 was determined as a group.

The following are the tax rates on taxable income in countries where the Company operates:

| COUNTRY | 2024 | 2023 | 2022 |
|---|---|---|---|
| Mexico | 30% | 30% | 30% |
| United States of America | 24% | 24% | 24% |
| Switzerland | 14% | 14% | 11.9% |

a) For the years ended December 31, 2024, 2023 and 2022, income tax expense charged to results is as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Current income tax | ($71,783) | ($76,832) | ($26,871) |
| Deferred income tax | (42,234) | (32,000) | (35,607) |
| **Total income taxes** | **($114,017)** | **($108,832)** | **($62,478)** |

b) Deferred taxes in the consolidated statements of financial position

The main items composing the deferred income taxes are:

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| Mexico | December 31, 2024 | December 31, 2023 | December 31, 2022 |
|---|---|---|---|
| Deferred tax assets: | | | |
| Provisions and allowances | $19,579 | $16,812 | $12,382 |
| Customer advances and other | 2,196 | 1,251 | 755 |
| Tax loss carry forwards | 68,151 | 59,483 | 76,258 |
| | 89,926 | 77,546 | 89,395 |
| Deferred tax liabilities: | | | |
| Property, plant and equipment | (110,270) | (105,803) | (111,238) |
| Inventories | (1,646) | (409) | (433) |
| Prepaid expenses and other | (5,654) | (5,400) | (3,988) |
| | (117,570) | (111,612) | (115,659) |
| **Deferred tax liability** | **($27,644)** | **($34,066)** | **($26,264)** |

| USA | December 31, 2024 | December 31, 2023 | December 31, 2022 |
|---|---|---|---|
| Deferred tax asset: | | | |
| Provisions and allowances | $36,266 | $24,933 | $34,997 |
| Tax loss carry forwards | 690 | 7,271 | 290 |
| | 36,956 | 32,204 | 35,287 |
| Deferred tax liability: | | | |
| Property, plant and equipment | (175,959) | (159,306) | (150,117) |
| Prepaid expenses and other | (14,407) | (11,829) | (10,700) |
| | (190,366) | (171,135) | (160,817) |
| **Deferred tax liability** | **($153,410)** | **($138,931)** | **($125,530)** |

| Switzerland | December 31, 2024 | December 31, 2023 | December 31, 2022 |
|---|---|---|---|
| Deferred tax liability: Accounts receivable | (7,779) | (793) | (739) |
| **Deferred tax liability** | **(7,779)** | **($793)** | **($739)** |
| | | | |
| **Total deferred income tax liability** | **($188,833)** | **($173,790)** | **($152,533)** |

c) The main items for which the sum of the current income tax and deferred income tax for the period differs from the statutory rate are as follows:

| | December 31, 2024 | December 31, 2023 | December 31, 2022 |
|---|---|---|---|
| Income before income tax | $443,426 | $404,024 | $202,739 |
| Statutory rate | 30% | 30% | 30% |
| Income tax based on statutory rate | (133,028) | (121,207) | (60,822) |
| Other items: | | | |
| Non-deductible expenses | (4,146) | (3,324) | (17,536) |
| Adjustment for inflation | 884 | 1,038 | (826) |
| Recognition of deferred tax assets | (26,506) | 2,058) | - |
| Effects of inflation on non-monetary items | 15,604 | (2,048) | 10,145 |
| Effect of different tax rates in effect in foreign entities | 33,175 | 14,651 | 6,561 |
| Tax benefit | 19,011 | 12,375 | (1,656) |
| **Income taxes** | **($114,017)** | **($108,832)** | **($62,478)** |
| **Effective rate** | **25.9%** | **26.9%** | **30.8%** |

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d) As of December 31, 2024, the Company's tax loss carryforwards, are as follows:

| | Mexico | | Deferred taxes not recognized in Mexico | | |
|---|---|---|---|---|---|
| Year of loss | Amounts restated as of December 31, 2024 | Effect on deferred income tax | Amounts as of December 31, 2024 | Effect on deferred income tax | Total |
| 2025 | $156,465 | $46,940 | (113,852) | (34,156) | $12,784 |
| 2026 | 17,920 | 5,376 | - | - | 5,376 |
| 2027 | - | - | - | - | - |
| 2028 | 23,681 | 7,104 | - | - | 7,104 |
| 2029 | 5,946 | 1,784 | - | - | 1,784 |
| 2030 | 117 | 35 | - | - | 35 |
| 2031 | 49,477 | 14,843 | - | - | 14,843 |
| 2032 | 10,136 | 3,041 | - | - | 3,041 |
| 2033 | 157 | 47 | - | - | 47 |
| 2034 | 156,799 | 47,039 | (79,673) | (23,902) | 23,137 |
| | $420,698 | $126,209 | ($195,525) | ($58,058) | $68,151 |
| USA state tax loss | - | 1,864 | - | (1,174) | 690 |
| **Deferred tax assets for tax loss** | **$420,698** | **$128,073** | **($193,525)** | **($59,232)** | **$68,841** |

(i) Net Operating Losses (carried forward)

The summarized items refer to those temporary items that had a taxable effect on the company's results.

