





cementos PROGRESO

THE VALUE OF MAKING PROGRESS TOGETHER

EXECUTIVE SUMMARY SUSTAINABILITY REPORT, 2025







STATEMENT FROM THE CHAIRWOMAN

STEPHANIE ANN MELVILLE MOLINA

Chairwoman of the Administration Council

Dear Investors,

During 2025, we achieved significant progress in integrating Environmental, Social, and Governance (ESG) factors as structural elements of our corporate strategy and value creation model. In a complex macro environment, our strategic priorities remained focused on strengthening operational resilience, mitigating critical risks, and maintaining sustainable long-term financial performance.

We advanced key environmental initiatives by investing in renewable energy, optimizing energy consumption, and expanding recycled material use across our operations. These measures contribute directly to emissions reduction, enhance operational efficiency, improve cost structures, and enable closer alignment with international ESG frameworks. We are actively building our adaptive capabilities and reinforcing the mid- and long-term competitiveness of our assets. Future priorities will be established under the new Sustainability Strategy, to be developed in 2026.

In the Social Pillar, we achieved sustained improvements across critical metrics. Occupational Safety continues to serve as an essential enabler of operational continuity and business stability; nevertheless, we remain focused on reinforcing compliance with critical safety targets. We delivered double-digit growth in regional job creation and strengthened our talent management, succession, and leadership development programs to ensure an organization fully equipped for the operational and strategic challenges facing our evolving sector.

Regarding governance, we consolidated structures and processes that uphold integrity, traceability, and regulatory compliance. We maintained full alignment of our sustainability reporting with GRI and ESRS frameworks, elevating information transparency and enhancing the comparability required by shareholders, regulators, and broader stakeholders.

As we expand our regional footprint into an evolving regulatory landscape, we ensure that our corporate governance, operations, capital investments, and sustainability metrics remain strictly aligned with international best practices. Sustainable value creation requires discipline, transparency, and a long-term vision—principles to which we are fully committed.

I extend my sincere gratitude to the Administration Council, the Executive Management Team, and all our associates for their commitment and excellence. We will continue moving forward with rigor, responsibility, prudence, and consistency to ensure robust financial performance, sound risk management, and clear sustainability leadership—essential elements for the long-term resilience of our Progreso Family.





STATEMENT FROM THE CEO

JOSÉ RAÚL GONZÁLEZ

Progreso CEO

2025 marked a strategic turning point for our company. Progreso fully consolidated Sustainability as a core pillar of its corporate strategy. Amid rising regulatory demands, growing stakeholder expectations, and a global transition toward more responsible production models, we demonstrated strategic discipline, operational resilience, and a clear commitment to long-term value creation.

We achieved an exceptional year in value creation, growth, and efficiency, setting unprecedented milestones across virtually all operational areas despite a challenging geopolitical and economic environment. Operating across eight countries and managing strategic assets that enhance our competitiveness, we solidified our leadership as a regional industry benchmark. Our operating model is anchored in three core principles: operate with discipline, innovate with purpose, and generate long-term sustainable value.

The integration of newly acquired operations in the Dominican Republic was executed with high rigor, fully achieving control, operational performance, and market positioning targets. We unlocked significant operational

and logistical efficiencies across the region, boosting productivity and capital returns.

We capitalized on a favorable market environment to fortify our financial and operational profile. Through disciplined cost management, liquidity preservation, working capital optimization, and prioritized strategic capital allocation focused on efficiency and risk-adjusted returns, we maintained a resilient balance sheet. This strong financial posture shields the company from external volatility while enabling capital deployment for future expansion, operational scaling, and technological transformation.

We expanded our energy self-sufficiency by commissioning key proprietary solar projects (Helios and Tijax), marking vital initial steps toward future energy autonomy. Furthermore, we deepened community engagement through shared-value initiatives that strengthen our social license to operate.

The 'Progreso Culture' served as our primary operational differentiator. The quality of our stakeholder relationships directly dictates the quality of our achievements, and the invaluable commitment of our workforce explains our consistent ability to meet targets and navigate challenges.

In the immediate term, we will finalize our strategic plan to guide our medium-term business model. In alignment with this plan and an updated materiality matrix currently undergoing stakeholder consultation, we will launch a new Sustainability Strategy to deliver synergies and drive long-term value creation across all stakeholder groups. The convergence of these strategies will inform prudent, consistent investment decisions in the coming years.

Our overarching purpose—'Building together the country where we all want to live'—drives us to generate economic, social, and environmental value while responsibly managing our impacts for the benefit of communities and the planet.

We deeply appreciate the continued trust of our directors, employees, customers, suppliers, communities, and institutional partners. With vision, responsibility, and excellence, we will continue building a sustainable future and honoring a legacy spanning over a century.



PROGRESO

A CENTURY-OLD, DIVERSIFIED COMPANY

Founded in 1899 in Guatemala by Don Carlos F. Novella, Progreso has grown into a diversified industrial company. We are proud to be the only native Central American cement producer and one of the two oldest in the Americas.

Cementos Progreso Holdings, S.L. is an industry-leading manufacturer of cement, construction materials, and building solutions, backed by 126 years of operational expertise and a manufacturing or commercial footprint across eight Latin American countries. Additionally, we export lime to six Latin American markets and cement to four Caribbean countries.

Over the past decade, we established manufacturing footprint in Panama, Belize, and Costa Rica, and expanded commercial operations into Colombia and El Salvador (where we now produce ready-mix concrete). In late 2024, we acquired key operations in the Dominican Republic, whose performance indicators are fully consolidated into this report for the first time.

PROGRESO DNA

Transcendent Purpose

Building together the country where we all want to live.

Vision

We share dreams, we build realities.

Mission

We produce and market cement, in addition to building materials, accompanied by high-quality services.

COVEC Corporate Values

Ethical Behavior, Genuine Leadership, Solidarity, and Commitment to the Company's Sustainability.

Corporate Motto

"Progress in everything we do."

ECONOMIC PERFORMANCE HIGHLIGHTS

46.8 PERCENTAGE Growth in total corporate cement production.	**34.3** PERCENTAGE Share of total cement produced beyond Guatemalan boarders (regional expansion metric).	**23.5** PERCENTAGE Contribution of Dominican Republic operations to total cement output.	**40.9** PERCENTAGE Growth in total consolidated revenue.	**519.1** KMT Total cement exports.
60.3 KMT Total lime exports.	**169.2** MILLION Paper sacks exported.	**49.5** KMT White cement imports.	**37.6** PERCENTAGE Growth in Generated Economic Value (GEV).	**43.9** PERCENTAGE Growth in economic spillover to stakeholders.
5.9 USD$ MILLION Total expenditure and investment in corporate innovation.	**0.34** PERCENTAGE R&D/Innovation investment as percentage of gross sales.	**82.8** PERCENTAGE Share of total building materials sales commercialized online.	**70.3** PERCENTAGE Net Promoter Score (NPS).	**99.0** PERCENTAGE Customer complaint resolution rate.

ENVIRONMENTAL PERFORMANCE HIGHLIGHTS

1.7 **MILLION M³** Total corporate water consumption.	**15** **PERCENTAGE** Water substituted in ready-mix concrete operations.	**70.9** **PERCENTAGE** Corporate Clinker Factor.	**29.1** **PERCENTAGE** Alternative raw material substitution rate in cement.	**3.27** **KMT** Total operational waste generated.
72.3 **PERCENTAGE** Total waste recovered/ revalued.	**969.6** **TJ** Energy generated via co-processing.	**182.9** **KMT CO2** Direct Net CO2 Emissions (Scope 1).	**177.4** **KMT CO2** Indirect CO2 Emissions (Scope 2).	**156.2** **KMT CO2** Avoided CO2 emissions due to optimized clinker factor.
831.8 **GWH** Total electrical energy consumption.	**44.0** **PERCENTAGE** Renewable electricity consumption share.	**50.4** **GWH** Forecasted annual generation from newly built solar facilities (Helios & Tijax).	**20,360** **TJ** Total thermal energy consumption.	**5.0** **PERCENTAGE** Thermal substitution rate using alternative fuels in kilns.

LABOR & WORKPLACE HIGHLIGHTS

4,892 **NUMBER OF PEOPLE** Direct employees.	**15,228** **NUMBER OF PEOPLE** Indirect jobs generated across the regional value chain.	**20,120** **NUMBER OF PEOPLE** Total job creation impact across the region.	**33.3** **PERCENTAGE** Local community members in direct workforce.	**75.7** **PERCENTAGE** Local community employment in cement plants.
15.8 **PERCENTAGE** Female representation in total workforce.	**26.9** **PERCENTAGE** Female representation in leadership and decision-making roles.	**3.3** **PERCENTAGE** Gender wage gap.	**30.6** **PERCENTAGE** Workforce based outside Guatemalan borders.	**112** **USD$ MILLION** Total payroll disbursed.
9.1 **PERCENTAGE** Average regional wage adjustment rate.	**98.2** **PERCENTAGE** Permanent employment contract rate.	**10.3** **PERCENTAGE** Annual employee turnover rate.	**68.3** **PERCENTAGE** Employees are affiliated with unions or labor associations.	**155.0** **K HOURS** Annual human capital training hours.

