



I'm energizing

Focused

on Building a Better World

Social Responsibility and Sustainable Development Report 2020

Social Responsibility and Sustainable Development Report 2020



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“Thinking and acting collectively is the most effective way to face the big challenges.”

Message From the CEO

The pandemic clearly brought with it many lessons and reflections that will be with us for years to come. I find that one of the most enduring of these is that thinking and acting collectively is the most effective way to face the big challenges ahead of us.

Looking back on everything we did in 2020 to balance our company’s stability and financial performance with the aims of our Social Responsibility and Sustainable Development model, I’m honored to attest to how quickly and unhesitatingly we responded to this new climate. Each of the initiatives and activities we discuss in this report reflects the shared conviction of everyone at Xignux that we need to join forces to energize life and society to contribute to a better world. Much of this effort took place in our home state of Nuevo León, with initiatives like #AbrazaNL, #RespiraNL, and #ReactivaNL—our call to “embrace”, to “breathe” and “reactivate”, respectively, in order to help people to stay in good physical and financial health; or in initiatives led by teams from our companies, which donated antibacterial gel, food and basic supplies to vulnerable communities throughout the country. These are just some examples of our efforts to contribute.

In the same spirit, the report you hold in your hands today is one way we recognize and thank our customers and consumers, our supply chain, partners and shareholders, public and private service workers, non-profit and business organizations, and our local and federal authorities, for their efforts to preserve everyone’s well-being, especially in such difficult times.

I want to make special mention of all of our energizers, who are the power behind our energy companies—Viakable, Prolec, and Voltrak—and our food businesses, Qualtia and BYDSA, and who with a spirit of collaboration and creativity fulfilled the responsibility of belonging to a company whose products and services are essential to society.

The solidity we built in past years enabled us to use our resources efficiently without affecting our employees or our suppliers. We proved that, even in times of uncertainty, our social and environmental commitment is compatible with the operating continuity of our company. We have always emphasized savings and internal control so that we can shield our priority stakeholders in times like these.

I would also like to commend the company’s nonprofit arm—Xignux Foundation—which acted as a bridge to help meet the needs of vulnerable communities, even those not necessarily close to our operations. Through this foundation we helped a number of charitable institutions to stay up and running during the crisis, and shifted our traditionally face-to-face volunteer efforts to online actions that benefited even more people.

Xignux Foundation issued a challenge in partnership with Cinco Cien Cinco, an example of how the way we strategically apply our skills and resources translates into magnified benefits, fueled by the energy of our volunteer work, and cements alliances that can help smaller nonprofits to support families affected by the crisis.

We know that the lessons of this particular year are far from over. But so far, the pandemic has helped us identify strengths we didn’t know we had, and opened the door for new forms of cooperation between people, governments, social organizations and private enterprises.

I am convinced that if we hold true to our values and our ethical stance, all of us who energize the Xignux family will be able to rise to the challenge, and continue to create solutions for the growth of our economies, the development of our communities, and the care of our planet.

I have every certainty that we at Xignux can redouble our efforts to achieve excellence in everything we do, because we know the world needs our energy.

Juan Ignacio Garza Herrera
Chief Executive Officer of Xignux

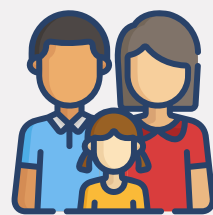
Key Figures 2020



26,917
energizers



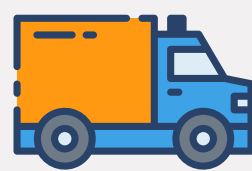
+234,000
hours of training



+560,000
people helped by Xignux Foundation



+130
branches, distribution centers and offices to serve our customers



+3,300
transport vehicles



+15,000
solutions to energize our customers' lives



66.07
billion pesos in sales

A responsible corporate governance, sensitive to a changing environment, ensures legality and transparency in all our operations

Our Board of Directors is kept continually informed of changes in our environment that might present new demands and challenges for decision-making in operations wherever we are present.

We stay on the alert to everything happening around us so that our senior management can make decisions without transient distractions and implement whatever adjustments are necessary to stay the course of our global business strategy; can manage the business fairly, transparently and in line with our policies; is able to identify new business opportunities; and can ensure the profitability and sustainability of Xignux as a whole.

Board of Directors	
CHAIRMAN	Eugenio Garza Herrera
SECRETARY	Oscar de J. Martínez Treviño
BOARD MEMBERS	Alejandro J. Garza Herrera Marcela Patricia Garza Herrera Juan Ignacio Garza Herrera Andrés E. Garza Herrera David A. Garza Herrera Humberto J. Garza Domínguez
INDEPENDENT MEMBERS	Francisco J. Garza Zambrano Federico Toussaint Elosúa Mario M. Laborín Gómez Jaime Zabludovsky Kuper Eugenio Clariond Rangel
STATUTORY AUDITOR	Jorge Quintanilla Gómez

To ensure proper operation of our businesses, our management team is structured as follows:



Xignux, Energizing for a Better World

Since our founding 64 years ago in Monterrey, Mexico, we have worked to make our operations not just solid and competitive in our markets but a part of the communities where we are present. This year and the challenges it brought have proven that our commitment always translates into action.



Xignux is engaged in two industries that are key to sustainable development: energy and food. Fueled by our more than 26,000 energizers, we provide solutions to a wide range of customers.

Energy

Viakable
Manufacture of efficient, reliable electrical cables

PROLEC
Energy transformation and delivery

Voltrak
Electrical infrastructure development



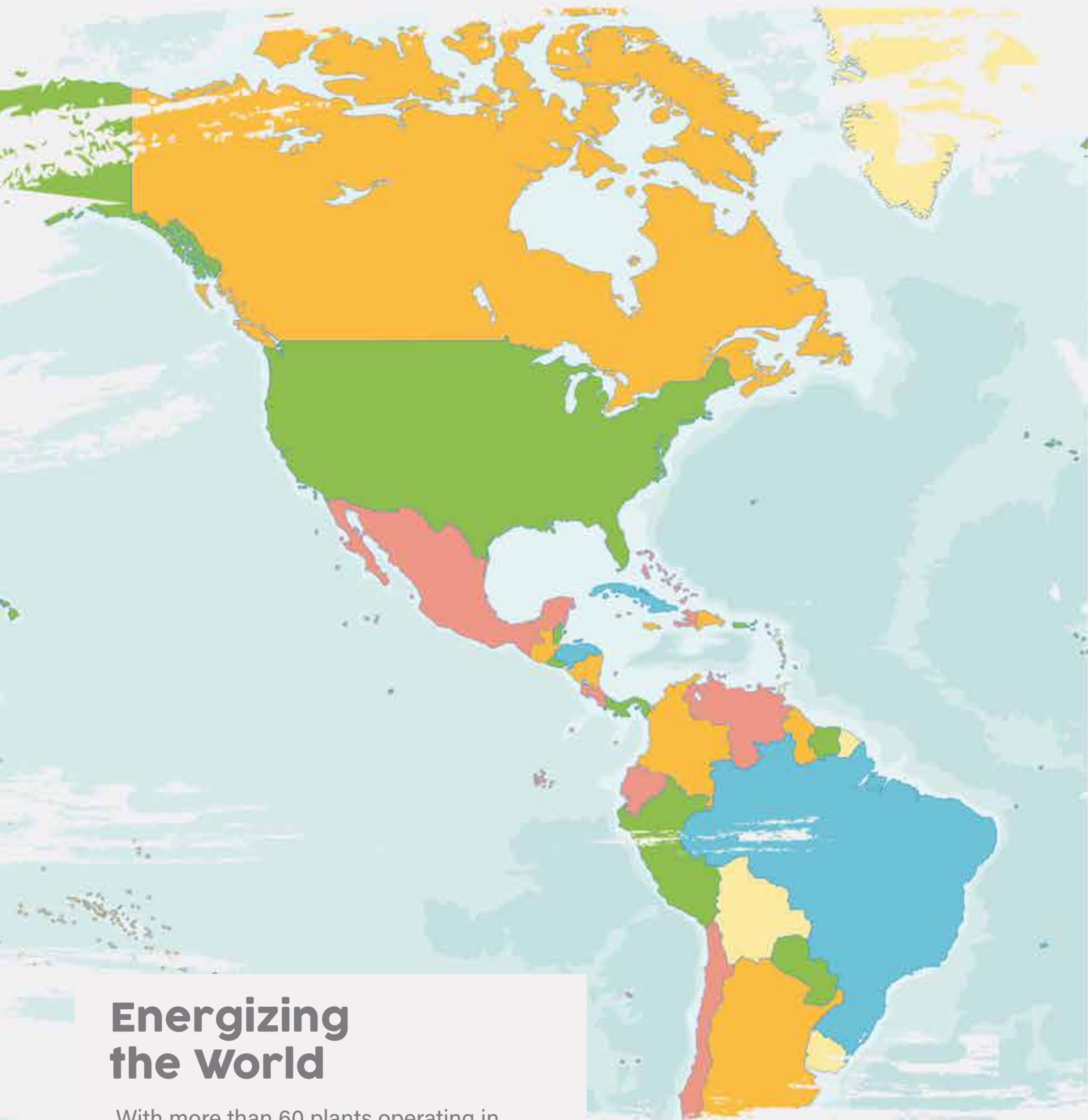
Food

Qualtia

Preparation of a wide range of food and comprehensive supply solutions

BYDSA
BOTANAS Y DERIVADOS S.A. DE C.V.
Preparation of salted snacks





Energizing the World

With more than 60 plants operating in Mexico, the United States, Colombia, Brazil and Venezuela, we provide solutions that energize the lives of customers in more than 40 countries.