Due to the nature of its operations, the company maintains significant balances in non-current assets and tax loss carryforwards.

f) The deferred tax liability related to investments in subsidiaries was not recognized because the Group controls the dividend policy of its subsidiaries – i.e. the Group controls the timing of reversal of the related taxable temporary differences and management is satisfied that they will not reverse in the foreseeable future.

g) The Company is aware of the potential impact of the GloBE (Global Anti-base erosion) rules under Pillar 2 on its effective tax. While there are no specific laws in Mexico and other significant jurisdictions implementing these rules, the Company is evaluating the potential impact and considering the possibility of supplementary taxes being generated in the future. The evolution of these rules will continue to be monitored, and the necessary measures will be taken to comply with disclosure and tax compliance obligations.

## 25. Stockholders' equity

a) As of December 31, 2024, 2023 and 2022, common stock is variable and its fixed minimum amount with no right to withdrawal is $ 10,921, represented by 337,400,000 registered shares with no par value and is summarized as follows:

| | Shares | Amount |
|---|---|---|
| Authorized and issued capital | 337,400,000 | $10,921 |
| Shares repurchased | (9,862,200) | (319) |
| | **327,537,800** | **$10,602** |

b) According to the General Law of Mercantile Companies, at least 5% of the net income for the year must be separated to increase the legal reserve until it reaches 20% of share capital.

c) If the Company pays dividends that come from the Net Tax Profit Account (CUFIN, by its acronym in Spanish), the Company shall not be liable to pay income tax. However, this balance can be applied only once the balance of the Net Reinvested Tax Profit Account (CUFINRE, by its acronym in Spanish) has been fully utilized.

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When dividends arise from CUFINRE, 5% will be paid for those decreed from earnings in years 2001 and 2000, and 3% for earnings in 1999. The amount distributed as dividends that exceeds CUFIN will be subjected to the payment of corporate income tax, charged to the Company at the current tax rate at that time.

d) In the ordinary general meeting of the shareholders held on April 25, 2024, a payment of dividends was declared for $ 30,306 ($ 0.089 dollars per share) were paid on May 22nd, 2024; a treasury stock repurchase fund was also approved for $ 82,921 (equivalent to MX$ 1,500 million pesos). During 2023, the company acquired 1,631,981 shares at average price of $ 13,169.

During the year ended December 31, 2024, the Company made the following repurchases and sales of its own shares:

| | Shares | Amount |
|---|---|---|
| Repurchase of own shares | (8,959,254) | (86,209) |
| Sale of own shares | 8,991,654 | 86,475 |
| | **32,400** | **266** |

During 2024, 2023 and 2022 the amount of own net shares repurchased by GCC, through the Bolsa Mexicana de Valores, ascended to 32,400, 1,631,981 and 4,018,404, respectively. The total amount paid to acquire shares was of $ 264, $ 13,169 and $ 24,583, respectively, which amounts were decreased in the stockholder's equity and retained earnings.

In the ordinary general meeting of the shareholders held on April 27, 2024, a payment of dividends was declared for $ 24,926 ($ 0.074 dollars per share) of which were paid on May 24, 2023; a treasury stock repurchase fund was also approved for $ 82,921 (equivalent to MX$ 1,500 million pesos). As of December 31, 2023, there are 1,631,981 shares in treasury repurchased with a cost of $ 13,169.

During the year ended December 31, 2023, the Company made the following repurchases and sales of its own shares:

| | Shares | Amount |
|---|---|---|
| Repurchase of own shares | (9,190,210) | (82,809) |
| Sale of own shares | 7,558,229 | 69,640 |
| | **(1,631,981)** | **(13,169)** |

e) In the ordinary general meeting of the shareholders held on April 28, 2022, a payment of dividends was declared for $ 19,154 ($ 0.058 dollars per share) of which were paid in May 2022; a treasury stock repurchase fund was also approved for $ 48,583 (equivalent to MX$ 1,000 million pesos). As of December 31, 2022, there are 4,018,404 shares in treasury repurchased with a cost of $ 26,463.

f) The balance of the cumulative translation adjustment of foreign subsidiaries as of December 31, 2024, 2023 and 2022, is as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Initial balance | ($223,825) | ($302,486) | ($313,079) |
| Translation effect of the year | (20,396) | 41,229 | (37,182) |
| Net investment hedge in foreign operations | (129,733) | 53,474 | 68,249 |
| Income taxes | 38,920 | (16,042) | (20,475) |
| Exchange effect in foreign transactions- net | (111,209) | 78,661 | 10,592 |
| Ending balance with translation effect in foreign operations | ($335,034) | ($223,825) | ($302,487) |

g) The balance of the remeasurements of actuarial liabilities associated with the Company's defined benefit plans and the related tax effect as of December 31, 2024, 2023 and 2022, is as follows:

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| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Beginning balance of remeasurement gains (losses) | $25,211 | $22,842 | $17,455 |
| Actuarial remeasurement for employee benefits | 5,914 | 3,385 | 7,696 |
| Income tax | (1,775) | (1,016) | (2,309) |
| Ending balance of actuarial gains (losses) | 29,350 | 25,211 | 22,842 |
| **Total cumulative amount of other items of comprehensive income (f) + (g)** | **($305,684)** | **($198,614)** | **($279,644)** |

## 26. Share-based payments

Long-term employee incentive plan

The long-term incentive plan (PILP, by its acronym in Spanish) was established and developed through an external specialist with extensive global experience in executive level compensation systems. This plan was implemented in order to compensate eligible executives that ensures talent retention and is in line with market practices for executives of that level, to achieve the strategic objectives of GCC that improve the value of the Company over time and, at the same time to ensure the sustainability of GCC. According to the terms of the plan, this scheme is applicable to key executives and certain employees.

The number of shares granted is calculated according to the formula based on the number of months of salary corresponding to the executive and the performance approved by the Chairman of the Board formerly. The number of months is in accordance with the individual compensation and the organizational level of the executive. The formula rewards executives and key personnel based on formerly established achievements, judged with both quantitative and qualitative criteria.

Considering the premises and objectives described above, GCC has two types of long-term incentive plans in order to align the employees' objectives and results and to retain talent to positively impact the Company's culture focus, which are described below:

**Real stock plan (performance shares)** linked with a criterion of number of months of salary of the executive and a minimum level of performance that will direct the efforts to achieve the expected results. This plan is granted annually, with the vesting period between four years and five years for which the executive must have an employment relationship with the Company and / or its subsidiaries to receive the shares. The performance indicator is designated annually by the Chairman of the Board of Directors, with is linked to the creation of value and growth of the Company. For 2024, 2023 and 2022, the "Return on Capital Investment" (ROIC) was established for this purpose. This indicator may change annually and can consider both quantitative and qualitative criteria. The total shares allocated for this plan and the related expense for 2024, 2023 and 2022 were 372,119, 428,722 and 502,964, and $ 4,397, $ 3,131 and $ 3,499, respectively.

**Additional option plan "Matching"** provides benefits linked to the short-term incentive plan whereby an employee can choose the option to purchase in shares of GCC with the Company matching a certain percentage. The purchase of shares, by the eligible employee, will be utilized through the use of part or the total cash value of their short-term incentive benefit, with a three-year sale restriction period. This plan is also granted annually. The Company will match an equivalent amount of shares to the employee's investment in the short-term incentive plan according to the following criteria:

i. Up to 50% - Matching of 100%
ii. From 50.1% to 75% - Matching of 125%
iii. More than 75% - Matching of 150%

For the Company's matching portion, the shares will be exercised at a price equal to the market price quoted on the grant date. For the period of 2024, 2023 and 2022, the matching will be effective in 2026, 2025 and 2024, respectively. The total of shares acquired in 2024, 2023 and 2022 by employees in this plan 181,350, 134,065 and 206,227 for which the Company is required to match 268,643, 200,764 and 304,799 additional shares, respectively.

For the plan of real shares granted in 2024, 2023 and 2022, the share price utilized to determine the grant date fair value was $ 11.04, $ $ 8.01 and $ 6.60 dollars per share.

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## 27. Cost of sales and operating expenses by nature

### a) Cost of sales

The breakdown of cost of sales for the years ended December 31, 2024, 2023 and 2022, is integrated as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Employee benefits | $175,932 | $172,099 | $153,660 |
| Raw materials cost | 152,032 | 159,899 | 137,037 |
| Energy cost | 125,178 | 131,766 | 143,926 |
| Depreciation and amortization | 76,862 | 64,133 | 80,299 |
| Depreciation for right of use asset | 11,755 | 12,373 | 13,791 |
| Maintenance expenses | 83,714 | 88,120 | 69,750 |
| Distribution expenses | 87,551 | 92,159 | 82,285 |
| Other expenses | 135,927 | 141,656 | 123,096 |
| | **$848,951** | **$862,205** | **$803,844** |

### b) General, administrative and selling expenses

The breakdown of operating expenses for the years ended December 31, 2024, 2023 and 2022 is integrated as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Employee benefits | $56,007 | $54,786 | $42,572 |
| Depreciation and amortization | 12,397 | 12,723 | 12,948 |
| Professional services | 22,307 | 22,762 | 16,147 |
| Other expenses | 27,596 | 29,134 | 24,464 |
| | **$118,307** | **$119,405** | **$96,131** |