SOCIAL & COMMUNITY HIGHLIGHTS

52.0 USD$ MILLION Direct monetary impact injected into local plant economies.	**9.3** USD$ MILLION Total social and community investments.	**7.0** PERCENTAGE Contribution to formal employment in San Juan Sacatepéquez.	**15.8** PERCENTAGE Contribution to formal employment in Sanarate.	**75.7** PERCENTAGE Employment of community members in cement plants.
5.1 PERCENTAGE Contribution to Municipal Self-Generated Revenues.	**6.0** PERCENTAGE Contribution to Municipal Self-Generated Revenues (Sanarate).	**10.1** PERCENTAGE Cempro Community Investments vs. Municipal Investments (San Juan Sacatepéquez)	**25.6** PERCENTAGE Cempro Community Investments vs. Municipal Investments (Sanarate).	**277.8** THOUSANDS OF PEOPLE Thousand Direct Beneficiaries.
3.7 USD$ MILLION Annual corporate investment in community education programs.	**389.6** K TREES Annual tree production in proprietary nurseries.	**3,440.4** HECTARES Cumulative reforested land area (2020–2025).	**4,490** NUMBER Active regional suppliers in the value chain.	**59.8** PERCENTAGE Share of Generated Economic Value (GEV) captured by suppliers.

Compliance & integrity system

Our compliance and integrity system is an essential component of corporate governance and enabler to operate with integrity, manage risks, and sustain stakeholders' trust. In line with GRI and ESRS standards, this system establishes the framework to ensure legal and regulatory compliance, prevent and address corruption and other behaviors contrary to business ethics, and maintain reporting, investigation, and response mechanisms. It also incorporates the monitoring of sanctions, litigation, and compliance audits, integrating culture, conduct, training, and controls to promote consistent action throughout the organization.

The Code of Values, Ethics, and Conduct (COVEC) is the core of our corporate DNA, alongside the policies that support the compliance system. We have expanded the coverage of the ISO 37001:2016 anti-bribery certification and maintain the Corporate Anti-Bribery, Corruption, Fraud, and Anti-Money Laundering and Other Assets Policy, as part of our efforts to continuously strengthen controls and the consistency of the integrity framework.

We specifically monitor the 313 suppliers with the highest potential exposure to ethical, bribery, and corruption risks, representing a 12% increase compared to 2024.

In alignment with this commitment and as part of the integration process of the new operations, we promoted an intensive regional process to socialize and standardize corporate policies, including our best compliance and integrity practices. In 2025, we received 82 reports of COVEC violations (a 37% increase) and 5 reports of alleged infractions regarding corruption, fraud, and bribery (a 17% decrease).

98% of the reports regarding COVEC violations were resolved. An average of 31 days was required to resolve them, more than double the time taken in 2024. Anonymous reports represented 43% of the total, compared to 38% in the previous year.

Commitment to sustainability & strategic transition

Between 2015 and 2025, Progreso implemented two core corporate strategies—business and sustainability—whose target horizon concluded this year. Progreso's new operating environment is characterized by regional expansion, complex geopolitical contexts, heightened public scrutiny, and increasing regulatory requirements. Considering this reality, in 2025 we initiated a strategic transition process that integrates the simultaneous update of both corporate strategies.

JOSÉ RAÚL GONZÁLEZ

CEO Progreso

I am sharing a conviction with you that stays with me every day: sustainability is not about speeches, but about how we make decisions, how we act, and how we relate to our environment. We understand it as a way of doing business with responsibility, coherence, and purpose.

Our four sustainability pillars, beyond being a strategy, are commitments that we live daily, always keeping people, communities, and the future we are building together, in mind.

At Progreso, sustainability has never been a trend. It has been the framework within which we have conducted our business over the last 125 years.

A Progreso leader faces a complex task ahead: reconciling short-term objectives with the company's long-term sustainability.

To be sustainable, one must act with coherence and do the right thing, even if it sometimes requires more time, greater effort, or higher immediate costs.

Materiality and Strategy

To renew the sustainability strategy, we initiated consultations with our stakeholders to identify their expectations, priorities, and perceptions regarding Progreso. We utilized an integrated and sequential methodology to strengthen the strategic relevance of the material topics identified in this initial version:





We fully endorse the concept that "material topics, when well-managed, become the engine of innovation and sustainable growth for the company."

3. Materiality Consultation

We conducted a consultation process across all operating countries (partially in Guatemala, whose materiality will be reviewed in 2026) using traditional methodologies alongside innovative tools for perception analysis and artificial intelligence. This process allowed us to identify relevant (material) topics for each territory, as well as emerging risks and opportunities.

To ensure the best outcomes, we introduced methodological innovations following a three-phase process:

1. **Materiality Benchmark:** Evaluated cement companies operating in Latin America and the Caribbean to identify convergence on critical sustainability issues, as well as emerging industry trends and patterns.

2. **Cross-Digital Consultation:** Designed a proprietary methodology to complement traditional polling methods. We deployed two innovative tools: a perception and emotion survey (470 responses) and social media analysis (9,426 conversations).

3. **In-Person Stakeholder Workshops:** Conducted workshops across operating countries (271 stakeholders; 63% external to Progreso).

Double Materiality and IROs

The topics identified through this structured dialogue provided an initial version of the Impacts, Risks, and Opportunities (IROs) Matrix at both the country level and for Progreso as a whole, which will undergo review and validation in 2026.

We prepared an initial version of Progreso's Double Materiality Matrix (excluding forecasted financial effects at this stage) to be validated next year and finalized once the new directive (CSRD) and performance standards (ESRS) are transposed into Spanish legislation (through an update or comprehensive reform of Law 11/2018).



Cementos Progreso Holdings, S.L.

Double Materiality Matrix based on Common Regional Risks, 2025
Aligned with CSRD – ESRS 1 and ESRS 2

(Preliminary version based on stakeholder materiality consultation)

#	Material Topics	Potential Regional Risk	Impact Materiality *(Outward)*	Financial Materiality *(Inward)*	ESRS
Economy					
1.	Energy	Power supply shocks / grid instability	Indirect emissions via fossil dependence	Operational downtime & cost volatility	ESRS E1
2.	Competition & Market	Market share loss	Local market impact via sub-par substitutes	Revenue loss & margin contraction	ESRS S4
3.	Supply Chain	Supply chain disruptions	Impacts on vulnerable local suppliers	Contractual defaults & extra logistics cost	ESRS S2
4.	Brand Equity	Low brand/corporate differentiation	Erosion of corporate sustainability trust	Demand contraction & brand devaluation	ESRS S4
5.	Human Capital	Talent shortages & turnover	Deterioration of local employability	Recruitment, retraining & productivity cost	ESRS S4
Governance					
6.	Cybersecurity	Cyberattacks & IT outages	Data privacy & security breaches	Operational paralysis & restoration cost	ESRS G1

7.	Regulatory Framework	Strategy-sustainability misalignments	Corporate culture & resilience impact	Inefficiency, capital cost & non-compliance	ESRS 2
8.	Corporate Governance	International non-compliance	Systemic degradation of compliance	Regulatory barriers, fines & brand loss	ESRS G1
9.	Communication	Insufficient sustainability narrative	Loss of stakeholder trust and transparency	Reputational damage & loss of credibility	ESRS G1
Environment					
10.	Water Resources	Water regulatory restrictions	Watershed & ecosystem degradation	Operational shutdown risk & EBITDA loss	ESRS E3
11.	Environmental Compliance	Environmental incidents & spills	Direct soil, air, water & biodiversity damage	Fines, loss of operating licenses	ESRS E5
Social					
12.	Social License	Social conflict & community unrest	Community cohesion loss & conflict	Operational blockades & CAPEX loss	ESRS S3
13.	Customer Service	Loss of customer loyalty	Negative customer experiences	Revenue loss & market share decline	ESRS S1
14.	OH&S	Occupational accidents & fines	Workplace injuries & employee harm	Litigation, regulatory penalties & cost	ESRS S1
15.	Institutional Relations	Strategic partnership breakdown	Debilitation of local territorial development	Loss of institutional cooperation	ESRS S3

Human Rights Policy

We are aware that respect for human dignity is the fundamental basis of society and business activity. Progreso's Human Rights Respect Policy, approved in 2024, deepens the management of social and reputational risks and opportunities, with an emphasis on due diligence in accordance with the standards of the United Nations Guiding Principles on Business and Human Rights and European regulatory frameworks on supply chains.

Simultaneously with the materiality consultation process, we shared the Human Rights Respect Policy with the stakeholder groups consulted in each country. We also conducted a survey on the current situation of human rights in our operations as input for its implementation starting in 2026.

Supply Chain Sustainability

In our Human Rights Respect Policy, we committed to strengthening our supply chain to encourage the critical suppliers of our operations to respect fundamental rights and meet sustainability standards.

Due to the regional expansion of our operations, we streamlined and integrated the supplier database for each country. We strictly monitor compliance with the Code of Ethics, Values, and Conduct for Business Partners, which applies to suppliers, contractors, and other commercial relationships. Each year, our suppliers sign a commitment to act in accordance with the law, ethics, integrity, and the values of our COVEC, and in turn, promote them with their own business partners.