Sales to

+40 countries

Plants



MEXICO

24,663 employees
52 plants



UNITED STATES

439 employees
4 plants



COLOMBIA

848 employees
5 plants



BRAZIL

746 employees
2 plants



VENEZUELA

221 employees
4 plants

Economic Value Generated

	2018	2019	2020
Sales	62,612	61,452	66,187
Cost of goods sold	49,842	48,325	50,786
Operating expense	9,889	10,593	11,738
Taxes	716	778	736
Payments to providers of funds	1,015	1,075	1,751
Others	1,257	-688	672
Economic value retained	-107	1,369	504

* Amounts expressed in millions of Mexican pesos
 * 2018 and 2019 data restated based on audited information

Xignux Sales in One Day

535

metric tons of cable

71K

ready-to-eat food items

714

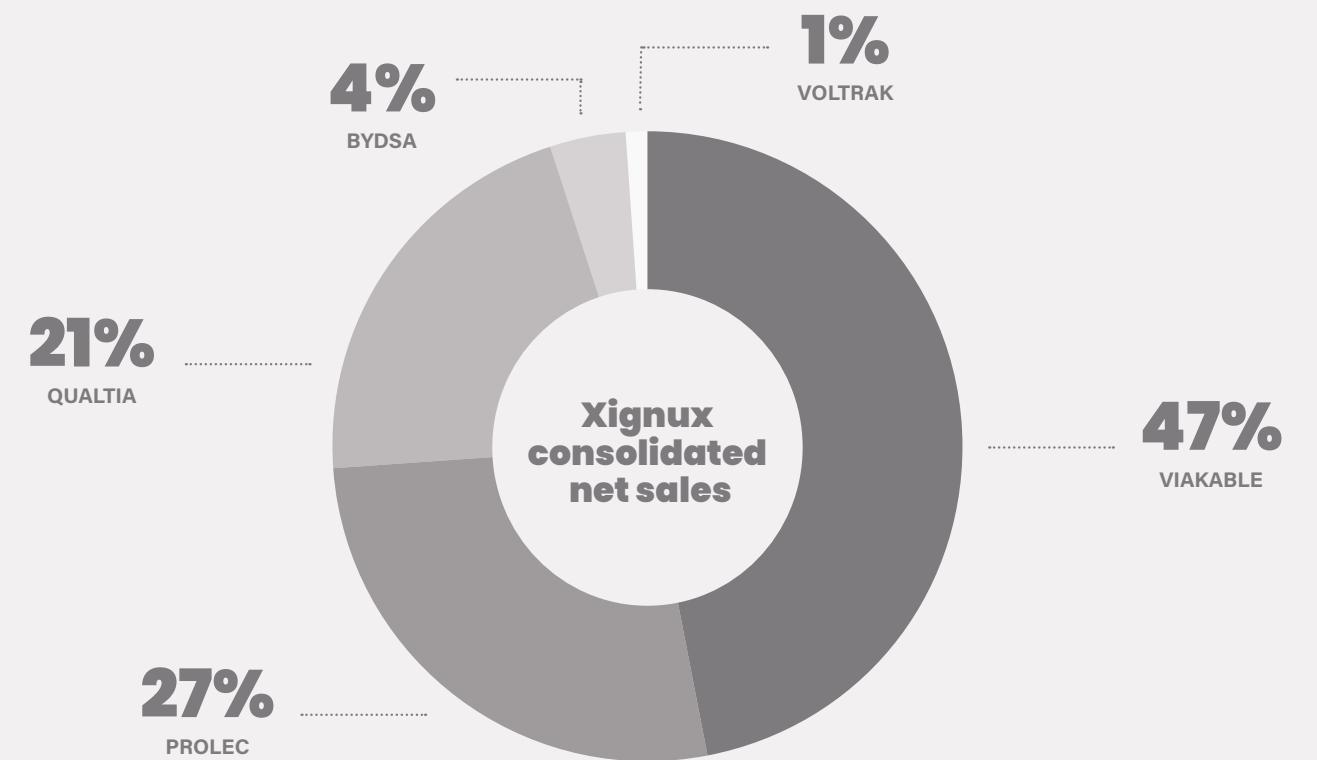
transformer units

1.4 millions

million snack bags

550 K

metric tons of cold cuts, meat and dairy products



XIGNUX IN ENERGY

Viakable

We are leading producers and sellers of electrical conductors that energize homes, businesses and communities.

Our companies meet the most demanding industry needs with the best talent, technology, quality products and innovation.

With 64 years of experience, we are strategically located to serve markets around the world, with productive units in Mexico, the United States, Colombia and Brazil. We also have sales agents and distributors in Central and South America and the Caribbean.

We offer comprehensive solutions to our customers, guaranteeing top quality merchandise, excellent service and the best prices.

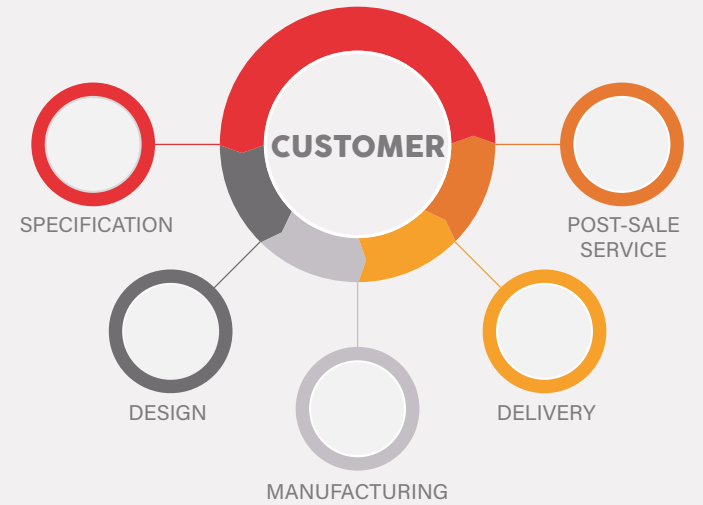


Prolec

We work to understand and meet our customers' needs by designing, manufacturing and delivering reliable solutions for the generation, transmission and distribution of electrical energy.

We are leaders in the Mexican market, and one of the most competitive players in North and Central America. With more than 50 years' experience in the industry, our products are installed in more than 35 countries.

Our customer-centric approach guarantees our support throughout the process, from specifications to delivery, installation and post-sale services, ensuring their full satisfaction. This makes us a full business partner in every project.



DESIGNS, MANUFACTURES AND STARTS UP A FULL RANGE OF TRANSFORMERS FOR ELECTRICITY GENERATION, TRANSMISSION AND DISTRIBUTION



MAKES AND DISTRIBUTES LOW-VOLTAGE ELECTRICAL INSULATORS, BOTH PORCELAIN AND POLYMER



Voltrak

We create solutions for energizing everyday life, designing, building, supplying, assembling and starting up electrical substations and transmission lines.

Voltrak began operations in the city of Monterrey in 1980. Our main activities include supplying engineering, construction and electrical maintenance services to industry, using best technology, management and quality practices in order to consistently exceed our customers' expectations.

We also handle the startup of electrical substations and high, medium and low-voltage facilities, and construction of renewable energy projects and energy services for the administration and maintenance of the equipment that makes up a substation.

Today we are present in various markets with the capacity to execute large-scale projects nationally and internationally, in the automotive, retail, renewable energy, manufacturing and energy transmission industries.



XIGNUX IN FOOD

Qualtia

High quality and freshness in food products that energize and nourish thousands of Mexican households.

Qualtia's mission is to deliver the highest quality products and services to customers and consumers, distinguished consistently by a comprehensive proposition that involves a solid commitment to the community and our environment.



Qualtia

We are the ideal choice for cold cuts, dairy product, snacks and cured meats, and we also offer fresh and processed meat solutions. With innovative, high-value alternatives and a total commitment to service, we earn our customers' preferences every day.

In 2020 we doubled our market share in the cheese category and became one of the top companies in the domestic market with practical presentations for the Caperucita, Zwan and Alpino brands, which also use world-class packaging technology

We are Qualtia, and at Qualtia we care for what's most important.



BYDSA

We energize and delight with excellent snacks for everyone.

We are a company that makes and distributes tasty, high-quality snacks for customers.

BYDSA is concerned about being an ethical company, where service, quality and flavor are our closest allies.

We have a wide range of snack products made of corn, potato, tortilla, flour and pork skins, peanuts, seeds and extruded products, among others, in various presentations, and we are continually innovating our products.

We aim to be Mexico's fastest-growing snack company. With this in mind, we sell salted snacks in the north, northeast, western-central and central regions of Mexico, as well as in the south of the United States, with our Encanto, Leo and Snaky brands.



A Social Responsibility Model That Takes Our Stakeholders Into Account

The pillars of our Model define the sustainable course of action for Xignux companies, always with our stakeholders in mind.

Throughout our history, Social Responsibility has been a key part of our strategy, and this year has posed an exceptional challenge. Only through cooperation and being mindful of the risks to our internal and external stakeholders can we continue to grow and be an active part of our communities.

Social Responsibility and Sustainable Development Model



Our goals are proof of the commitment Xignux companies make to sustainable development and Social Responsibility in the short, medium and long term. Through concrete actions, we work to achieve these goals year after year.

This is how we contribute strategically to the United Nations Sustainable Development Goals. In 2020 we continued to pursue our sustainability targets.

<p>Ethics and Values</p>	<p>Detect, address and prevent risk in all of our operations.</p> <hr/> <p>Zero human rights impact from our operations.</p> <hr/> <p>Zero tolerance for Code of Ethics violations.</p> <hr/> <p>Value-based management approach.</p>	
<p>Our People</p>	<p>Provide our employees with opportunities for advancement.</p> <hr/> <p>Guarantee a positive and safe organizational climate for employees.</p> <hr/> <p>Ensure equal working opportunities for all employees.</p> <hr/> <p>Offer systems that make it easier for employees to balance their personal and professional lives.</p>	 
<p>Planet</p>	<p>Create projects for innovation, recovery and final disposal of packaging.</p> <hr/> <p>Improve efficient use of energy sources for creating our products and services.</p> <hr/> <p>Guarantee compliance with waste disposal and confinement regulations.</p> <hr/> <p>Guarantee compliance with clean energy use regulations.</p>	   
<p>Community</p>	<p>Ensure compliance with social and environmental responsibility criteria in our supply chain.</p>	  

We are conscious of the need for constant communication and dialogue between our company and our stakeholders, and we have a number of channels open to them. In 2020 we reinforced that dialogue in order to deal with the risks that the pandemic posed to our energizers, customers, suppliers and communities; and to remain alert to instructions from the authorities.

Regular Communication

	Shareholders	Financial institutions and investors	Community	Authorities
Channel	Annual and quarterly reports	Annual and quarterly reports	Transparency hotline, Xignux Foundation and discussion groups	Partnerships with public organizations

Constant communication

	Employees	Suppliers	Customers
Channel	Informational meetings, annual performance evaluations, Transparency hotline, Code of Ethics, e-mail, newsletters, bulletins, meetings with supervisors, screens in dining rooms, webpage and social media	Code of Ethics, Transparency hotline, surveys and e-mail	Transparency hotline, surveys and call centers

Also, as part of our materiality process, we conduct a series of surveys of our employees, customers and suppliers regarding their perception of the Social Responsibility performance of Xignux companies.