### c) Employee benefit expenses

The employee benefit expenses for the years ended December 31, 2024, 2023 and 2022, are integrated as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Salaries and wages | $167,261 | $163,616 | $141,515 |
| Employee benefits from retirement | 7,780 | 7,611 | 6,582 |
| Social security contributions | 23,187 | 22,682 | 19,617 |
| Social welfare | 17,264 | 16,888 | 14,606 |
| Other salaries and benefits | 16,447 | 16,088 | 13,912 |
| | **$231,939** | **$226,885** | **$196,232** |

### d) Other expenses, net

Other operating expenses for the years ended December 31, 2024, 2023 and 2022, are integrated as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Arbitration procedure and other litigations | $8,338 | $4,395 | $50,035 |
| Guarantee payment | 1,220 | - | - |
| Charitable contributions | 1,124 | 1,006 | 675 |
| Others | 457 | 1,238 | (88) |
| | **$11,139** | **$6,639** | **$50,622** |

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## 28. Financial expenses

The financial expenses for the years ended December 31, 2024, 2023 and 2022, are integrated as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Interest expenses | $22,186 | $25,844 | $29,881 |
| Other financial expenses | 2,021 | 2,265 | 8,730 |
| | **$24,207** | **$28,109** | **$38,611** |

## 29. Segment information

The Company is a Mexican entity that manufactures and sells hydraulic cement, ready-mix concrete and aggregates. The Company's operations in the United States of America are mainly performed by three subsidiaries with an ownership interest of 100%.

Inter-segment revenues are eliminated upon consolidation and reflected in the "eliminations and other adjustments" column. All other adjustments and eliminations are part of detailed reconciliations presented further below.

In the following information, the column representing Mexico includes all domestic transactions. Information for the years ended December 31, 2024, 2023 and 2022, is as follows:

| 2024 | | | | |
|---|---|---|---|---|
| | Mexico | United States of America | Eliminations and other adjustments | Consolidated |
| Net sales: | | | | |
| External customers | $391,902 | $974,777 | $ - | $1,366,679 |
| Intercompany sales | 58,886 | 781 | (59,667) | - |
| | 450,788 | 975,558 | (59,667) | 1,366,679 |
| Operating income before other expenses | 109,265 | 290,156 | - | 399,421 |
| Profit before income taxes | 359,919 | 79,952 | - | 439,871 |
| Depreciation and amortization | 27,417 | 73,597 | - | 101,014 |
| Financial income | 37,275 | 27,952 | - | 65,227 |
| Financial expenses | 2,584 | 21,623 | - | 24,207 |
| Foreign exchange income, net | 6,927 | -207 | - | 6,720 |
| Goodwill | - | 218,708 | - | 218,708 |
| Property, plant and equipment, net | 257,802 | 1,187,774 | - | 1,445,576 |
| **Total assets** | **$815,897** | **$2,191,076** | **$ -** | **$3,006,973** |
| **Total liabilities** | **$217,540** | **$836,418** | **$ -** | **$1,053,958** |
| **Non-cash expenditures** | **$3,986** | **$66,313** | **$ -** | **$70,300** |

| 2023 | | | | |
|---|---|---|---|---|
| | Mexico | United States of America | Eliminations and other adjustments | Consolidated |
| Net sales: | | | | |
| External customers | $425,595 | $938,322 | $ - | $1,363,917 |
| Intercompany sales | 43,666 | 5,082 | (48,748) | - |
| | 469,261 | 943,404 | (48,748) | 1,363,917 |
| Operating income before other expenses | 101,208 | 281,099 | - | 382,307 |
| Profit before income taxes | 325,525 | 78,772 | - | 404,297 |
| Depreciation and amortization | 24,132 | 65,097 | - | 89,229 |
| Financial income | 33,607 | 24,360 | - | 57,967 |

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| 2023 | | | | |
|---|---|---|---|---|
| | Mexico | United States of America | Eliminations and other adjustments | Consolidated |
| Financial expenses | 2,673 | 25,436 | - | 28,109 |
| Foreign exchange (income) loss, net | (4,489) | (40) | - | (4,529) |
| Goodwill | - | 212,598 | - | 212,598 |
| Property, plant and equipment, net | 305,870 | 842,011 | - | 1,147,881 |
| **Total assets** | **$904,205** | **$1,908,888** | **$ -** | **$2,813,093** |
| **Total liabilities** | **$247,807** | **$801,035** | **$ -** | **$1,048,842** |
| **Non-cash expenditures** | **$1,121** | **$37,260** | **$ -** | **$38,381** |