We also apply our own methodology to identify critical suppliers and conduct periodic compliance evaluations. This approach aligns with international regulatory frameworks, including European directives on due diligence and human rights in the supply chain.



PREFERRED SUPPLIER

Under the **Preferred Supplier** pillar, we present accountability regarding the company's economic performance. We evaluate annual performance on four material topics and one strategic issue relevant to our business model: the expansion process.

Value Proposition

Our value proposition is built upon a clear commitment to sustainable development, integrating economic performance, environmental responsibility, and the generation of social well-being in each of our operations. Through a diversified portfolio of construction products and solutions, as well as a strategic regional presence, we work to drive the growth of our markets, strengthen local value chains, and respond responsibly to environmental challenges.

Production 2025

Our regional production performance shows mixed results by product and by country, reflecting both the strength of our core business (cement) and our ability to adapt to a more demanding economic environment.

Cement, the main generator of economic value, experienced significant growth (11%), driven primarily by Guatemala. When factoring in the impact of incorporating the Dominican Republic, our regional cement production grew by 46.8%. Costa Rica recovered at a moderate pace, while production in Panama and Belize declined.

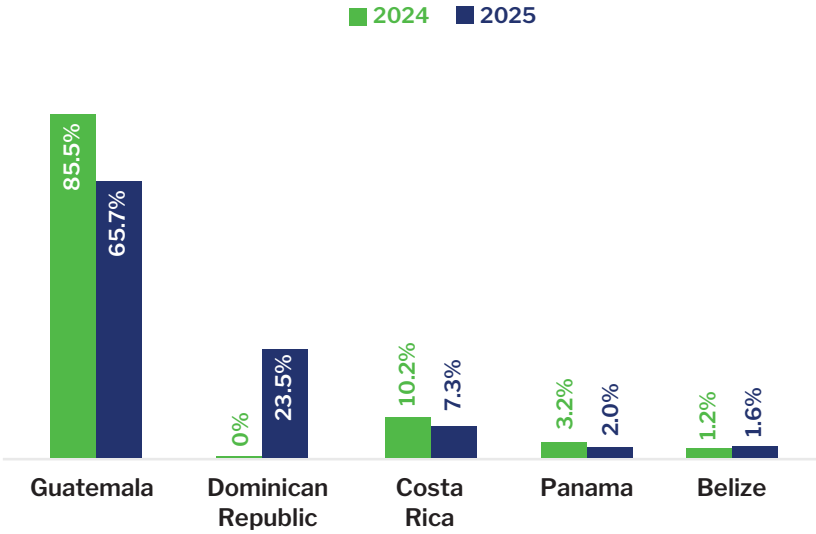


Cementos Progreso Holdings, S.L.
Production per County and per product. 2025
(year over year growth)

12.6% GUATEMALA	**43.0%** CLINKER (TOTAL CPH)
-2.3% BELIZE	**46.8%** CEMENT (INCUDES DOM. REP)
4.8% COSTA RICA	**8.7%** COMMERCIAL LIME
-8.0% PANAMA	**-11.8%** PRE-DOSED MORTARS
25.1% DOMINICAN REPUBLIC	**25.7%** READY-MIX (DOM. REP.)
46.8% CEMENT (TOTAL CPH)	**4.6%** PAPER SACKS
12.2% CEMENT (CPH W/O DOM. REP.)	**20.8%** AGGREGATES

The incorporation of the Dominican Republic, where we have been producing cement and concrete since 2025, completely changed Progreso's production structure. Now, that country accounts for a quarter of our regional production.

Cementos Progreso Holdings, S.L.
Cement production by country, 2024-2025



By including the Dominican Republic, we experienced a significant change: we reduced exposure to risks concentrated in a single country or market. With the Dominican Republic, cement production beyond Guatemalan boarders (a key indicator of the expansion process) went from 15.6% in 2023 to 34.3% in 2025.

Ordinary Revenues

Our portfolio's ordinary revenues grew by 40.9% in 2025. This result marks a historical high and was achieved thanks to timely adjustments in commercial planning, as well as production and logistics adaptations to respond to an unusual surge in demand. Performance was led by cement sales (48.6%), followed by concrete (31.5%) and aggregates (18.3%), in line with the greater dynamism of the regional market, especially in Guatemala.

Markets

Our operation has a regional scale, with production and logistics capabilities that allow us to serve Central America and the Caribbean in an integrated manner. We produce cement in Guatemala, Belize, Costa Rica, Panama, and the Dominican Republic (starting in 2025); and concrete in Guatemala, Costa Rica, and the Dominican Republic. We also maintain fixed commercial operations in El Salvador and Colombia, and export lime to six Latin American countries.

Our production and commercial strategy are based on flexibility, adaptability, and the constant pursuit of opportunities to continue growing in the region. Within this framework, the Dominican Republic occupies a strategic place: in addition to expanding our geographic presence, it strengthens our access platform to the Caribbean by connecting industrial capabilities and maritime terminals with distribution routes that facilitate serving Caribbean markets more efficiently.

Exports

Progreso's geographic expansion strategy rests on two complementary pillars: growth through acquisitions and the sustained strengthening of our export capacity. This capacity, supported by our industrial and logistical platform in the region, allows us to competitively serve different markets and respond with agility to changes in demand.

In 2025, we exported 519.1 thousand tons of cement. Although total volume contracted by 23.3% (partly due to the prioritization of the domestic Guatemalan market in the face of excess demand), we maintained a presence in our main export destinations. Guatemala accounted for 62% of the exported volume, and the Dominican Republic contributed 38%.

Lime and paper sack exports recorded positive performances, with growth rates of 9.2% and 7.0%, respectively. For both products, the exported volume increased in each of the last three years, reflecting a solid positioning in regional markets.

The trend in lime exports confirms our ability to recover and expand volumes through new uses and markets, alongside the expansion as a specialized regional provider.



Cementos Progreso Holdings, S.L.

Export Growth Rate, 2023-2025

Countries	2023	2024	2025
Cement	**42.0%**	**6.4%**	**-23.3%**
Guatemala	12%	77%	-9%
Costa Rica	26%	-49%	0%
El Salvador	110%	-8%	0%
Dominican Republic	0%	0%	100%
Lime (Guatemala)	**-33.3%**	**20.8%**	**9.2%**
Sacks	**-1.4%**	**4.2%**	**7.0%**

Economic Spillover to Stakeholders

The creation of long-term generated economic value (GEV) is the fundamental basis of business sustainability, as it enables business continuity, financial resilience, and the capacity to invest in the pillars of our sustainability strategy.

In 2025, Progreso's GEV grew by 37.6%, driven partly by the incorporation of the Dominican Republic, which contributed 15.2% of the total. This result also highlights greater regional diversification, as Guatemala's share decreased by just over ten percentage points, reflecting the progress of our expansion process.

We focus on maximizing long-term shared value. In 2025, the economic spillover to our stakeholders increased by 43.9%.



Expansion Process

As of 2015, we decided to focus on reducing the risk of dependence on a single country and product, implementing a geographic, productive, and investment diversification strategy. This approach has allowed us to build a more balanced and robust portfolio of assets, better capable of absorbing the macroeconomic, operational, social, and regulatory volatility inherent to the markets in which we operate.

The expansion strategy not only contributes to growth, but also to a more sustainable management of the investment portfolio, strengthening our regional competitive position and our capacity to generate value in a responsible and sustainable manner.

Cementos Progreso Holdings. S.L.
Expansion Process, 2023-2025

Expansion Indicators	Beyond Guatemalan Borders 2023	2024	2025
Cement Production	15.6%	14.5%	34.3%
Generated Economic Values	19.0%	18.2%	28.7%
Gross Income	17.0%	16.6%	33.4%
Associates	7.6%	21.2%	30.6%

Decent Housing

Replacing dirt floors with concrete floors through the HogaRES program is a high-impact social intervention that strengthens home infrastructure, reduces exposure to pathogens, and contributes to proven reductions in chronic malnutrition and respiratory and gastrointestinal diseases.

Through the HogaRES program, 6,948 dirt floors were replaced (a 34.1% increase) with an investment of US1.7million, benefiting 34,740 people. 25. 2730,305) was made through partner companies and organizations, to which we donated the cement used in the concrete floors they executed independently.



Cementos Progreso Holdings, S.L.
HogaRES Program, 2022-2025

Years	Floors	Cempro Investments	Partner Investments	Bene-ficiaries
2022	478	82,019	25,462	2,390
2023	660	58,506	46,509	3,300
2024	5,180	680,352	319,159	25,900
2025	6,948	1,341,347	339,175	34,740
Total	**13,266**	**2,162,224**	**730,305**	**66,330**

Of the 6,948 floors replaced in 2025, Progreso directly executed 2,339 floors, benefiting 12,264 people.