These are some of the findings:

- 100% of customers and suppliers consider BYDSA to be an ethical company that acts in accordance with its values and principles. 100% of Viakable customers and suppliers feel the same way about that company.
- 71% of energizers surveyed at Qualtia consider the company’s treatment of them to be Good and 20% Very Good.
- 72% of customers and suppliers believe Viakable balances social, environmental and economic aspects.

This study also revealed some of the challenges each company needs to address, for example, communicating more about their Social Responsibility actions with all their stakeholders, and responding to feedback about quality of life and working conditions for our energizers.

We focus on material issues

Internal



- Employee education and training
- Safety
- Health and wellness
- Dignified work
- Diversity and equal opportunity
- Personal-professional life balance

External



- Circular economy
- Packaging innovation
- Energy efficiency
- Special handling waste
- Use of renewable energy sources
- Labeling
- Food quality and safety
- Healthy, nutritious foods

Internal and External



- Social and environmental responsibility criteria in sourcing
- Dignified work and prohibition of child labor

In 2020, we carried out various processes for determining materiality according to the perceptions of our stakeholders. This included direct communication on the aspects that will be the basis for our Social Responsibility and Sustainable Development strategy for the years ahead.

We also considered the challenges that last year brought not just to Xignux but to our various stakeholders as well.



Food

Qualtia materiality



Label	Issue
1	Water and wastewater management
2	Ensure that raw materials are sourced from socially and environmentally responsible suppliers
3	Energy efficiency
4	Reduced emissions
5	Product quality
6	Employee health and safety
7	Special handling waste (oil and other raw materials)
8	Nutritional product content
9	Inclusion of social and environmental criteria in supplier evaluations
10	Ethics, anticorruption and values
11	Consumer well-being
12	Change in food consumption trends
13	Community engagement
14	Fleet management (fuel consumption)
15	Sustainable farming (raw materials for snacks)
16	Respect for and promotion of human rights
17	Product labeling
18	Climate change
19	Diversity
20	Biodegradable packaging

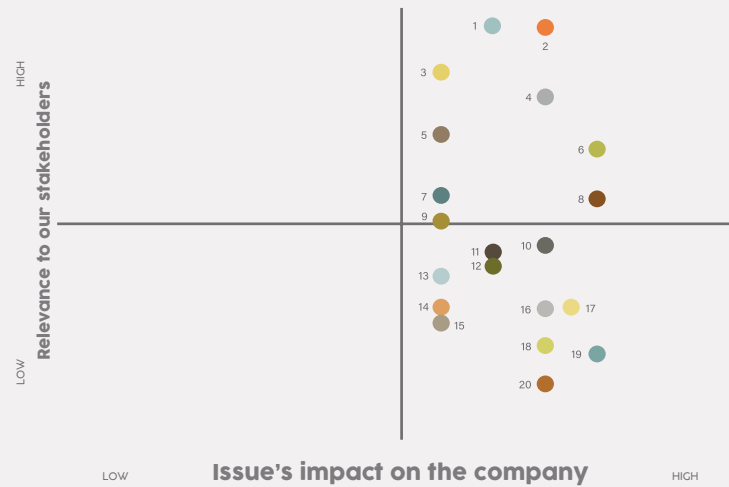
BYDSA materiality



Label	Issue
1	Water and wastewater management
2	Ensure that raw materials are sourced from socially and environmentally responsible suppliers
3	Energy efficiency
4	Reduced emissions
5	Product quality
6	Employee health and safety
7	Special handling waste (oil and other raw materials)
8	Nutritional product content
9	Inclusion of social and environmental criteria in supplier evaluations
10	Ethics, anticorruption and values
11	Consumer well-being
12	Change in food consumption trends
13	Community commitment
14	Fleet management (fuel consumption)
15	Sustainable farming (raw materials for snacks)
16	Respect for and promotion of human rights
17	Product labeling
18	Climate change
19	Diversity
20	Biodegradable packaging

Energy

Viakable materiality



Label	Issue
1	Water and wastewater management
2	Ensure that raw materials are sourced from socially and environmentally responsible suppliers
3	Energy efficiency
4	Reduced emissions
5	Product quality
6	Employee health and safety
7	Special handling waste (oil and other raw materials)
8	Nutritional product content
9	Inclusion of social and environmental criteria in supplier evaluations
10	Ethics, anticorruption and values
11	Consumer well-being
12	Change in food consumption trends
13	Community commitment
14	Fleet management (fuel consumption)
15	Sustainable farming (raw materials for snacks)
16	Respect for and promotion of human rights
17	Product labeling
18	Climate change
19	Diversity
20	Biodegradable packaging

Prolec's materiality process began in 2020 and will conclude in 2021.

Partnerships for Building a Better World

Through civic engagement with the companies that share our interest in working with the community as well as nonprofit organizations who are experts in each field, we can magnify the benefits of our Social Responsibility and Sustainable Development strategy.

Agriculture

Agrocluster

Asociación Nacional de Establecimientos TIF

Consejo Estatal Agropecuario de Nuevo León

Consejo Mexicano de la Carne

Consejo Nacional Agropecuario

Agro-food Cluster

Food

Institute of Food Technologists, United States

Snack Food Association, United States

Tortilla International Association, United States

Biotechnology

Biocluster

Commerce and Trade

Asociación Venezolana de Exportadores, Venezuela

American Chamber of Commerce (AmCham)

Cámara de Comercio de Cali, Colombia

Consejo Empresarial Mexicano de Comercio Exterior, Inversión y Tecnología

Consejo Mexicano de Comercio Exterior

Construction

Cámara Mexicana de la Industria de la Construcción

Housing Cluster

Consumer Products

Consejo Mexicano de Productos de Consumo

Accounting

Instituto de Contadores Públicos de Nuevo León



Electrical

Asociación Bolivariana de Productores de Cables Eléctricos, Venezuela

Asociación Nacional de Normalización y Certificación del Sector Eléctrico

Cámara Nacional de Manufacturas Eléctricas

Centro de Investigación y Desarrollo Tecnológico Sector Eléctrico, Colombia

Consejo Internacional de Grandes Sistemas Eléctricos

International Cablemakers Federation, Austria

National Electric Energy Testing, Research & Applications Center, United States

Wire Association International, United States

Finance

Instituto Mexicano de Ejecutivos de Finanzas

Industrial

Tortilla International Association, United States

Cámara de Industriales del Estado Carabobo, Venezuela

Cámara de la Industria y Transformación de Nuevo León

Cámara Nacional de Manufacturas Eléctricas

Cámara Nacional de la Industria de la Transformación

Centro de Productividad de Nuevo León

Club Industrial

Confederación de Cámaras Industriales de los Estados Unidos Mexicanos

Consejo Coordinador Empresarial

Industrial

Consejo Mexicano de la Industria de Productos de Consumo

Consejo Mexicano de Comercio Exterior

Fundación para el Desarrollo Integral del Área e Influencia del Parque Industrial y Comercial del Cauca, Colombia

Industriales Potosinos

Instituto Colombiano de Normas Técnicas, Colombia

INDEX N. L.

Consejo Mexicano de Negocios

Confederación de Cámaras Industriales de los Estados Unidos Mexicanos (CONCAMIN)

Confederación Patronal de la República Mexicana (COPARMEX)

Dairy

Cámara Nacional de la Industria de la Leche

Organismo Regulador / Normalización de Productos Lácteos

Labor

Comisión Nacional de los Salarios Mínimos

Comisión Nacional Laboral COPARMEX

Legal

Asociación Nacional de Abogados de Empresa

La Barra Mexicana, Colegio de Abogados

Marketing

Consejo de Autorregulación y Ética Publicitaria

Oil

Cámara Petrolera de Venezuela, Venezuela

Human Resources

Asociación de Gestión Humana, Colombia

Asociación Técnica de Compensaciones

Ejecutivos de Relaciones Industriales

Grupo Esco

ADERIAC

Movimiento Congruencia

Hagámoslo Bien

Safety

Consejo Mexicano de Seguridad San Pedro

Social Security

Consejo Consultivo Delegacional IMSS N. L.

Systems

Asociación Mexicana de Profesionales en Informática

Social

Asociación de Líderes en Desarrollo Humano

Centro de Estudios Sociales del Noreste

Consejo Cívico de Instituciones de Nuevo León

Red SumaRSE Nuevo León

Unión Social de Dirigentes de Empresa

Technology

Nuevo León Nanotechnology Cluster

Transportation

Asociación Nacional de Transporte Privado Defensa para el Transporte Terrestre de Carga, Colombia

Ethics and Values

A Better World
Based on Ethics

16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



A Better World Based on Ethics

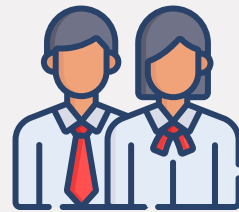
Since the time of our foundation, the rules of ethical conduct have been the foundation of Xignux's success. We know that law-abiding management is sustainable and lasting. Our energizers, customers, suppliers, communities and all our stakeholders can be sure that ethics are present in every one of our actions.

According to the materiality studies of Viakable, Qualtia and BYDSA, 100% of customers and suppliers consider them to be ethical companies.



100%

of reports filed with the transparency hotline were addressed



+6,900

newly hired employees signed the updated Code of Ethics in 2020



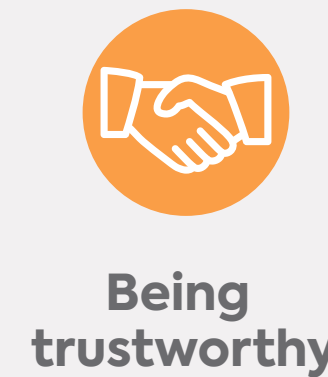
95%

of cases were resolved in less than 30 days



Values That Energize Our Actions

The year 2020 made the importance of ethical management clear. Only in this way can we continue to be a responsible corporate citizen.



A Code of Ethics That Defines Our Rules of Conduct








By providing clear definitions of the conduct we expect of our energizers, the Xignux Code of Ethics applies to operations in every country where we are present. We make sure that this document is available to every one of Xignux's companies and that their employees are aware of it and receive training in it.