| 2022 | | | | |
|---|---|---|---|---|
| | Mexico | United States of America | Eliminations and other adjustments | Consolidated |
| Net sales: | | | | |
| External customers | $327,720 | $840,599 | $ - | $1,168,319 |
| Intercompany sales | 58,815 | 12,550 | (71,365) | - |
| | 386,535 | 853,149 | (71,365) | 1,168,319 |
| Operating income before other expenses | 73,228 | 195,116 | - | 268,344 |
| Profit before income taxes | 244,593 | (41,854) | - | 202,739 |
| Depreciation and amortization | 20,088 | 73,159 | - | 93,247 |
| Financial income | 14,696 | 7,428 | - | 22,124 |
| Financial expenses | 4,883 | 33,728 | - | 38,611 |
| Foreign exchange loss, net | (621) | (1,159) | - | (1,780) |
| Goodwill | - | 212,598 | - | 212,598 |
| Property, plant and equipment, net | 246,272 | 756,022 | - | 1,002,294 |

| 2022 | | | | |
|---|---|---|---|---|
| | Mexico | United States of America | Eliminations and other adjustments | Consolidated |
| **Total assets** | **$726,238** | **$1,727,936** | **$ -** | **$2,454,174** |
| **Total liabilities** | **$203,791** | **$826,571** | **$ -** | **$1,030,362** |
| **Non-cash expenditures** | **$7,511** | **$44,483** | **$ -** | **$51,994** |

Net sales information by country and by product for the years ended as of December 31, 2024, 2023 and 2022, is presented in the following table:

| 2024 | | | | | |
|---|---|---|---|---|---|
| Country | Cement | Concrete | Other | Eliminations | Consolidated |
| Mexico | $263,975 | $131,752 | $50,196 | ($54,021) | $391,902 |
| United States of America | 815,938 | 144,200 | 144,347 | (129,707) | 974,778 |
| | **$1,079,913** | **$275,952** | **$194,543** | **($183,728)** | **$1,366,680** |

| 2023 | | | | | |
|---|---|---|---|---|---|
| Country | Cement | Concrete | Other | Eliminations | Consolidated |
| Mexico | $285,520 | $145,978 | $72,479 | ($78,382) | $425,595 |
| United States of America | 815,939 | 144,026 | 124,456 | (146,099) | 938,322 |
| | **$1,101,459** | **$290,004** | **$196,935** | **($224,481)** | **$1,363,917** |

| 2022 | | | | | |
|---|---|---|---|---|---|
| Country | Cement | Concrete | Other | Eliminations | Consolidated |
| Mexico | $226,585 | $107,642 | $32,819 | ($39,327) | $327,719 |
| United States of America | 749,904 | 118,737 | 87,181 | (115,222) | 840,600 |
| | **$976,489** | **$226,379** | **$120,000** | **($154,549)** | **$1,168,319** |

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The column “Other” includes mainly aggregates, concrete blocks, prefabricated products, developed land, coal and other materials for construction.

### 30. Commitments and contingencies

a) On October 8, 2015, the Company signed a strategic agreement for three years with Madata It, S. A. de C. V. (“MADATA") (related party-joint venture), whereby MADATA provides business process and information technology services (“IT"). The original contract term was for three years and renews every year until the Company decides not to renew and is expected to generate savings to GCC, during these periods. The contract includes data processing services and infrastructure services, support and maintenance of IT applications in different locations of the Company. The amount of the services paid recognized in the consolidated statement of income as of December 31, 2024, 2023 and 2022, are presented in Note 8.

b) GCC, S.A.B. de C.V. and its subsidiaries GCC Cemento, S.A. de C.V. and Cementos de Chihuahua, S.A. de C.V., were audited in 2019 and 2020 in Mexico by the Mexican Tax Administration System (SAT) in connection with the treatment of certain income and deductions under the Income Tax Law, for which they are subject to several audits as direct subjects of such tax and for income subject to preferential tax regimes obtained through foreign entities or legal entities.

In March 2021, GCC Cemento, S.A. de C.V. was notified of the determination of a tax credit as a direct taxpayer of ISR for the 2014 tax year, for declaring tax losses greater than those determined by the SAT for allegedly having improperly deducted foreign exchange losses and royalties. The tax credit is determined in the amount of US$5.5 million corresponding to 30% of the difference between the tax loss declared and the amount according to the SAT. In May 2021, GCC Cemento, S.A. de C.V. filed an appeal to challenge the resolution of such tax credit, considering that it was not issued taking into account the tax and legal provisions in effect for the year under review.

In August 2021, GCC, S.A.B. de C.V. and GCC Cemento, S.A. de C.V. were notified of the determination of tax credits as direct income taxpayers, with income subject to preferential tax regimes obtained through foreign entities or legal entities for the 2014 tax year. The tax assessments for US$32.7 and US$68.9 million, respectively, correspond to the alleged amortization of tax loss carryforwards from prior years and the alleged deduction of the annual inflation adjustment in an improper manner, including in the amount the omitted tax and its accessories (updates, surcharges and fines). In September 2021, both companies filed their appeals to challenge the resolutions of the tax assessments corresponding to the 2014 tax year, considering that they were not issued taking into account the tax and legal provisions in force in the year under review.