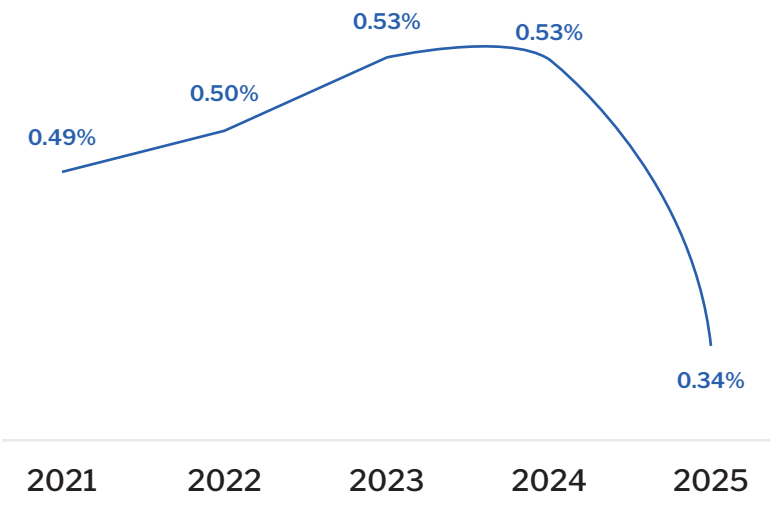
Innovation Ecosystem

Our innovation ecosystem integrates innovation, research, and development functions. In line with international disclosure practices and the double materiality approach, we manage investment in innovation as a structural enabler of sustainability.

Our expenses and investments in research, development, innovation, and training totaled US$5.89 million in 2025. Although this amount represents a decrease compared to the peak levels observed in the five-year period, the investment remains significant.

Our innovation effort measured as a percentage of gross sales was 0.34%. This is lower than the 0.53% invested over the previous two years but remains higher than the 0.26% regional average for companies in Latin America, according to IDB reports.

Cementos Progreso Holdings, S.L.
Expenses and investments in innovation, research, and development
(percentage of gross sales)



Service Culture

Progreso's service culture is managed as a strategic asset that strengthens business sustainability and the risk profile by consolidating long-term customer relationships, reducing operational friction, and protecting corporate reputation in highly competitive markets.

Our service culture enables continuous improvements to maximize customer satisfaction. We promote an evolving service culture with a firm commitment to being our customers' "preferred supplier." We monitor customer relationships through two strategic committees: Customer Experience (CX) and Service Culture Committees.

E-Commerce

The use of digital tools is transforming cement commercialization. 82.8% of total sales were completed online. We have an agile and convenient platform, which has contributed to its growing popularity among users.

PREFERRED EMPLOYER

In the **Preferred Employer** pillar, we evaluate our performance across three material topics: job satisfaction and workplace well-being; talent development; and occupational health and safety.

Starting with this report, we have moved the topic of ethics and compliance (COVEC) to the corporate governance chapter, in accordance with GRI guidelines and the European Union's ESRS.

This year, we updated our labor records by refining the data from new operations. As a result, some historical figures have been recalculated and restated to ensure full year-over-year comparability and alignment with international standards.



Job Satisfaction and Workplace Well-being

Human Talent Profile

Our employee family profile reflects a growing, diverse company committed to the generation of formal employment, job stability, and equal opportunity.

Cementos Progreso Holdings, S.L.

Human Talent Profile, 2024-2025

Talent Profile

Total Workforce	2024	2025
Direct Workforce (Employees)	4,128	4,892
Total Payroll Disbursed ($ Millions)	89	112
Breakdown per gender		
Male Workforce Share	84.6%	84.2%
Female Workforce Share	15.4%	15.8%
Ages		
18–29 Years	12.0%	14.8%
30–49 Years	68.6%	66.8%
50+ Years	19.4%	18.4%
Hierarchy		
Operational Personnel	70.8%	71.7%
Supervisors / Chiefs	22.3%	22.1%
Management	7.0%	6.2%
Employment Type		
Permanent Employment Contracts	85.9%	98.2%
Temporary Employment Contracts	14.1%	1.8%

Worforce Moblity

Total Separations	2024	2025
Offboardings (Employees)	460	520
Separation per gender		
Male Share	83.0%	82.9%
Female Share	17.0%	17.1%
Separation per Age		
18–29 Years	12.8%	14.8%
30-49 Years	64.1%	59.0%
50+ Years	23.0%	26.2%
Annual Rotation Rate		
Total	11.1%	10.6%
Male	12.3%	12.4%
Female	10.9%	10.3%
Turnover Types		
Voluntary	51.1%	44.6%
Offboarding (Employees)	48.9%	55.4%

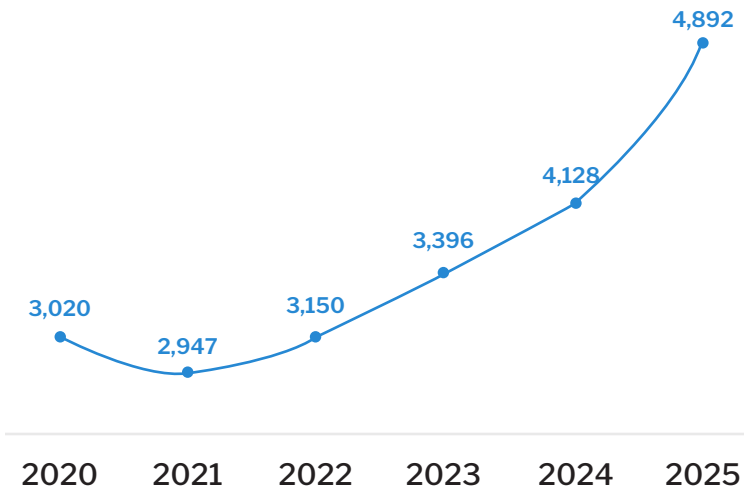
Inclusivity

Female Participation	2024	2025
Women in Decision-Making / Leadership Roles	27.0%	26.8%
Gender Pay Gap		
Gender Pay Gap (In favor of males)	8.0%	3.3%
Associates Beyond Guatemalan Boarders		
Employees Based Outside Guatemala	21.2%	30.6%
Local Employment		
Total Operations	36.9%	33.3%
Cement Plants	71.7%	75.7%
Freedom of Association		
Associates	71.4%	65.7%
Union Organizers	2.8%	2.5%
Non-members	25.8%	31.8%
Parental Leave		
Men (number of cases)	57	63
Women (number of cases)	20	22
Reincorporation (% total)	97.4%	100%

Direct employment

Our workforce reached 4,892 direct employees in 2025, representing an 18.5% growth driven mainly by the addition of 594 employees in the Dominican Republic. Even without the contribution of that new operation, CPH's direct employment would have increased by 4.5% annually.

Cementos Progreso Holdings, S.L.
Direct Employment, 2020-2025
(number of employees)



Indirect employment

We made progress in measuring indirect employment by applying an in-house methodology to estimate the jobs generated across our supply chain. We conducted a survey targeting our most relevant suppliers and calculated the indirect employment coefficient generated for every million dollars purchased from suppliers.

In 2025, we generated 4,892 direct jobs and 15,228 indirect jobs, bringing the total workforce to 20,120 people.



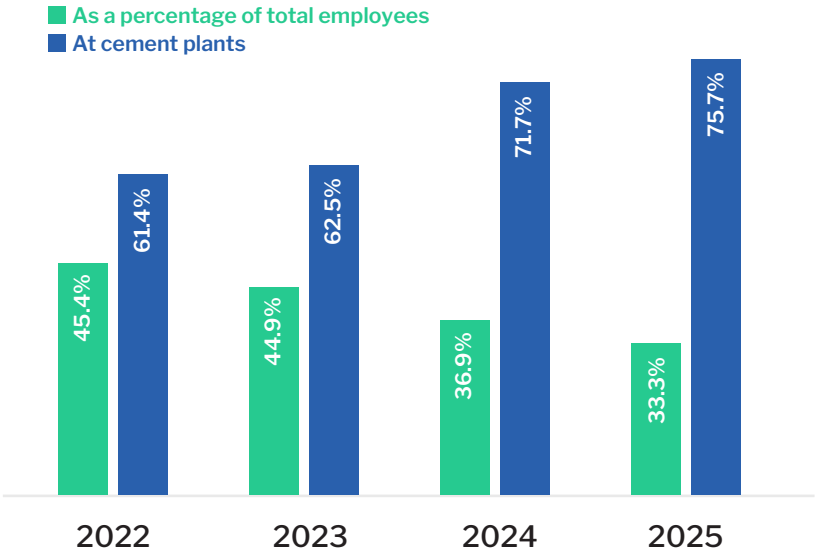
Cementos Progreso Holdings, S.L.
Employment generated throughout the Value Chain, 2024-2025

	2024	2025
Indirect Employment		
	15,963 number of people	**15,228** number of people
	Indirect employment generated per each US$ million compared to suppliers	Indirect jobs generated for every US$ million purchased from suppliers
	27.3 indirect employment coefficient	**26.9** indirect employment coefficient
Direct Employment		
	4,128 number of people	**4,892** number of people
Total Employment		
	20,091 number of people	**20,120** number of people

Community employment

Community workers represent 33.3% of total direct employees. However, in the cement plants, community workers account for up to 75.7% of the total plant workforce. This share of community employment in the plants has been growing over the last four years.