Our Code of Ethics is available publicly on Xignux's website at: <http://www.xignux.com/Site/ES/codigo-de-etica/>

Through various communication channels, we encourage reports of misconduct without fear of reprisal, and we protect confidentiality. We ensure that every report received is addressed and investigated appropriately.

Through the Ethics Committee of every company and corporate headquarters, we follow up on ethics-related expectations and issues, and promote the guidelines of the Code. Committee members are selected on the basis of their career, know-how, integrity, objectivity and moral leadership. We also endeavor to ensure gender diversity and representation of all areas.

If you have any questions or comments about the Code of Ethics, contact us through any of the following channels:

-  **Transparency suggestion box at every office or plant**
-  **Xignux webpage at: <https://onb.xignux.mx/denuncias/>**
-  **Employee intranet**
-  **Ethics Committee of each company and corporate headquarters**
-  **Transparency hotline: 01 800 1 700 700**
-  **E-mail: comitedeetica@xignux.com**
-  **Immediate superior, Internal Audit department, Human Resources department of each company**

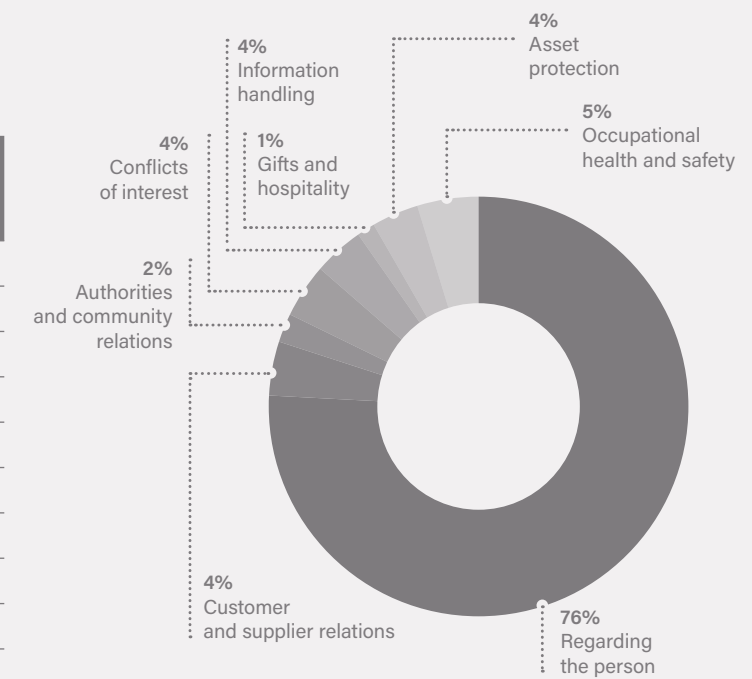


In 2020, our Ethics Committees received 507 complaints. There were no reports of human rights violations, child labor, violation of the rights of indigenous communities or forced labor.

Channel	Complaints received 2019	Complaints received 2020
Transparency suggestion box	273	319
Transparency hotline	69	110
Others	46	78
Total	388	507

Breakdown of complaints by type

Type of complaint	% of Complaints received
Regarding the person	76%
Customer and supplier relations	4%
Authorities and community relations	2%
Conflicts of interest	4%
Information handling	4%
Gifts and hospitality	1%
Asset protection	4%
Environment and ecology	0%
Occupational health and safety	5%
Total	100%



In the words of our energizers

Being part of the Ethics Committee is an honor and a privilege, and I am grateful to have been invited to serve on it. The reason I have enjoyed the past years on the committee so much is that it has given me a chance to help people who bring complaints when they need it. But sometimes it is they who help us to improve our organization. Constantly learning about these issues from all angles, promptly and immediately addressing the complaint, and the respect we owe our organization, are just some of the things our committee is fighting for. We will go on working every day to have the best organization, without forgetting that the committee is a tool for correcting any conduct that is out of keeping with our ethics and values. But it is all of us who work in this organization who embody its values and culture. So I invite you all to reaffirm Xignux's values in the areas where we work.

Teresa Villarreal
Chief Legal Officer, Xignux

Respect for Human Rights and the Principle of Legality

Xignux prohibits any form of child labor or slavery. We make sure our hiring processes and work contracts protect this principle. Employees only work overtime with their consent, and they are paid extra for it.



Ongoing Training in the Code of Ethics and Prevention of Workplace Harassment

To strengthen the way our Code of Ethics is applied in the workplace, we provide modern interactive training material to employees in the Xignux Knowledge Center, a digital platform where energizers have access to various mandatory courses, which include:

Institutional course on the Code of Ethics: A summary of the contents of Xignux's Code of Ethics, with didactic explanations and hypothetical ethical dilemmas to train workers to always make the best decisions, based on the Code and the values we are known for.



+3,600

energizers completed the institutional Code of Ethics course in 2020

Prevention of workplace harassment: A two-part course in which energizers study the types of harassment that can take place in the workplace in order to more easily identify and avoid them, and promptly report them. The course includes animated practical exercises in which energizers must make informed decisions according to the concepts they have studied and the principles of Xignux's Code of Ethics.



+3,200

energizers completed the company's two courses on Workplace Harassment

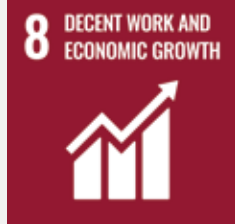


gestionamos
empresas que
energizan
la vida
y la salud
para contribuir a
un mundo mejor.

Nuestro propósito
Recrear sensaciones
que producen los
alimentos hechos
en casa, brindando a
nuestros clientes
productos frescos
y de calidad.

Our People

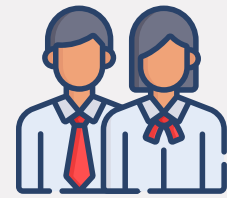
Energy That Drives Us



Energy That Drives Us

Our energizers showed seriousness and responsibility in dealing with the special circumstances presented by the pandemic, a solid example of Xignux's ability to weather difficulties.

This situation has motivated us to explore new ways to bolster our commitment to our people's wellness and advancement, and to redouble efforts to provide them a safe and healthy workplace that guarantees the well-being of every one of our energizers and their families.



26,917
energizers around the world



243,601
hours of training



100%
of facilities adapted to new sanitary conditions

In the words of our energizers

My job in 2020 was to secure the company's operations by applying Ministry of Health guidelines. My contribution was working with the various Qualtia plants and offices to create a work plan consistent with COVID-19 prevention guidelines in every workplace. I participated in the internal sanitization of the Monterrey Plant and training energizers on the use of sanitizing products, personal protection equipment and other measures. I learned the importance of teamwork and communication among the various areas to react quickly and efficiently to the rapid changes we experienced during this pandemic. I also learned that when faced with adversity we mustn't be cowed into inactivity.

Jesús Saucedo Rosales
IMSS and INFONAVIT Coordinator, Qualtia

Who We Are

We are a community that grows and becomes stronger with the talent of all of us that make up Xignux in all our operations, in various countries and industries.

Above all, we try to offer our people a safe and healthy workplace to support the well-being and advancement of our energizers and their families.

Total employees by company

	Mexico	International
Viakable	3,196	1,566
Prolec	5,722	638
Voltrak	247	0
Qualtia	11,776	0
BYDSA	3,307	50
General services (health and safety)	255	0
Xignux Corporativo	160	0
TOTAL	24,663	2,254



Because we know that the continuity of our operations and the path of Xignux's growth relies on the capacities and performance of our people, we strive to build a workforce that fulfills the needs and skills required for every position, while ensuring diversity and equal opportunity. We also guarantee that every one of our companies respects its employees' right to free association.

Employees by gender in 2020*

	Viakable	Prolec	Voltrak	Qualtia	BYDSA	Xignux Corporativo	Services
Percentage of total	13%	23.2%	1%	47.7%	13.4%	0.6%	1%
Men	2,812	4,492	211	4,826	2,830	87	194
Percentage	88%	78.5%	85.4%	41%	85.6%	54.7%	76.1%
Women	384	1,230	36	6,948	477	72	61
Percentage	12%	21.5%	14.6%	59%	14.4%	45.3%	23.9%

*Data on employees in Mexico.

Employees by age in en 2020*

	Viakable	Prolec	Voltrak	Qualtia	BYDSA	Xignux Corporativo	Services	Total
Average age	38.9	36.8	41.7	38.4	37.5	42.3	41.0	38.1
Less than 20	1.8%	1.7%	0.0%	2.7%	1.6%	0.0%	0.4%	2.2%
20-25 years	9.8%	14.7%	0.4%	10.1%	10.0%	1.3%	3.9%	10.9%
26-30 years	14.2%	17.0%	15.4%	13.0%	15.6%	10.1%	14.1%	14.5%
31-40 years	26.6%	26.5%	29.6%	28.8%	32.5%	30.8%	32.5%	28.5%
41-55 years	40.4%	34.7%	42.9%	39.4%	35.6%	45.3%	35.3%	37.9%
Over 55 years	7.2%	5.3%	11.7%	5.9%	4.6%	12.6%	13.7%	6.0%

*Data on employees in Mexico



Employees by contract type and gender in 2020*

	Women		Men	
	Permanent contract	Temporary contract	Permanent Contract	Temporary Contract
Viakable	354	30	2,614	198
Prolec	1,196	34	4,366	126
Voltrak	36	0	211	0
Qualtia	6,755	193	4,514	312
BYDSA	455	22	2,663	167
Xignux Corporativo	72	0	87	0
Services	61	0	194	0

*Data on employees in Mexico



Employees by generation in 2020*

	Viakable	Prolec	Voltrak	Qualtia	BYDSA	Xignux Corporativo	Services	TOTAL
BABY BOOMERS (1946 -1964)	5.9%	4.1%	7.7%	4.5%	3.6%	10.7%	11.0%	4.6%
GEN X (1965-1980)	41.7%	36.0%	47.0%	40.9%	36.7%	47.2%	38.0%	39.3%
MILLENNIALS (1981-2000)	50.7%	58.2%	45.3%	52.0%	58.1%	42.1%	50.6%	53.9%
GEN Z (2001 en adelante)	1.8%	1.7%	0.0%	2.7%	1.6%	0.0%	0.4%	2.1%

*Data on employees in Mexico

New hires*

	Men	Women	Total
Under 30 years	2,135	1,205	3,340
31-35 years	569	466	1,035
36-40 years	439	502	941
41-45 years	347	377	724
46-50 years	202	291	493
51-55 years	121	164	285
56-60 years	24	63	87
61-65 years	3	0	3
Over 65 years	3	0	3
Total	3,843	3,068	6,911

*Data on employees in Mexico

Turnover rate in 2020*

(total employees leaving company/average headcount)					
		Employee	Sales	Plant worker	TOTAL
18-30	Men	29.4%	41.5%	31.8%	32.5%
	Women	17.3%	49.3%	37.0%	37.2%
31-50	Men	20.9%	23.4%	10.1%	16.5%
	Women	15.6%	31.6%	21.4%	26.2%
51 and over	Men	16.1%	15.6%	12.4%	14.2%
	Women	18.3%	26.7%	21.2%	25.0%
Total		20.9%	31.4%	20.7%	24.0%

*Data on employees in Mexico

Xignux Value Proposition

Guaranteeing that everyone who works at Xignux has a transformative experience means being able to attract, retain and motivate our people.