In December 2021, Cementos de Chihuahua, S.A. de C.V. was notified of the determination of a tax credit as a direct taxpayer for income tax purposes for the 2016 tax year, for declaring tax losses greater than those determined by the SAT for allegedly having deducted a tax cost in the sale of accounts receivable portfolio in an improper manner. The tax credit is in the amount of US$749.3 million, including the omitted tax and its accessories. In February 2022, Cementos de Chihuahua, S.A. de C.V. filed an appeal to challenge the resolution of such tax credit, considering that it was not issued taking into account the tax and legal provisions in effect in the year under review.

In December 2021, GCC, S.A.B. de C.V. (was notified of the determination of a tax credit as a direct taxpayer for income tax purposes, with income subject to preferential tax regimes obtained through foreign entities or legal entities for the 2015 tax year. The tax credit for US$11.7 million, corresponds to the alleged amortization of tax losses from previous years and the alleged deduction of the annual inflation adjustment in an improper manner, including in the amount the omitted tax and its accessories. In February 2021, the Company filed an appeal for revocation to challenge the resolution of the tax credit corresponding to the 2015 tax year, considering that it was not issued taking into account the tax and legal provisions in force in the year under review.

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In January and April 2022, GCC Cemento, S.A. de C.V. was notified of the determination of tax credits as a direct taxpayer for income tax purposes, with income subject to preferential tax regimes obtained through foreign entities or legal entities for the tax years 2015, 2016, 2017 and 2018. The tax credits of US$26.7, US$30.3, US$38.8 and US$103.8 million, respectively, correspond to the alleged amortization of tax losses from prior years and the alleged deduction of the annual inflation adjustment and other deductions in an improper manner, including in the amount the omitted tax and its accessories (updates, surcharges and fines). In March, May and June 2022, GCC Cemento, S.A. de C.V. filed appeals to contest the resolutions of such tax assessments, considering that they were not issued considering the tax and legal provisions in effect for the year under review.

In September and April 2022, GCC, S.A.B. de C.V. (formerly Grupo Cementos de Chihuahua, S.A.B. de C.V.) was notified of the determination of tax credits as direct taxpayers for income tax purposes, with income subject to preferential tax regimes obtained through foreign entities or legal entities for the 2016, 2017 and 2018 tax years. The tax credits for US$15.0, US$16.9, US$85.7 million, respectively, correspond to the alleged amortization of tax losses from prior years and the alleged deduction of the annual inflation adjustment and other deductions in an improper manner, including in the amount the omitted tax and its accessories (updates, surcharges and fines). In May, Jun and October 2022 GCC, S.A.B. de C.V., filed appeals to contest the resolutions of such tax assessments, considering that the verification faculty were not legally exercised and that the tax assessments were not issued taking into account the tax and legal provisions in effect for the year under review.

By means of a writ filed on January 12, 2022 in the proceedings of the Amparo Indirecto A.I. 1437/2014 of the court docket of the First District Court of the Auxiliary Center of the First Region, with residence in Mexico City, GCC, S.A.B. de C.V., GCC Cemento, S.A. de C.V. and Cementos de Chihuahua S.A. de C.V., filed a motion for excess or defect in the compliance of the definitive suspension, granted to the aforementioned companies by the referred District Court through the interlocutory judgment of June 7, 2016 issued in the records of the incidental docket of the aforementioned amparo lawsuit, denouncing the violation of the aforesaid suspension by the various tax authorities responsible for having notified them by SAT's electronic notification system "Buzón Tributario", such as orders for the exercise of control faculty  corresponding to various tax years, requests for information and documentation, notices of observations, resolutions on tax credits, among others, although, as a consequence of the aforesaid judgment, they should have notified the plaintiffs of the aforesaid acts through the ordinary mechanisms provided for by the respective provisions, instead of doing so by "*Buzón Tributario*".

In March 2022, the District Court issued an interlocutory ruling regarding the incident of violation of the definitive suspension of the indirect injunction 1437/2014, filed by GCC, S.A.B de C.V., GCC Cemento, S.A. de C.V. and Cementos de Chihuahua, S.A de C.V., through which it resolved that the tax authority did not comply with the definitive suspension granted for not using the "*Buzón Tributario*" as a mean of communication, since such authority communicated to them several acts of inspection, such as orders for the exercise of inspection powers corresponding to several fiscal years, through the desk review, information and documentation requests, observations, tax credit resolutions, among others. Therefore, the authorities were required to comply with the definitive suspension granted to the plaintiff and rectify the errors incurred in complying with it, or in its case, correct the related deficiencies, in order to avoid incurring in contempt of court.