Cementos Progreso Holdings, S.L.
Community Employment Generation, 2022-2025
(percentages)



Female employment

We employ 774 female employees, 22% more than in 2024. Women's participation at Progreso increased from

15.4% to 15.8% and reached 26.8% in leadership and management positions, reflecting a significant presence in leadership and decision-making roles.

The positive overrepresentation of women in key positions (compared to their participation in the total workforce) occurs in all the countries where we operate. The exceptional hierarchical positioning of our female employees is a direct result of their efforts, abilities, and merits, as our COVEC and labor policy mandate acting without discrimination or favoritism toward any segment of our employee family.

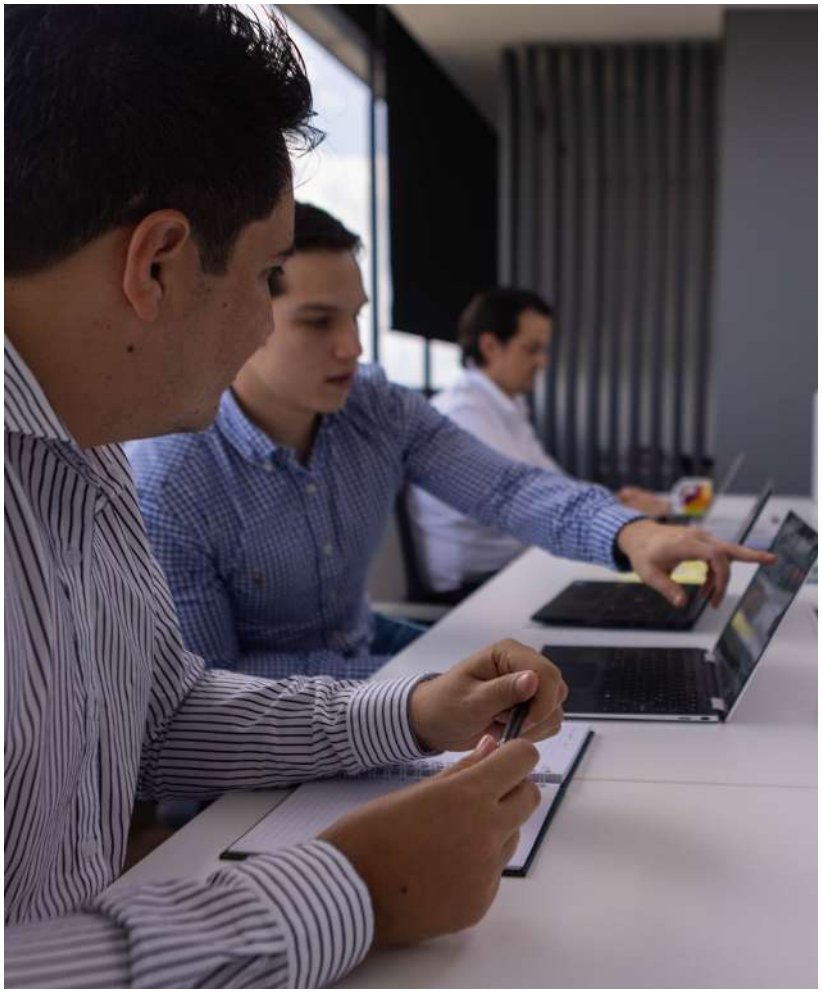
Wage Gap

In 2025, the pay gap in favor of men decreased from 8.0% to 3.3%. The differences observed do not result from differentiated pay practices, but from structural factors such as men's higher average seniority and the fact that men hold 73% of supervisory and management positions, where salary levels are higher.

Another factor influencing this gap is that, in many cases within the operational segment, where overtime and plant productivity bonuses are commonly earned, there are more men. Therefore, even when salaries are the same, this additional income results in men having higher average earned income.

Freedom of Association

In 2025, 68% of employees were affiliated with some form of internal labor organization.



Cementos Progreso Holdings, S.L.

Employees Organized in Unions and Associations, 2024-2025

Labor Organization Type	Guatemala		Panama		Costa Rica		CPH	
	2024	2025	2024	2025	2024	2025	2024	2025
Syndicates	0	0	117	124	0	0	117	124
Union	2680	2786	0	0	281	429	2961	3215
Non-union	572	609	80	73	274	136	926	818
Employees for each country	3252	3395	197	197	555	565	4128	4892
% of Syndicate members and union	**82%**	**82%**	**59%**	**63%**	**51%**	**76%**	**74.6%**	**68.3%**
% of nonaffiliated employees	**18%**	**18%**	**41%**	**37%**	**49%**	**24%**	**25%**	**32%**

Occupational Health and Safety (OH&S)

We view the prevention of occupational accidents and illnesses as a strategic responsibility aimed at protecting the physical and mental well-being of our employees and ensuring safe and healthy workplaces across all our operations.

Progreso's frequency rate was 0.67 in 2025, within the industry benchmark range and close to the levels achieved by top-performing companies. However, the severity rate increased from 11.3 to 57.0 between 2024 and 2025. Therefore, we will prioritize stronger preventive and control measures to close this gap.

Risk Prevention

We focus our efforts on preventing occupational health and safety risks. Three of our cement plants and one paper sack plant are certified under ISO 45001, which establishes strict requirements for ensuring safe and healthy workplaces.

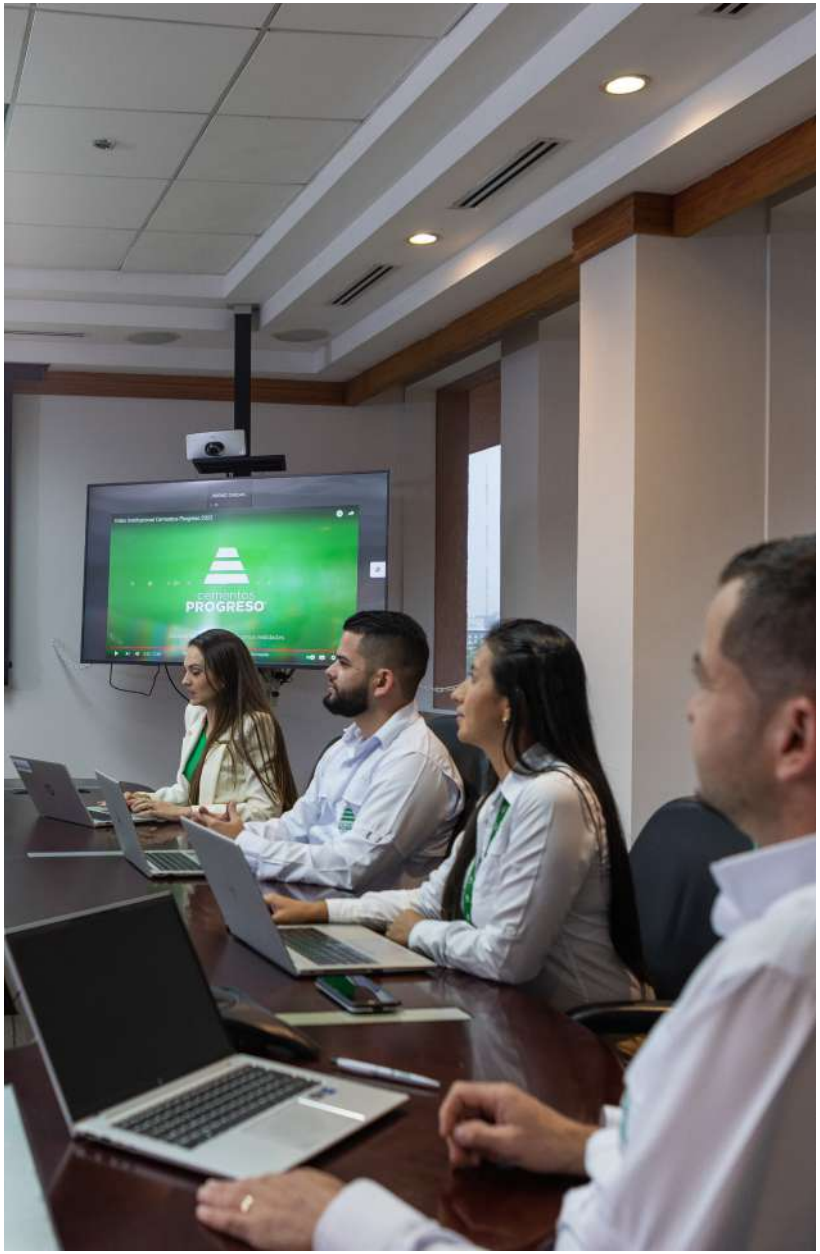
We also conduct surprise inspections known as "orange helmet" inspections and involve nearly one-fifth of our employees in occupational health and safety committees.

Training

In an industry characterized by inherently high-risk activities, systematic employee training strengthens the culture of prevention. It promotes safe behaviors

and reinforces shared responsibility for protecting people's lives and health. Under this approach, training is integrated across our occupational health and safety management, contributing to continuous performance improvement, operational resilience, and compliance with international principles of safe and decent work.

In 2025, we provided 61,879 hours of training, with an investment of US$480,554.