To do this, we have a group of ally energizers that act as Xignux Value Proposition Ambassadors, responsible for identifying and voicing propositions that enrich the work experience of all of us at Xignux.



An identity that sets us apart by the attitudes, behaviors and values we are known for. It makes up our philosophy and incorporates our commitment to community and the environment.



The style of those who head the company; the way they inspire, motivate, delegate and evaluate their employees. Includes providing career advancement opportunities for employees.



The day-to-day experience of working here, including aspects like processes, tools, facilities and working conditions, as well as relations with coworkers.



The balance we feel when we enjoy our overall compensation package. Includes salary, benefits and initiatives that allow employees to experience a proper balance between their personal lives, finances, property and health.

We Value Our Energizers' Loyalty

We recognize the loyalty of the men and women who have decided to stay with the company and be a part of its evolution, both in moments of growth and in situations that challenge us.

As of the year covered by this report, 298 employees had been sharing in Xignux's successes for over 25 years.



We Care for Our Energizers and Their Families in Times of Pandemic

“Transformando vidas” (Transforming Lives) Initiative

With this initiative we support energizers and their families who have been affected by natural disasters or medical emergencies.

Transforming Lives raises funds from voluntary employee contributions. In 2020, with the remainder of the 2019 crowdfunding campaigns, through INIXAR and Nuevo Amanecer we donated modular equipment with accessories for rehabilitation to the daughter of one of our employees at Prolec.



Caring for Me, Caring for You

In an effort to foster a virtuous circle of responsibility, the institutional awareness-raising campaign “caring for me, caring for you” developed by Xignux was publicized throughout all the group’s companies through various communication media. Its aim was to build a broader understanding that the best way to deal with the pandemic is to act responsibly toward oneself, and to share responsibility for our actions in the community.

Optimization of Hygiene Conditions and Measures

Everyone of the companies that make up Xignux responded expeditiously with preventive hygiene measures in their various workplaces, reinforcing protection for our energizers and consequently their families.

The energizers at each company took the responsibility for these protocols and routines seriously, including:

- **Viakable.** Disinfecting common areas and administrative offices with electrostatic and nebulizing equipment.
- **Prolec.** Analysis and evaluation of operations to devise and implement safety and hygiene protocols and measures to protect employee health.
- **Voltrak.** Installation of disinfecting tunnels at offices and on project sites. Deep disinfection of workspaces and vehicles.
- **Qualtia.** Prevention and health programs like “Grupo XO Seguro”, which defines bio-safety protocols to be applied in each phase of processing and supply. Disinfection tunnels were also set up at the main entrances to most facilities.
- **BYDSA.** Installation of disinfection checkpoints at its main plant.



In the words of our energizers

To ensure the safety of all our employees and continue business as usual during the pandemic, it was my job to apply sanitation and social distancing measures. Some examples of these measures were the supply of antibacterial gel, installing disinfection tunnels and carpets, supplying disinfectant products, adapting areas like dining rooms to ensure safe distancing, and increasing the number of vehicles to avoid crowding during transport, among others.

I learned that a rapid response to the emergency prevented unwanted situations. I also learned the importance of team cooperation between all the areas involved in this process. Our actions had a significant impact on the business operation, because we did everything possible to keep our employees safe and well.

Zaira Rosana Zapata Quiroga,
Wellness Services Coordinator, Prolec



Active Retirement Program

In February 2020, the tenth class of Xignux energizers graduated from this program, which provides specialized counseling and advice to employees on the brink of retirement, helping them to prepare a plan to better transition from work in their personal lives, with their partners and families. The program consists of 5 modules, with 7 sessions lasting 5 hours each, given over 8 months, with the support of specialists in financial, health and relationship issues.



Event held prior to COVID-19

Education and Advancement of Our People

Ensuring professional and personal advancement of all our energizers is a standing commitment for Xignux. That is why every year we provide an up-to-date range of educational content and access tools to make sure employees in every company and area of Xignux have access to knowledge, and time and space to take advantage of it.



Protecting Our Customers

By distributing protective plastic shields for points of sale, our BYDSA energizers gave more than 2,200 customers an extra measure of protection in their shops.



Employee Counseling

No year has ever challenged us as much as 2020 to preserve the emotional and physical health of our energizers. Our employee counseling program, Orienta PAE, which provides free, confidential assistance on emotional, medical, nutritional, legal and family budget aspects to employees, handled more than 5,600 cases in 2020.

Employees who need this type of help for themselves or their families can contact us by the following means:

- Orienta PAE hotline: 01 800 999 2233 o (442) 295 3001
- Orienta PAE on social media
- Website: www.orienta-me.com

A Recognition for Our Dedication

The National Agro-Food Sanitation, Health and Quality Service extended its congratulations and recognition to employees at Qualtia's Monterrey plant for their outstanding work in applying preventive health protocols during the pandemic.

Employee training by company and gender

	Number of employees		Training hours		Annual average (hours)	
	Women	Men	Women	Men	Women	Men
Viakable	483	4,297	5,450	18,059	600	1,358
Prolec	1,231	4,499	8,207	44,002	98	252
Voltrak	37	216	2,832	15,559	107	155
Qualtia	6,946	4,817	46,541	77,642	1,018	1,126
BYDSA	416	1,727	6,960	13,739	413	49
Xignux Corporativo (Xignux)	71	89	1,985	2,625	66	75



243,601

hours of training given in 2020



Best Practices: Knowledge That Enriches

Sharing our best practices enables us to develop the creativity and talent of our energizers while fortifying our business strategy.

In the sixth annual Xignux Work Culture Forum, participants learned about the most successful practices for each company:

- People Analytics: Employee Satisfaction Diagnosis and prediction of voluntary turnover at Viakable.
- Subcontractor management process at Voltrak.
- Supply chain optimization at BYDSA.
- Renewable energy systems solutions at Viakable.
- Go to Market Prolec 2025 – Growth Strategies, at Prolec.
- Profitability enhancement at the RTE Tijuana plant, at Qualtia.
- Xignux digital transformation strategy, by the team made up of Xignux Corporativo, Prolec, Viakable and Qualtia.

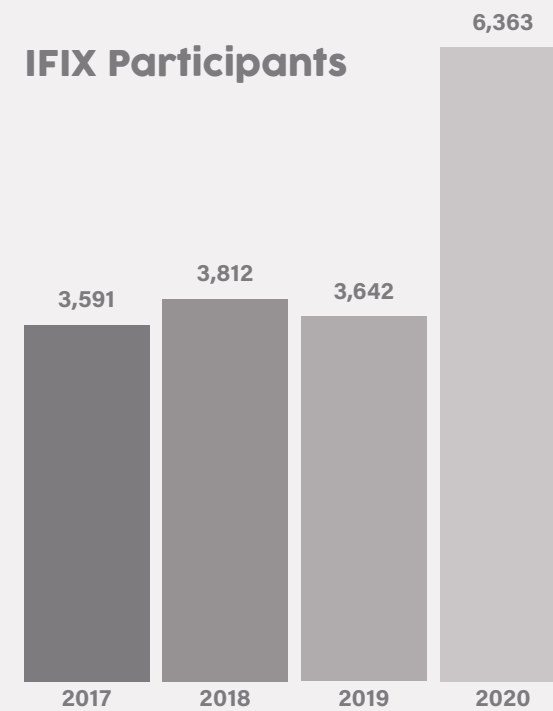


Event held prior to COVID-19

IFIX: Training Center

The Xignux Institute for Integral Formation (IFIX, by its initials in Spanish) adroitly adapted its training programs to offer them online so that it could continue providing a meaningful alternative for the advancement of our energizers and their families.

We reached 6,363 participants, 1,200 of which were Qualtia salespersons, 4,937 attended programs and conferences at IFIX Monterrey and 226 participated in the Xignux Anspac program.



In 2020 we continued training and educating employees, their families and the community in the most important issues of the moment, reaching them remotely through our Facebook page, which had 1,433 followers as of December.

We also offered a series of virtual talks, which included the following:

Talk	No. times viewed June-December 2020
Emotional hunger	340
Keys to improving the effects of the pandemic	215
Adapting family in the virtual age	156
Defining family roles	1,500
The positive side of social media	961
Habits of happy people	701
The best gift: Christmas with family	786
The story of the Virgin of Guadalupe	193
Total views	4,852

Videogame Tournament

To continue holding sporting and entertainment events while maintaining prevention measures and social distancing, we launched the first videogame tournament for energizers from all the group's companies. We created a network of gamers with more than 600 employees who competed by playing the most popular titles from their homes on weekends. In December the first two playoffs were held and transmitted live via IFIX social media. We will continue this initiative in 2021, looking for new recreational activities our employees can enjoy and reaching out to the younger members of our organization.



Partnership with ANSPAC

Our work with ANSPAC continued to change participants' lives for the better, through weekly talks on topics like "Education is parents' responsibility," "Your attitude is the path to success" and "The importance of good habits."

Despite the atypical events of the past year, we continued to provide training and education through workshops like "Healing my story," "School for the Heart," Catholic Catechism, Enneagram and "ANSPAC Youth."

This year a total of 226 participants benefited from Xignux-ANSPAC workshops.



Performance Evaluations

To ensure a steady improvement in performance, we provide employees with annual evaluations, which help identify training needs, strengths and possible areas of opportunity to develop.