By order dated March 29th, 2022, issued in the incident for excess or default in compliance with the definitive suspension of the decision filed by GCC, S.A.B. de C.V., GCC Cemento, S.A. de C.V. and Cementos de Chihuahua, S.A. de C.V., the First District Court of the First Auxiliary Center of the First Region, with residence in Mexico City, analyzed a new alleged and purported compliance given by the responsible authorities , with respect to what was ordered in the interlocutory judgment of March 1, 2022, resolving that "... *consider the aforementioned authorities communicating the steps taken to comply with the resolution decreed in the case file; however, since the effect of the precautionary measure was so that, among other matters, the administrative acts and resolutions*

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*issued by the tax authority are notified to the plaintiffs through the ordinary mechanisms provided for in the respective provisions, it is considered that what they state is not sufficient to consider that said resolution has been complied with, because although they blocked the "Buzón Tributario" to the complainants, committing not to perform any act of nuisance referred to in the definitive suspension whose compliance is claimed, it is also true that it is not shown that they have rectified the errors, corrected or repaired the deficiencies in which they incurred (to perform notifications and make requirements, among others), through the electronic mailbox, that even though said acts should be performed through ordinary means, they were performed through the mentioned electronic means."*

Subsequently, by order dated April 26th, 2022, issued in the incident for excess or default in compliance with the definitive suspension of the decision filed by GCC, S.A.B. de C.V., GCC Cemento, S.A. de C.V. and Cementos de Chihuahua, S.A. de C.V. "*denied to consider as complied with the resolution in question...", determining that "... in order for this court to consider that the resolution in question has been complied with, it is necessary that the aforementioned authorities go back to the moment in which the aforementioned resolution was issued",* that is, as if the acts they performed had never taken place, which implies, of course, that, based on their powers, they should leave unconstitutional only those acts whose performance was prohibited.

As a result of the ruling and determination of April 26, 2022, referred to above, the responsible tax authorities filed two appeals, which were dispatched to the Fourth Collegiate Circuit Court of the Auxiliary Center of the First Region, located in Mexico City, under file numbers QA. 1140/2022 and QA. 1141/2022.

The resolution of the Complaints in charge of the Fourth Collegiate Circuit Court of the Auxiliary Center of the First Region, in Mexico City, to whom they were assigned to for such purpose, were issued on April 13, 2023, dismissing them as inadmissible, and therefore the obligation remains firm to "*... rollback things to the moment in which the aforementioned incidental resolution was issued"* this is to say, leaving without effect all the acts and proceedings that violated the suspension granted to the companies, in favor of GCC.

On December 14 and 15, 2023, the tax authorities that reviewed the aforementioned revocation appeals issued the corresponding resolutions, unlawfully confirming, in all cases, the validity of the resolutions determining the tax credits issued for the fiscal years 2014, 2015, 2016, 2017, and 2018.

On January 19, and February 15 and 16, 2024, GCC, S.A.B. de C.V., GCC Cemento, S.A. de C.V., and Cementos de Chihuahua, S.A. de C.V. timely and properly filed administrative adversarial proceedings before the Federal Court of Administrative Justice concerning each of the aforementioned resolutions.

On January 29 and February 9, 2024, the guarantees for the fiscal interest related to the tax credits of GCC, S.A.B. de C.V. were accepted. The guarantees for the fiscal interest corresponding to the tax credits of GCC Cemento, S.A. de C.V. and Cementos de Chihuahua, S.A. de C.V. were accepted on March 13, 2024.

In this regard, the company administration, with the support of our advisors, considers that the legal actions initiated, related both to the tax auditing processes and to each of the resolutions that addressed the revocation appeals filed against the resolutions determining the tax credits attributable to each of GCC, S.A.B. de C.V., GCC Cemento, S.A. de C.V., and Cementos de Chihuahua, S.A. de C.V., which are still in progress and pending resolution, have a high probability of being resolved in favor of GCC, S.A.B. de C.V., GCC Cemento, S.A. de C.V., and Cementos de Chihuahua, S.A. de C.V. Therefore, in accordance with the applicable provisions and financial reporting standards, no provision has been made, nor is there any obligation to make such a provision.

c) ESG (environmental, social and governance) Integration Risks: The integration of environmental, social and governance (ESG) factors are part of GCC's comprehensive strategy to fulfill its 2025 vision: To be the best cement company in North America with the proper balance of people, profit and the planet.