ENVIRONMENTAL LEADER

In environmental matters, we manage our performance based on four material sustainability topics: water management; circular economy; energy and climate variability; and biodiversity. We adopt a compliance and due diligence approach focused on risk management, with the aim of ensuring adherence to applicable regulations (laws, regulations, protocols, and international agreements) and maintain management standards aligned with the expectations of our stakeholders.



Water Management

Cement production is entirely dry. Water is consumed only in concrete manufacturing and lime hydration, as it is part of the final product formulation.

Water Consumption

At the regional level, we consumed 1.7 million cubic meters of water. Cement and lime production accounted for 65.7% of total consumption.

Cementos Progreso Holdings, S.L.

Water Consumption by Business and Country, 2025

(cubic meters)

Business Unit	Guatemala	Costa Rica	Panama	Belize	Dominican Republic	CPH
Cement and Lime	778,141	233,474	5,986	272	102,015	1,119,888
Aggregates	163,128	n.a.	n.a.	n.a.	n.a.	163,128
Concrete	315,961	58,920	35,363	n.a.	n.a.	410,244
Sacks	11,994	n.a.	n.a.	n.a.	n.a.	11,994
Total Consumption	**1,269,224**	**292,394**	**41,349**	**272**	**102,015**	**1,705,254**

n.a. = We do not manufacture that product in that country.

Water Consumption in Concrete

In 2025, we reduced water consumption in concrete production by 35,157 cubic meters through water reuse (4.4%) in Guatemala and Panama and the use of rainwater (10.6%) in Guatemala. The total amount of water replaced at the corporate level was equivalent to 15.0% of our total consumption.

Circular Economy

Our circular economy approach focuses on strengthening operational efficiency and managing resources and waste responsibly.

Raw Materials

One of the key pillars of circularity practices is optimizing material consumption. In 2025, we recovered 20.4 Mt of materials for production (20% more than in 2024), mainly for cement (11.6 Mt) and aggregates (5.5 Mt).

Clinker Factor

According to the Inter-American Cement Federation (FICEM), the global Clinker Factor (CF) was 74.8% in 2019 (the latest published data). In 2025, our plants across the region produced cement with an average CF of 70.9%. The Guatemala operation recorded the lowest CF (69.2%)

within our regional average.

Our corporate CF is 3.9 percentage points below the global average. This means we produce cement with lower emissions from decarbonization. By reducing the CF, we avoided approximately 156.0 kt of CO2e emissions.

Alternative Raw Materials

The low CF in our operations is achieved by replacing clinker with alternative raw materials incorporated into the cement produced without compromising the product's properties, quality, or efficiency.

On average, across our regional operations, we reduce clinker use by incorporating 15.6% pozzolan and 13.5% other cementitious materials. In total, we use 29.1% alternative raw materials.

Residue and Waste

In 2025, we generated 3.27 kt of waste, 17.7% of which was classified as hazardous. We recorded an increase in cement, lime, and aggregates business units. In cement and lime, this was primarily due to increased production resulting from unusually high demand for these products and adding Dominican Republic operations.

Construction Debris or Rubble

A total of 84.45 thousand cubic meters of construction debris or rubble was generated by the ready-mix concrete business unit in Guatemala. Due to its inert properties and material strength, it was removed and managed by authorized service providers for reuse as fill material, road surface improvement material, or disposal in landfills.

Waste Disposal and Recovery

In addition to replacing raw materials in cement production, we promote other circular economy practices. We have made significant progress in reducing waste and reusing materials.

Of the total waste generated, excluding construction debris, we reused 25.36%, recycled 18.65%, and co-processed 17.53%. The remainder (36.86%) were sent to authorized landfills. Only 1.6% was managed through other disposal methods.

Co-processing of External Waste

In 2025, we co-processed 35.01 kt of waste generated by other industries. Using this waste, we generated 969.60 TJ of energy for our own consumption.

Waste co-processing improves energy efficiency, reduces emissions through the partial replacement of fossil fuels, and provides a more appropriate method of waste management.

Energy and Climate Variability

Total Direct Emissions

Of our total net emissions, 60.8% are concentrated in our operations in Guatemala, 30.0% in the Dominican Republic, 9.2% in Costa Rica, and 0.05% in our operations in Belize and Panama. Operations in Belize and Panama have very low emissions because they involve cement grinding and bagging processes rather than integrated plants, as in the other countries.

In 2025, our net direct emissions in Guatemala per metric ton of cement were 0.62 t CO2 per metric ton of cement equivalent. This figure is at the lower end of international industry best practice benchmarks.

Total Indirect Emissions

Our indirect emissions per metric ton of cement were 0.04 t CO2 per metric ton of cement equivalent, although there were substantial differences among countries.

Indirect emissions (Scope 2) in Guatemala totaled 177.4 ktCO2; 94.1% were generated by cement production, consistent with the increase in demand for this product in 2025.

Emission Reduction

The lower CF enabled Progreso to avoid consuming 300.44 kt of clinker in 2025 compared with the global CF. By consuming less clinker, we avoided approximately 156.2 ktCO2e in emissions.

We also avoided emissions through the co-processing of solid waste and liquid waste. We co-processed them and used them to generate thermal energy, thereby reducing fossil fuel consumption in Guatemala, Costa Rica, and the Dominican Republic.

In total, we reduced emissions by 87.72 ktCO2 using alternative fuels in 2025.

Energy

In 2025, 44% of the energy we consumed came from renewable sources. This proportion was lower than in 2024 (62%) due to two factors: the addition of the Dominican Republic, where the share of renewable energy (16%) is considerably lower than in other countries, and changes in supply contracts and market conditions, particularly in Guatemala. Excluding the Dominican Republic, our electricity consumption from renewable sources would have decreased to 55% in 2025.

We are investing in improving the sustainability of our energy mix and energy independence. In 2025, we built two solar power plants, Helios and Tijax. Helios is the

largest solar self-consumption plant in Central America and the Caribbean. Together, they will meet 12% of the energy requirements of the San Miguel and San Gabriel cement plants in Guatemala.

Across our cement operations in Guatemala, Costa Rica, and the Dominican Republic, we consumed a total of 20,359.5 TJ of thermal energy. Fossil fuels accounted for 95.2% of the thermal energy consumed.

We strive to replace fossil fuels with alternative fuels obtained through the co-processing of waste generated by other industries. In 2025, the thermal substitution rate of fossil fuels with alternative fuels in clinker kilns reached 5.0%.

Biodiversity

Species

In the areas surrounding our cement and aggregate plants in Guatemala, we have conducted biological monitoring since 2007 to identify and document species in areas adjacent to our plants and quarries. To date, we have identified 384 bird species, 48 mammal species, 160 butterfly species, 20 herpetofauna species, and 655 species of plants, trees, and shrubs.

Environmental Monitoring

In 2025, we conducted 1,022 environmental monitoring activities: 27.5% focused on particulate matter, 24.8% on noise levels, 36.9% on water, 10.1% on gases, and 1% on other areas.

Environmental Audits

We conducted 539 audit inspections to ensure compliance with environmental laws and identify risks, good practices, and opportunities for improvement. In 2025, the Dominican Republic was incorporated into Progreso's Environmental Control and Monitoring System.



RESPONSIBLE CITIZEN

We act with integrity and commitment toward our stakeholders, responsibly managing the impacts, risks, and opportunities in our operating environment to contribute to sustainable development, strengthen trust, and promote constructive relationships with society, institutions, and the communities where we operate.

In this chapter, we report on four topics from our materiality matrix: human rights, responsible value chain, prosperous communities, and trust-building.

Human Rights

We are guided by the principle that respect for human dignity is an ethical imperative and a condition for business sustainability.

In 2024, we approved our Commitment to Respect Human Rights Policy, applicable to all areas of our business. The Policy defines principles and expectations for our relationships with employees, contractors, suppliers, business partners, customers, communities, and other potentially affected stakeholders.

Its scope is cross-cutting and applies to all our activities, regardless of the country in which they are carried out. It is implemented through governance processes, training, consultation mechanisms, and grievance and reporting channels to ensure operational consistency and accountability.

In 2025, we made progress in raising awareness of the Policy and establishing a baseline in the countries where we operate. To ensure its full and proper implementation, we are developing human rights risk and impact matrices through structured dialogue with stakeholders in all countries, as we previously did in Guatemala when developing the Policy.

Responsible Value Chain

Our Corporate Procurement Policy provides a consistent framework for building stable, long-term supplier relationships through ethical and competitive purchasing practices. Our contracting processes follow objective, transparent criteria that consider quality, efficiency, sustainability, respect for human rights, non-discrimination, and equal opportunity. We complement these criteria with verification and monitoring mechanisms proportionate to each supplier's risk level and criticality.

Distributed Economic Value

Payments to suppliers represented 64.8% of Economic Value Generated (EVG) in 2025. This result reflects a return to the usual levels of EVG captured by suppliers following the unusual increase recorded in 2023, when supply costs rose considerably due to the COVID-19 pandemic.