2020 Performance evaluations by company and gender

	NUMBER OF EMPLOYEES	
	Women	Men
Viakable	436	3,358
Prolec	155	523
Voltrak	15	59
Qualtia	185	541
BYDSA	497	332
Parent company	26	75
Total	1,314	4,888

Performance evaluations by job category and gender

	Women	Men
Senior management	23	77
Executives	217	654
Administrative	374	1,277
Union members	1,287	6,659
Total	1,901	8,667

Health and Safety

Through our Safety and Hygiene Administration System (SASH, by its initials in Spanish) we manage working conditions, health and safety risks under a single program.

We also set up Health and Safety committees for 100% of employees working under collective bargaining agreements.



Year	2017	2018	2019	2020
Work-related accidents	66	48	59	47
Days lost	1,319	1,404	1,212	1,405
General illness		1,701	1,685	2,545

As part of our strategy to deal with the challenges of the pandemic, we took the following actions to prevent illness and protect people's health:

- Campaign on nutritional recommendations for physical and emotional health.
- Talks on prostate cancer and the ketogenic diet.
- Campaign and prevention guides: "COVID-19 prevention starts at home."
- "Keys for dealing with the effects of the pandemic" campaign.
- Campaign on mask use in all our operations.
- Campaign on heart health recommendations.
- "Focus on your emotional health" campaign.
- Health fairs at Viakable's San Luis Potosí plant.
- Application of a NOM 035 survey on the working environment at Viakable.
- "Being healthy" program at Prolec.
- Organization of two virtual 5K races at Prolec.

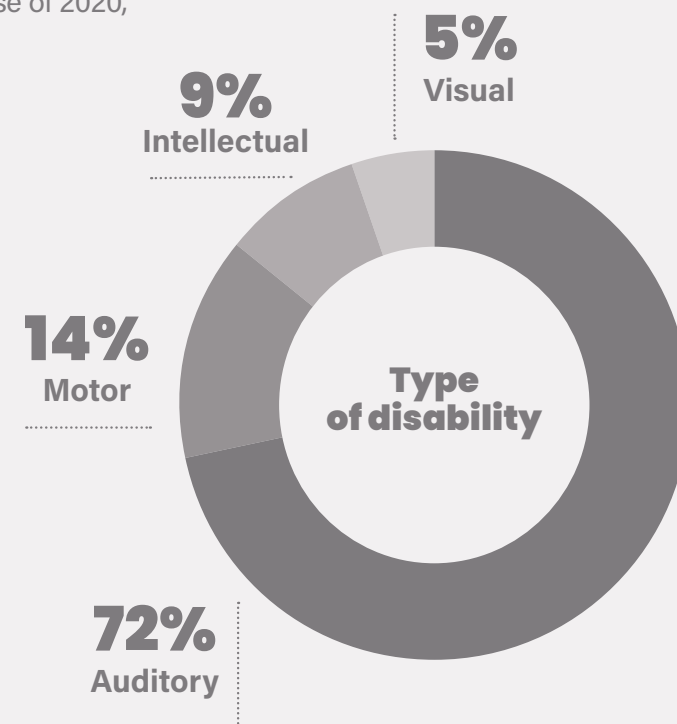
Diversity and Inclusion

Our Diversity and Inclusion policy and our Diversity and Inclusion Committee are two useful tools we apply at Xignux to ensure these fundamental qualities permeate our entire organization.

The seriousness of our commitment is reflected on the following progress:

- We have incorporated an increasing number of energizers with disabilities in all of Xignux's companies. At the close of 2020, these were as follows:

Company	Number of employees with disabilities
Viakable	27
Prolec	6
Qualtia	14
BYDSA	7
Parent company	2
Total	56



Among our achievements toward diversity and inclusion in 2020 were the following:

- We renewed our commitment to Movimiento Congruencia, a nonprofit business association that works for solutions to the challenges people with disabilities face in society and at work. Our Human Capital Director represents Xignux as a Board member of this organization.
- Together with Movimiento Congruencia we held an event called "Conecte", which featured a testimonial about inclusion by one of our employees with disabilities.
- We earned the "Éntrale" award from Alianza Éntrale, an initiative of the Consejo Mexicano de Negocios, in recognition of our efforts to strengthen inclusion practices, as reflected in an increase in our labor inclusion index.
- As part of the Xignux work certification process for new hires, we included the topic of inclusion and disability awareness. This year its impact extended to 26 employees.
- We offered the first nationwide course on basic Mexican Sign Language (MSL), in which more than 130 employees were able to learn and reinforce their knowledge of this language and continue strengthening inclusion at Xignux.
- We organized an informational campaign to raise awareness about disability and inclusion through screens installed in our plants and offices, and through our internal digital newsletter, InfoXignux. The campaign achieved 500 views among our administrative personnel.
- We began a Women's Leadership Program with the first generation of 70 women in middle management from all our companies.



Community

We Energize
Collective Action



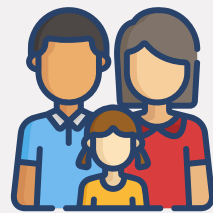
We Energize Collective Action

We are increasingly convinced that we need to take collective action so that families in our communities are better able to deal with the complex situations like the one that arose during the year.

We express this conviction through two main lines of action:

Xignux Foundation, our primary tool for social engagement, investment and support.

Social Initiatives, in partnership with nonprofit organizations through which we can multiply the benefits of our various programs and activities.



560,984

people benefited through Xignux Foundation



5,075

volunteers, who contributed +7,800 hours of volunteer time



In the words of the community

Since 2015, Xignux Foundation has supported our food security program, and thanks to this we have been able to obtain great results with communities in the area of food and nutrition. This project has supported us in working with communities to identify their diet, their resources, and what their soil needs to be more productive for growing corn and beans, mainly. Thank you, Xignux Foundation, for supporting our work and making it possible to value the identity, culture and human rights of indigenous people!

Karla Hernández
Director
Fundación Tarahumara José A. Llaguno A.B.P.

Xignux Foundation



Collaboration and commitment to helping our communities

The unifying role of Xignux Foundation is crucial for identifying and bringing together the efforts of civil society organizations to benefit vulnerable communities.

Our mission at Xignux Foundation

To contribute strategically and in a lasting way to the sustainable development of our communities by forging alliances and investing resources in high-impact initiatives with social value.

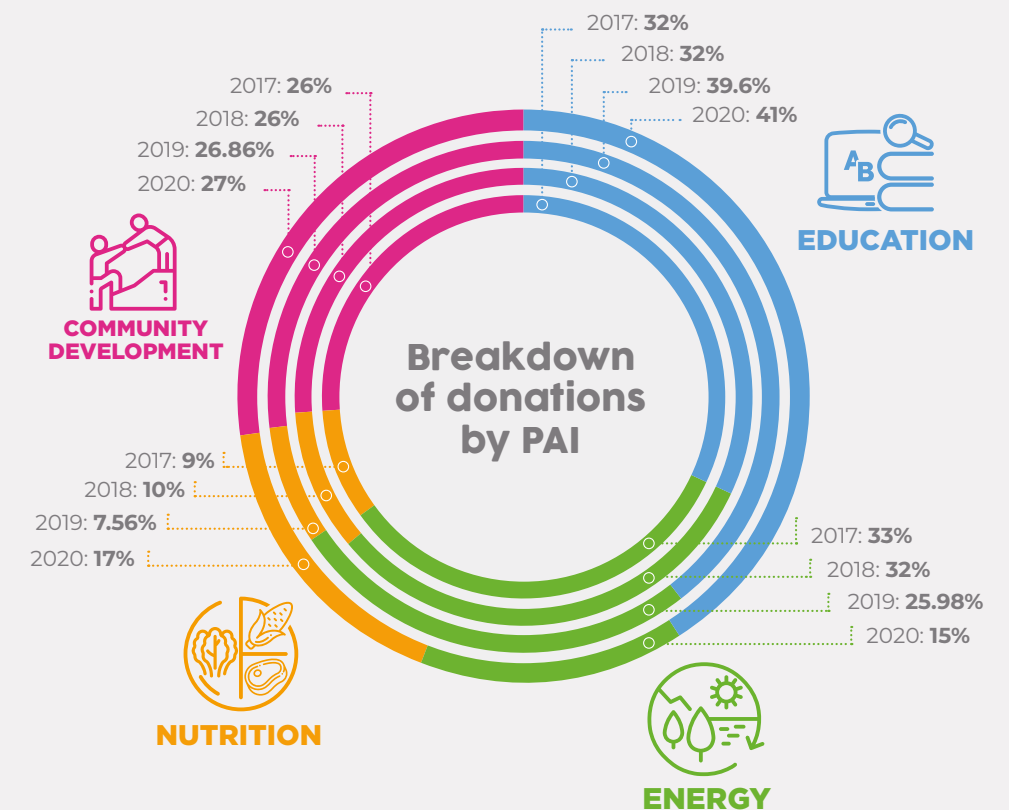
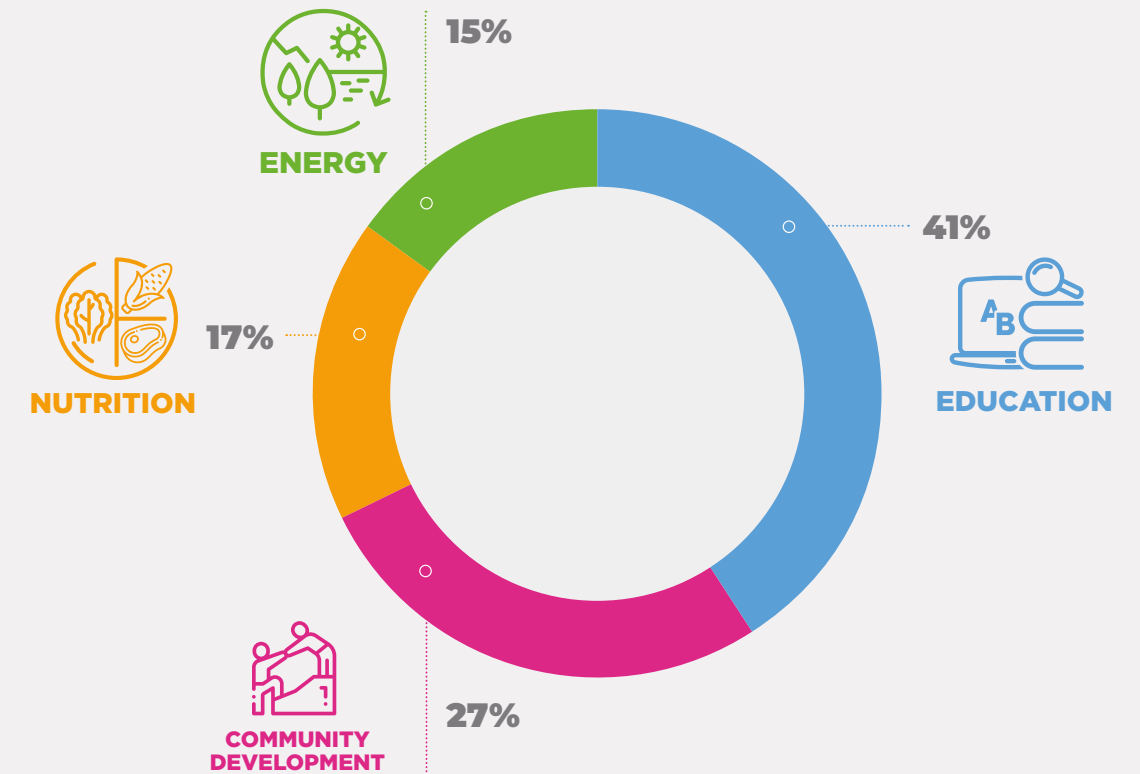
Responding to New Challenges and Realities