In the business or investment decision-making process, GCC weighs the impacts and benefits of all stakeholders to ensure the implementation of a business model that not

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only focuses on maximizing shareholder value, but also contributes positively to society, the environment and corporate governance best practices. GCC sustainability goals focus on implementing practices that mitigate negative impacts on the environment. We aim to protect the health and safety of our employees and contractors as well as build strong communities. GCC's sustainability strategy focuses on environmental responsibility, climate protection, fosters social responsibility and ensures economic sustainability for our generation and future generations. All of the above by implementing the best corporate governance practices.

Sustainability is a key element of GCC's business strategy, which is defined by the board of directors and the senior leadership team. A member of the board of directors leads the Sustainability Committee and is responsible for establishing the sustainability strategy. Each of GCC's divisions takes responsibility for implementing the sustainability strategy, including compliance with legal and regulatory requirements. This also includes the required capture and reporting of production, operation, consumption and emissions data as well as voluntary commitments made as a member of the Global Cement and Concrete Association (GCCA).

GCC's sustainability strategy was redesigned to better align with global sustainability guidelines. GCC's sustainability pillars is: Climate & Energy, Circular Economy, Health & Safety, Environment & Nature and Social Responsibility.

GCC is committed to set science-based emission reductions targets in line with the level of de-carbonization required to keep global temperature increase well-below 2 degrees Celsius by joining the Science Based Targets Initiative. Moreover, GCC announced that it has come together with the global industry to state a collective objective for carbon neutral concrete by 2050 in order to meet the global climate challenge.

d) Greenhouse Gas Emissions and Energy Management for Manufacturers in the State of Colorado (GEMM)

This rule became effective starting December 15, 2021, and requires facilities to regularly audit their GHG emitting processes to ensure GHG Best Available Emission Control Technologies (BAECT) and Energy Best (Energy BMPs) Management Practices are being used and to annually achieve a 5% reduction on total Green House Gas (GHG) emissions. The audit is required every 5 years and must analyze whether the facility is using the current BAECT and Energy BMPs for controlling GHGs. Colorado Air Pollution and Control Division must approve plans for the audit and concur with the result. GCCRG's cement plant in Pueblo, Colorado is subject to this rule.

During 2023 and as part of the compliance action plan with the State, GCC completed and obtained approval on a plan to operate using BAECT and reduce GHG emissions to comply with the rule for the first 5-year audit cycle. GCC projects to invest in capital projects $2,900 approximately to comply with the plan. GCC has also agreed to reimburse a supplier for pre-construction and exploration costs incurred initially in the event a related project cannot be completed for any reason other than those in control of the supplier. The expected pre-construction and exploratory costs are $714.

The company must perform audits every 5 years through 2037 and the required investments to comply with this rule for future audits is unknown and not possible to estimate.

e) Emissions Trading System- Pilot Phase

The pilot phase of Mexico's Emissions Trading System (ETS) took place between January 2020 and December 2023, with the participation of the Samalayuca and Chihuahua plants, both of which exceeded 100,000 $tCO_2$ emissions annually. During this period, only Scope 1 absolute $CO_2$ emissions were reported.

In 2023, a draft regulation for the operational phase was released, setting the emissions baseline using 2021 data submitted to the National Emissions Registry (RENE).

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Emission factors established for phase I (2024-2026):

| Year | Growth | Reduction factor |
|---|---|---|
| 2024 | 1.0678 | 0.0146 |
| 2025 | 1.0914 | 0.0200 |
| 2026 | 1.1155 | 0.0256 |

SEMARNAT is still finalizing the rules. Phase I is expected to launch in early 2025.

### 31. Operations that do not generate cash flows

During the years ended December 31, 2024, 2023 and 2022, the Company conducted operations that did not generate cash flows from investing activities and therefore are not reflected in the consolidated statements of cash flows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Acquisition of property, plant and equipment | $58,065 | $19,764 | $32,264 |
| Leases | $12,235 | $18,168 | $19,730 |

### 32. Subsequent events

On December 23th, 2024, a five-year loan agreement was signed with an option for two one-year extensions, with semi-annual interest payments at a rate of SOFR + 1.6% margin, with Bank of America, for an amount of $100,000, which subsidiaries GCC, S.A.B de C.V., GCC Cemento, S.A. de C.V. and Cementos de Chihuahua, S.A. de C.V. are guarantors, the disposition of the loan was issued on March 12, 2025.

### 33. Amendments issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Group's financial statements.

Presentation and Disclosure in Financial Statements – IFRS 18

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

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It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 statement of cash flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after January 1, 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

As the Group's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.

## 34. Authorization to issue the consolidated financial statements

On April 04, 2025, the accompanying consolidated financial statements were authorized for their issuance by Maik Strecker, Chief Financial and Planning Officer; consequently, they do not reflect events occurred after that date and are subject to the approval of the Company's ordinary shareholders' meeting where they may be modified, based on provisions set forth in the Mexican General Corporate Law.

The consolidated financial statements as of December 31, 2023, were approved by the general meeting of shareholders held on April 27, 2024.

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