Suppliers

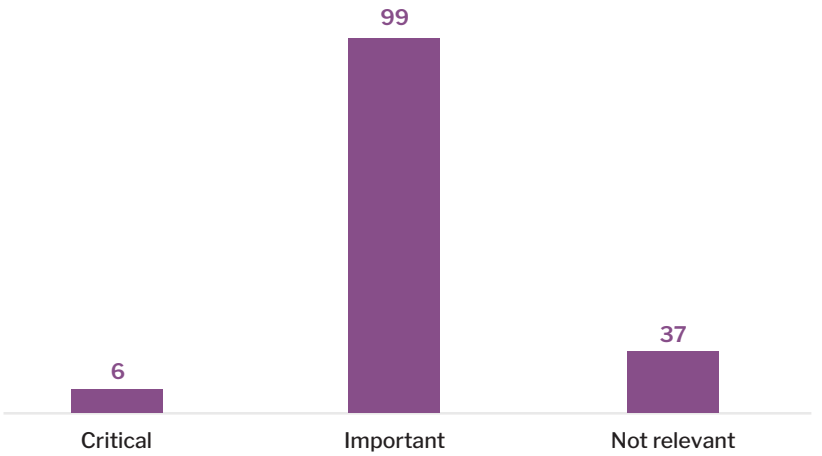
Our supply chain is a key enabler of operational continuity and a relevant area for managing impacts, risks, and opportunities. In 2025, we worked with 4,490 suppliers across all the countries where we operate, 19% more than the previous year. This growth is partly explained by the addition of 751 suppliers from the new operations in the Dominican Republic.

Critical Suppliers

Given the growing complexity of our operations across several countries, we made progress in designing and implementing a standardized methodology to classify, evaluate, and monitor supplier performance based on two risk dimensions: (a) operational risks and (b) sustainability risks.

Of the 142 strategic suppliers evaluated, six are classified as critical suppliers because they received the highest scores under the risk assessment thresholds. These suppliers will be subject to specific monitoring.

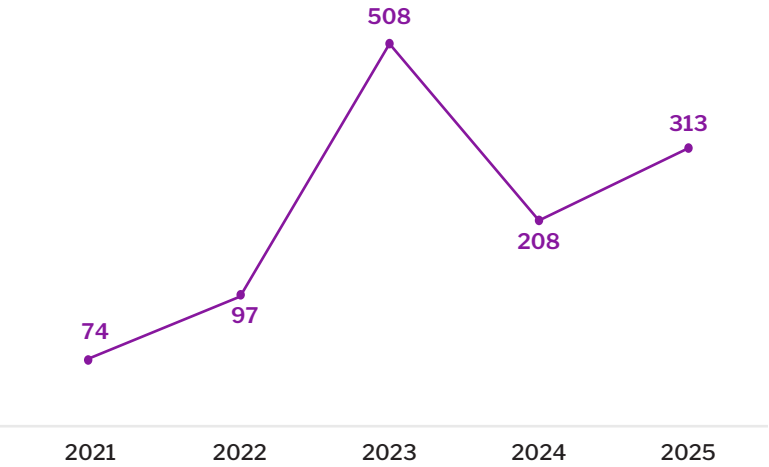
Cementos Progreso Holdings, S.L.
Critical Suppliers, 2025
(number of suppliers)



In addition to the critical suppliers identified based on the dual dimensions of operational and sustainability risks, we monitor purchases from suppliers that are more susceptible to ethical and anti-corruption risks. This is in accordance with our Corporate Anti-Bribery and Anti-Corruption Policy, approved in 2023, as well as the requirements of our ISO 37001:2016 certification.

To strengthen our responsible value chain, we also approved the Code of Values, Ethics, and Conduct for Business Partners, which applies to all our operations.

Cementos Progreso Holdings, S.L.
Suppliers with Critical Ethics and Anti-Corruption Risks
(Number of Suppliers)



Thriving Communities

Progreso has consolidated a territorial management model that coherently integrates economic, social, and environmental dimensions, reflecting an ongoing effort to obtain, preserve, and strengthen our social license to operate and create shared value in the communities where we carry out our production activities.

Progreso's community investment funding model in Guatemala represents an explicit commitment to long-term support, making it a distinctive corporate social practice.

We measure our community impacts based on the theory of social change applied to territorial development.

Local Economic Contribution

The monetary resources we injected into the economies of the communities where our cement and aggregate plants are in Guatemala totaled US$52.9 million in 2025. This includes US$39.4 million in annual salaries and benefits, contributing to household income stability, increasing local purchasing power, and generating multiplier effects in the economies of the municipalities within our areas of influence.



Cementos Progreso Holdings. S.L.
Local Monetary Contribution, 2022-2025
(Millions of U.S. Dollars)

Impacts	2022	2023	2024	2025
Local Monetary Contribution	**30.0**	**41.3**	**56.0**	**52.9**
Local Payroll at CPH Cement Plants	19.2	28.4	42.4	39.4
Community Investments	7.0	7.8	9.3	9.2
Agreements (In-Kind and Monetary)	0.9	1.9	1.0	0.8
Purchases from Community Suppliers	2.5	2.7	2.9	3.0
Local Taxes and Fees Paid	0.4	0.5	0.4	0.5

Another key way to measure our contribution to household economies and local productive activity is through job creation in the municipalities where we operate. In San Juan Sacatepéquez, the San Gabriel plant accounts for 7.0% of formal employment, while in Sanarate, the San Miguel plant contributes 15.8%. In addition, community workers represent 75.7% of the workforce at the cement plants, demonstrating a strong employment relationship between Progreso and local economies.

We make a significant fiscal and quasi-fiscal contribution in the municipalities where we operate cement plants in Guatemala. We contribute 14.5% of property tax (IUSI) and municipal license revenue in San Juan Sacatepéquez (San Gabriel plant) and 23.9% in Sanarate (San Miguel plant), thereby helping strengthen municipal own-source revenue in a stable and predictable manner.

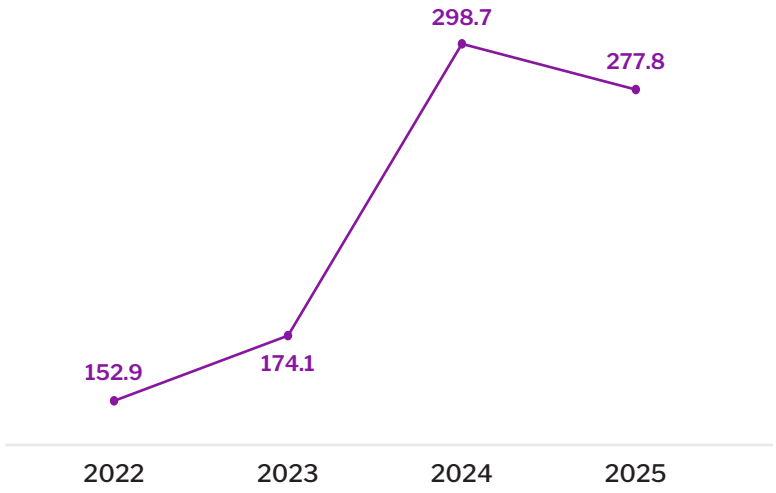
The community investments we make directly through the social management teams of our cement and aggregate plants represent 10.1% of the amount invested by the Municipality of San Juan Sacatepéquez and 25.6% of the amount invested by the Municipality of Sanarate.

Progreso's relative share of municipal investment has been declining, not because of lower investment by the company, but because municipalities have increased investments using their own resources. This is a positive sign that municipal capacities are improving and that dependence on complementary external resources is decreasing.

Community Development

The number of direct beneficiaries increased significantly beginning in 2024, although it declined slightly the following year. A larger number of beneficiaries help accelerate multiplier effects on household income, social mobility, local capacities, and community resilience—factors that increase the return on social investment and reduce operational and reputational risks.

Cementos Progreso Holdings, S.L.
Beneficiaries of Community Investments, 2022-2025



Community Infrastructure

Community investments are a strategic pillar, as they transform our productive presence into tangible social benefits. Community investments serve as a bridge between business profitability and collective prosperity, ensuring that economic growth is accompanied by a positive social impact.



Cementos Progreso Holdings, S.L.

Impacts on Community Infrastructure, 2022-2025

Impacts	2022	2023	2024	2025
Community Development				
Beneficiaries				
Total CPH Beneficiaries (Thousands of People)	152.9	174.1	298.7	277.8
Community Infrastructure				
Road Network with Direct Investment from Progreso				
Roads Constructed	n.d.	n.d.	10.6	9.2
Road Maintenance	n.d.	n.d.	0.1	1.0
Road Network with Indirect Investments (Municipalities Receiving CP Donations)				
Kilometers of Roads Constructed	n.d.	n.d.	5.4	9.0
Kilometers of Roads Maintained	n.d.	n.d.	50.2	28.1
HogaRES Program				
Total Floors Replaced	478	660	5,180	6,948
Total Investment in Floor Replacement (US$ Thousands)	105	105	980	1,627
Cempro Investment	79	58	661	1,288
Partner Investment	26	47	319	339
Total Beneficiaries	2,390	3,300	25,900	34,740

Road Network

We have made a sustained, high-impact effort to build and maintain road infrastructure in the areas surrounding our cement and aggregate plants, as the lack of this type of infrastructure is one of the critical factors limiting territorial competitiveness.