- We continued to support the development of proposals for solving environmental and sustainability problems.
- We supported primarily small nonprofits with access to vulnerable communities, both near our operations and in more remote areas.
- We worked together with universities to promote projects with a high social and environmental impact.
- We adapted and took our volunteer efforts online to reach and benefit more families.

Our support areas are organized into five Priority Areas for Social Investment (PAIs):

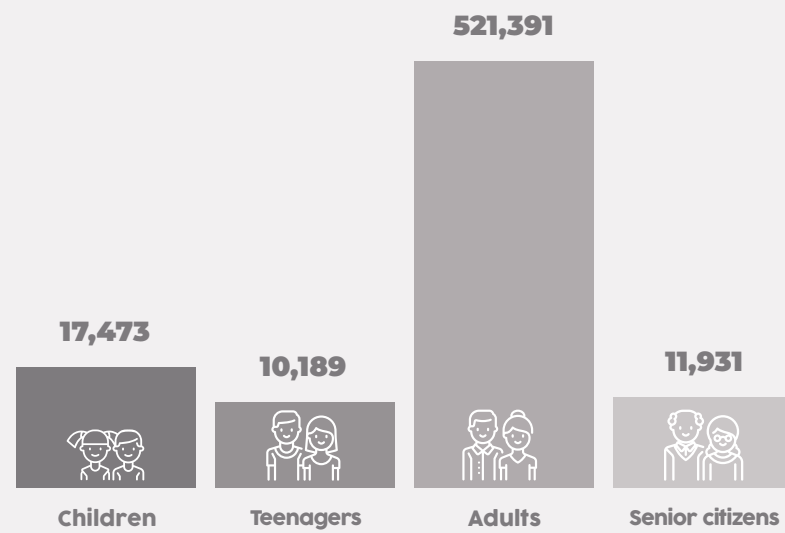
 EDUCATION	Educational quality	
	Research and development	
	Civic awareness	
 NUTRITION	Childhood malnutrition	
	Childhood obesity	
 ENERGY	Sustainable energy solutions	
	Equal access to clean, renewable energies	
 COMMUNITY DEVELOPMENT	Economic development at the base of the pyramid	
	Civic capacity	

In 2020, our investment was divided as follows:



Impact 2020

- Received and evaluated 85 applications for consideration by the Xignux Foundation Board.
- Supported 74 social investment projects.
- 6 new alliances with nonprofit organizations.
- 7 new cities/remote communities served.
- Almost 18,000 more people benefited than in 2019.



Xignux Challenge 2020

Held for the third time in partnership with the Tecnológico de Monterrey (Monterrey Tech), this initiative continued its work of identifying the next generation of socially responsible leaders. This time participating students took on the task of developing proposals on the problem of air quality in Mexican urban areas.

The challenge was open to all students currently enrolled in undergraduate programs in Tecnológico de Monterrey campuses.



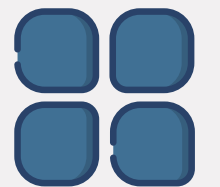
466 students

participating from various states of Mexico, Colombia, Ecuador, Guatemala, Honduras and Nicaragua



139

proposals received



4

categories:
sustainable mobility, alternative energies, citizen monitoring and carbon capture



Xignux Challenge 2020

These were the winning projects in 2020

Mamu:

Submitted by students from the Mexico City campus in the category of citizen monitoring.

Creation of a network of meteorological stations using aerial drones and atmospheric sensors in urban areas affected by factories, vehicles, household emissions, sewage and landfills.



Sol verde:

Presented by students from the Monterrey Campus in the categories of alternative energies and carbon capture.

Taking advantage of under-utilized spaces to install green rooftops in order to help capture carbon and pollutants, improve air quality and improve building insulation, with the added benefit of saving energy for air conditioning or heating.



Xignux Foundation Challenge

Planned with Mexican families affected by the pandemic in mind, this innovative virtual volunteering initiative helps beneficiaries in three ways: by improving the physical and emotional health of participants, partnering with nonprofit organizations, and most importantly, delivering basic food and supplies to affected families.

The challenge involved asking each energizer to nominate five people to accept the challenge of carrying out five activities, in multiples of five. With this action, those who accepted the challenge donated 100 pesos, and for every 100 pesos collected from an employee or friend of the community, Xignux Foundation would match it with another 100 pesos.



Some of the activities carried out by volunteers were:

- Donation of laptops to the Universidad Autónoma de Nuevo Leon
- Economic support to 5 families for medical tests
- Donated food for 5 Saturdays to senior citizens
- Ran 5 miles
- Mountain biking for 5 miles
- 5 actions to benefit the community
- Total participants: 1,524
- Total funds raised: 782,522 pesos



= \$391,261 MXN

Voluntary donations



= \$391,261 MXN

Xignux Foundation

- Beneficiaries: 2,143 families, more than 8,572 people

Organizations benefited:

State of Mexico	Organization
Quintana Roo	Jóvenes por Cancún Fundación
Mexico City	El Buen Samaritano
	Dar y Amar
	Ayuda a niños en situación de calle
	Comedor de Lancheros Valle de Bravo
	Cenáculo de Guadalupe
Yucatán	CONFE
	AMANC
Jalisco	Sueños de Ángel
	MAYAMA A.C.
Nuevo León	Villas
	Lazos Que Transforman
	Juntos para Ellos
	Escucha mi Voz
	Mujer en Plenitud
San Luis Potosí	Comedor Infantil Mensajero
	Residencia San Vicente de Paul
	Rafaela Arganiz
Oaxaca	La Casa de la Caridad Hogar del Migrante
	Vida y Sueños Enlazados por Ayudar A.C.

"Unir y Dar" (Unite and Give) Initiative

We enthusiastically answered the call to participate in this movement of empathy for the people of Nuevo León, supported by the state's business community.

This movement targets solidary support to those who need it most, to mitigate the effects of the pandemic on health, economy and society.

Under the coordination of Fundación Comunitar, we worked together to deliver more than 1 million basic supplies and protection equipment to the public and private healthcare sector. More than 16,000 cards of encouragement and economic support were sent to families who had lost their jobs, and micro-business owners were supported in formalizing loans and keeping their businesses open.

Xignux companies are proud to have contributed a total of 10.29 million Mexican pesos for:



#RESPIRANL
benefiting 3,169 doctors with medical supply kits

#ABRAZANL
benefiting 1,406 families with cash cards of 3,000 pesos each

#REACTIVANL
benefiting 173 projected borrowers by guaranteeing loans averaging 15,000 pesos

Some of Xignux Companies' Activities

The prevention measures we took in 2020 required us to temporarily redirect our volunteer efforts and the manifest generosity of Xignux and its energizers.

Accordingly, we limited on-site volunteer activities and concentrated on virtual activity, as well as bringing food and various types of assistance to people in vulnerable conditions.



Snack donations

Through the municipality of San Pedro Garza García, Nuevo León, BYDSA donated 5,000 30-gram bags of Toto's Xplot corn snacks which were included in the basic supply packages that DIF San Pedro distributed in the poorest neighborhoods of the city.



Generosity in difficult times

Prolec and its volunteers presented donations of basic food supply packages that benefited 340 residents of the Casa Hogar Alabastro de Amor and DIF Apodaca. It also donated 100 chairs to a senior citizens' recreation center in Nuevo León that serves more than 700 elderly individuals.

Hand-in-Hand With the Community

With the "Uno y Uno" (One and One) initiative and the support of more than 260 employees who donated cash, Viakable was able to benefit more than 600 families with basic food supplies. Furthermore, thanks to the initiative and combined efforts of energizers from Kemek, a Viakable subsidiary, a formula was developed to produce antibacterial gel in support of more than 2,000 people, responding to the shortage of hand disinfectant products during the early months of the pandemic.



Together We Can Do More

Qualtia contributed donations of food to unprivileged people in need. With the "Together we can do more" initiative, volunteers delivered snacks to the patients' families as they waited outside clinics and hospitals. And in partnership with the "Food for the Heart" campaign they donated Zwan brand Virginia ham and Caperucita cheddar cheese, making up part of more than 2,000 complete meals.



Energy That Helps

Energizers from Voltrak supported the Alianza Anticáncer Infantil by collecting waste materials that could be recycled in turned into resources to support patients and their families: in total, 500 kilos of cardboard, PET plastic, bottle caps and aluminum cans.

Xignux Volunteering

With the valuable participation and commitment of energizers from all of Xignux companies, our volunteer program is a vehicle for multiplying our reach to support social causes and meet the needs of our communities to improve their quality of life.



5,075

volunteers in Monterrey from Viakable, Prolec, Voltrak, Qualtia, and BYDSA, as well as Xignux Corporativo.