Between 2024 and 2025, we built 34.2 kilometers of new roads and maintained 79.4 kilometers of existing roads. The municipalities of San Juan Sacatepéquez and Sanarate built new roads using cement donated by Progreso and maintained rural roads using materials that we also provided.

Social Housing

The HogaRES program has become a flagship project nationwide, operating through a partnership between Progreso and 17 institutional and corporate partners. In the same vein, the central government implements its Mano a Mano program, creating a collaborative governance model that amplifies impact, distributes responsibilities, and strengthens the program's sustainability.

The program promotes the replacement of dirt floors with concrete floors, an intervention internationally recognized for its impact on children's health, the reduction of gastrointestinal and respiratory illnesses, and improved household hygiene. In Guatemala, where chronic malnutrition affects a significant proportion of children under five, this initiative helps improve basic living conditions.

From 2022 to 2025, Progreso and its partners invested a total of US$2.8 million to replace 13,266 dirt floors, benefiting 66,330 people.

Education

The Carlos F. Novella Foundation (FCFN) is the central pillar of Progreso's education strategy and operates as an independent organization specializing in human development and capacity building in the communities surrounding our cement and aggregate plants and other operations in Guatemala.

Its work is funded through corporate donations and carried out under a coordination framework that also includes Corporate Citizenship Management and AgroProgreso, in line with the principles of materiality, due diligence, and impact management.

Between 2022 and 2025, we invested US$3.7 million in education in the primary areas of influence of our cement and aggregate plants in Guatemala, in addition to the salaries and benefits of teaching and administrative staff.

Cementos Progreso Holdings. S.L.
Community Investments in Education, 2022-2025

Impacts	2022	2023	2024	2025
Education				
Investments in Education (US$ Millions)	**2.8**	**3.3**	**3.9**	**3.7**
In Communities Surrounding the San Gabriel Plant	1.6	1.8	1.9	1.9
In Communities Surrounding the San Miguel Plant	0.9	1.1	1.5	1.3
Other Communities Served	0.3	0.4	0.6	0.4

The number of students benefiting each year from FCFN's educational programs grew consistently between 2019 and 2025. FCFN's programs have a direct impact on educational equity, social mobility, and human capital development—key elements for territorial resilience and long-term competitiveness.

The Foundation promotes initiatives that increase enrollment among girls and adolescent women, strengthen their employability skills, and help break intergenerational cycles of inequality. The participation gap in favor of women widened significantly, particularly in 2025.

Productive Development

AgroProgreso is the business unit responsible for protecting and making productive use of the farms and land adjacent to our production plants and promoting the productive development of local communities. Its main operational center is the El Pilar farm, located near the San Gabriel plant.

AgroProgreso provides technical and market assistance to the municipality's small-scale flower growers in the country's leading flower-producing region. In terms of productive linkages, flower sales increased by 36%.

Another productive support mechanism is leasing plots of land to small-scale producers who do not own land. In 2025, plots were leased to 1,087 small-scale producers. Community leases are a way of collaborating with residents near the El Pilar farm, enabling them to generate their own diversified income, reduce economic vulnerability, and improve household food security. This is a key shared-value program that contributes to household economies.

Economic Infrastructure

To facilitate travel for residents to agricultural plots and the transportation of products to markets, we built a dedicated road on the El Pilar farm property. The 3.7-kilometer road required an investment of US$969,000 from Cementos Progreso. It is open to the public without restrictions, began operating in April 2022, and was donated to the Municipality of San Juan Sacatepéquez in 2025.

This public road for residents and producers reduces logistics costs, facilitates access to markets and agricultural plots, and enhances territorial competitiveness. It is a high-impact initiative with lasting benefits for the community.

AgroProgreso also promotes ecotourism to stimulate the local economy and integrate small-scale producers into the visitor services supply chain. This is a gradual process aimed at expanding economic opportunities over the medium term. Revenue from ecotourism visits at the El Pilar farm increased by 53%, and the number of visitors rose by 51% in 2025. Ecotourism visits to the San Miguel farm have also begun to increase, rising by 210% in 2025.

Reforestation

In 2025, we produced 389,600 trees, primarily coniferous and broadleaf species suitable for the watersheds to be reforested, at our nurseries located on the San Miguel and San Gabriel farms.

The 39% reduction in tree production in 2025 reflects the schedule of lower mandatory reforestation commitments for that year.

Between 2020 and 2025, we reforested a total of 3,440.3 hectares, of which 10.3% were planted on company-owned land and 89.7% on third-party land. These efforts contribute to the resilience and conservation of the watersheds and biodiversity of the Plátanos and Pixcayá rivers, which are critical to our operations.

Sustainable Forest Management

Progreso decided to invest in its own sawmill as a strategic step in its comprehensive forest management model. This investment does not replace the company's longstanding commitment to reforestation; rather, it strengthens and expands it by incorporating a sustainable use approach that maximizes the environmental and social value of the forests under its care.

The sawmill completes the forest management cycle through responsible management practices, transforming wood from pruning, thinning, and authorized harvesting into

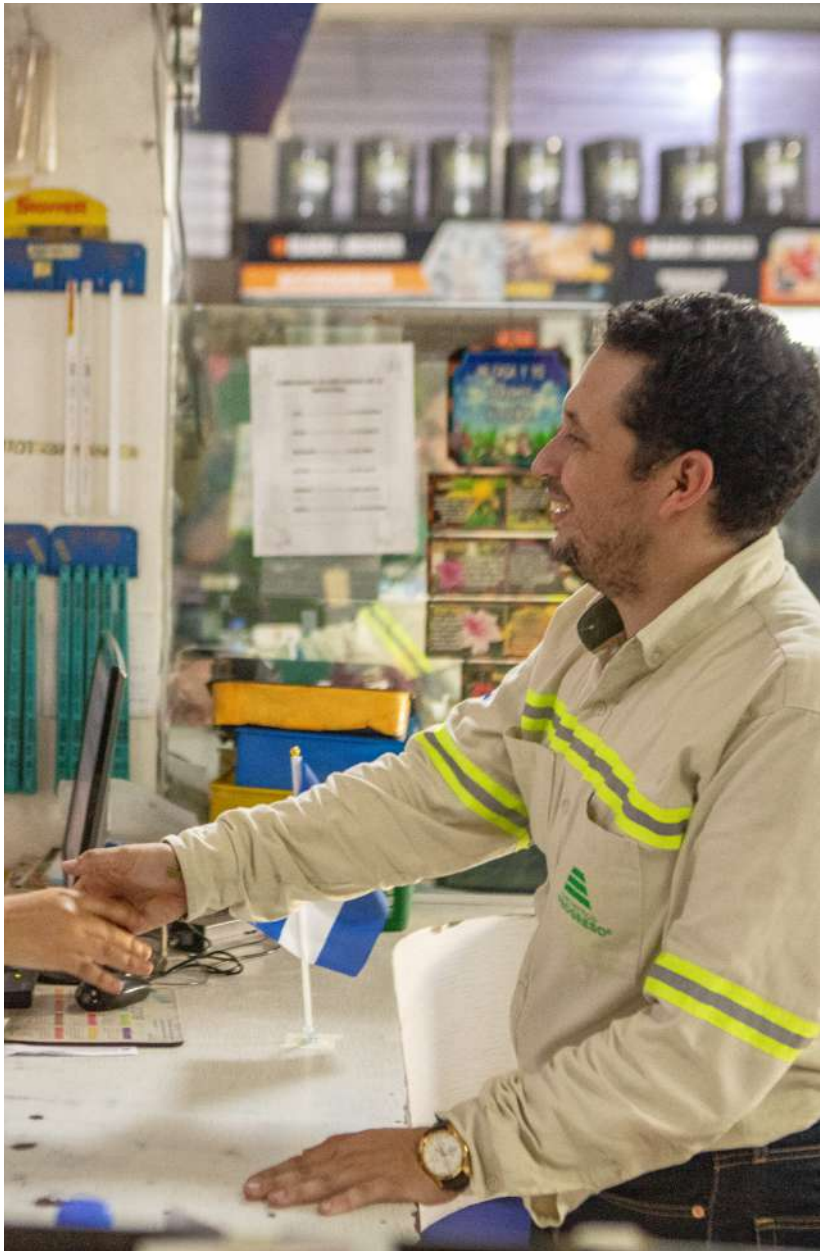
useful products for the community and our operations, reducing waste and promoting a local circular economy.

In 2025, we processed 13,305 cubic meters of timber and firewood at the sawmill as part of our sustainable forest management practices, representing a 20% increase.

Trust-Building

Progreso's grievance and complaint mechanism is an essential pillar of its governance and due diligence system. Its design ensures universal accessibility, allowing anyone to submit concerns or complaints confidentially, securely, and without restrictions.

In 2025, we received 18 complaints, two fewer than the previous year. According to those affected, most complaints involved property damage caused by heavy transportation or blasting at quarries, vehicle traffic and congestion caused by company employees, and certain environmental incidents. Overall, each year the Grievance Committee has resolved 97% of complaints in agreement with those affected.



cementos
PROGRESO