7,832

hours of volunteer time



Volunteering by company

Company	Volunteers	Hours of volunteer time
Viakable	1,208	4,550
Prolec	211	106
Voltrak	17	26
Qualtia	3,577	3,090
BYDSA	37	47
Xignux Corporativo	25	13
Total	5,075	7,832

Examples of volunteering by type

Type	Contribution
Time	Reforestation
	Cleaning urban cenotes in Cancún
	Cleanup day
Donations	A Christmas dream: gifts to patients in Centro HOGA
	Donations for the purchase of basic supply packages
	Waste collection for donation to the Alianza Anticáncer Infantil
	Donations to shelters, nursing homes and other charitable institutions

Encouraging Reflection and Responsible Action

A Clear Commitment in Times of Challenge

In 2020, despite the complexities imposed by the pandemic, we maintained our commitment to our Social Responsibility and Sustainable Development model.

Creation of the Jorge L. Garza Lectureship

To encourage social understanding and innovation among students enrolled in preparatory, professional and postgraduate studies, the Universidad de Monterrey instituted the Jorge L. Garza Lectureship in honor of our founder. The lectures will be held annually and will promote research projects and the development of student creativity. The event was held virtually in 2020 in keeping with current sanitary provisions.



The Path to Sustainability

In partnership with the Universidad de Monterrey, in 2020 we took part in the "Camino a la sostenibilidad" conference in which more than 400 students and professors participated from the Universidad de Monterrey and the Universidad Católica de Temuco, Chile. The event was held virtually and involved 13 lectures and 2 workshops.

Also with the Universidad de Monterrey, we helped install 8 sensors to measure air quality in various parts of the Monterrey metropolitan area where the university is present. Through this investment, we are doing our part to improve the health of Monterrey's communities.



Rómulo Garza Prize

Created in 1974 in memory of Rómulo Garza, considered a founder, friend and collaborator of the Tecnológico de Monterrey (Monterrey Tech), we held the 18th annual Rómulo Garza Prize ceremony to recognize outstanding research and innovation from the year 2019. Four prizes were awarded this year:

- The Insignia Prize for professors and researchers with outstanding scientific achievements
- Articles in indexed journals with high impact factors
- Published books
- Students in research projects with innovation components



Event held prior to COVID-19

Event held prior to COVID-19

Collaboration With a Cause

Xignux Foundation maintained its unwavering support of various nonprofit organizations, and through various actions last year we were able to benefit communities and the environment.

Institution	Action
Centro de Estudios Familiares y Sociales, A.C. (CEFAS)	Support for campaigns that encourage self-help and advancement, eradication of family violence, civic education and solidary commitment.
Asociación Autismo Arena	Donations to cover therapy for more than one hundred children diagnosed with Autism Spectrum Disorder (ASD)
Asociación de Diabetes	An IFIX course on preventing diabetes and caring for people with diabetes
Fundación Tarahumara	Support for a project to encourage health, nutritious, culturally appropriate food to improve quality of life in these communities.
Siembra Educación	Helping to professionalize and certify caregivers for elderly adults who cannot cover the cost of care at private institutions.
Padrinos por Nuevo León	Support for boys and girls who need to catch up with their academic grade and continue their studies successfully.
Mexican Red Cross	Promoting healthy habits for youth between 12 and 15 years old and their parents and teachers through education and good diet using the basic basket of staple goods and physical exercise.
Cáritas de Monterrey	Developing the individual to be self-sufficient and earn a dignified living through courses to learn a trade.
Nuevo León Fire Department	Support for the purchase of thermal cameras for firefighters to improve visibility amid the smoke and heat of structural fires.



Awards and Recognitions

In 2020, the Confederación de Cámaras Industriales de los Estados Unidos Mexicanos (CONCAMIN) recognized us for our track record and performance as a socially responsible company, awarding us the Industry Ethics and Values prize for the first time in the category of large Mexican companies.

This distinction is a testament to the contributions that every energizer makes through their ethical and responsible work, as well as the progress we have made in the areas of governance, human rights, labor relations, civic business responsibility and environmental preservation.

Planet

Caring for the Environment
to Leave Our Children a Better World



Caring for the Environment to Leave Our Children a Better World

Never before has a year so clearly proven that the only way to continue enjoying quality of life is through environmental care, as did 2020. The challenge of protecting ourselves during the pandemic was combined with the effort to maintain a low environmental impact from our operations, and to carry out environmental remediation activities.

- Centelsa in Colombia continues to report zero emissions from its energy consumption
- Vikable was able to capture 94 m³ of rainwater for use in its operations

Preserving Water for Future Generations

At BYDSA, our wastewater treatment plant processed 450 m³ a month on average, a 50% increase over 2019, resulting in a total of 4,950 m³ a year in 2020.

We carried out various actions during the year covered by this report to ensure that our processes make optimum use of this vital liquid, always with the well-being of the community in mind.

At the Viakable plant in El Carmen, Nuevo León, a wastewater treatment plant was installed for use in watering green areas, processing an average of 4.5 m³ per day, the equivalent of supplying water to 16 people in the same period of time. El Carmen is now a zero-wastewater facility.

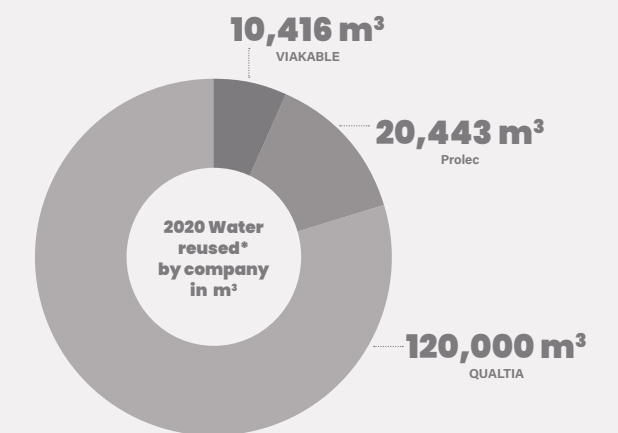
2020 Water consumption by company, in m³

	2018	2019	2020
Viakable	406,415	426,016	443,472
Prolec	126,608	144,506	148,663
Voltrak	2,975	2,217	1,787
Qualtia	1,039,650	1,118,508	1,087,792
BYDSA	28,626	30,678	28,280
TOTAL	1,604,274	1,721,925	1,709,994



Total historic water consumption in m³

2016	1,648,299
2017	1,646,069
2018	1,604,274
2019	1,721,925
2020	1,709,994



2020 Water consumption by source in m³

Water consumption by source in m ³	2019	2020
Ground water	1,432,283	1,377,797
Municipal supply	173,662	170,731
Wastewater	16,562	53,453
Rainwater	0	94
Others	125,406	107,919

Energy and Emissions

The pursuit of energy efficiency and the use of renewable sources is part of our commitment to the environment and the constant evolution of our operations.

The Centelsa Case: Product Lifecycle and Carbon Footprint

The Planet Initiative developed at Centelsa Viakable in Colombia is an example of our good environmental practices. By analyzing the lifecycle of 17 of the company's products, we were able to identify the amount of greenhouse gases emitted from extraction of the raw materials to transport, production, packaging, use and final disposal. This enabled us to take more effective action to reduce these gases and offset those that cannot be avoided.

The company took action on waste management, responsible consumption and changed some of its suppliers, among them the energy provider, to ensure it comes from 100% renewable sources, making this Xignux's first zero-emissions operation. All of this was accompanied by awareness-raising campaigns and training of our energizers to ensure correct waste separation, optimization of resources in our operations and limited use of disposable items.

Total energy consumption by company

	2018		2019		2020	
	kWh	GJ	kWh	GJ	kWh	GJ
Viakable	244,654,885	880,758	237,884,931	856,385	258,892,895	932,014
Prolec	55,534,700	199,925	57,192,673	205,893	57,489,873	206,962
Voltrak	416,256	1,499	504,118	1,814	278,781	1,007
Qualtia	58,881,089	211,972	68,388,211	246,197	72,349,618	260,517
BYDSA	6,097,883	21,952	5,174,056	18,626	5,504,160	19,815
TOTAL	365,584,813	1,316,106	369,143,989	1,328,915	394,515,327	1,420,315

Total historic energy consumption (in GJ)

2016	1,288,814
2017	1,346,386
2018	1,316,106
2019	1,328,915
2020	1,420,315

Consumption of non-renewable fuels by company (GJ) in 2020

	Natural gas	LP Gas	Gasoline	Diesel	Total
Viakable	406,806	81,695	6,059	4,347	507,852
Prolec	308,880	12,010	0	0	320,890
Voltrak	52	99	6,010	2,381	8,542
Qualtia	605,020	5,398	33,479	391,610	1,035,507
BYDSA	79,762	0	1,800	133,706	215,268
TOTAL	1,400,520	99,202	47,348	532,044	2,088,059

In the words of our energizers

Through the product lifecycle project we compiled detailed information on the environmental impact generated by the products we make throughout their lifecycle, from the time the raw materials are extracted through their transportation, processing, packaging, use and final disposal. To achieve this result we built a process map, prioritized it and collected data to prepare raw material and energy balances, detailing the flow of materials used in each phase of the manufacturing process. This exercise made us more aware of the environmental impact that happens not only inside our doors, but in the entire value chain or life cycle.

Carlos Andrés Barona
Head of Ecology, Centelsa Viakable





In 2020, Voltrak used
79,056 Kw/h
of solar energy



Prolec used
3,790,637 Kw/h
of wind energy

GHG emissions by company (Tons CO₂e)

	2019		2020	
	Emissions generated from fuel consumption (scope 1)	Emissions generated from electricity consumption (scope 2)	Emissions generated from fuel consumption (scope 1)	Emissions generated from electricity consumption (scope 2)
Viakable	37,681	78,313	34,666	75,680
Prolec	16,091	29,874	20,769	27,116
Voltrak	859	229	657	147
Qualtia	62,872	44,066	62,567	39,747
BYDSA	13,988	2,173	13,939	2,171
TOTAL	131,491	154,655	132,598	144,861

Total GHG emissions (Tons CO₂e)

	2016	2017	2018	2019	2020
Scope 1	99,767	127,481	122,724	131,490	132,598
Scope 2	127,004	133,775	142,873	154,654	144,861

Scope 1: Emissions generated from the consumption of fuel.
Scope 2: Emissions generated from the consumption of electricity.

As part of our commitment to the use of renewable energies, at Viakable, through our Viakon product line, and to introduce our renewable energy cable line, we attended the ninth annual Mexico WindPower expo in 2020, organized by the Global Wind Energy Council (GWEC) together with the Asociación Mexicana de Energía Eólica (AMDEE).

Materials, Waste and Recycling



In the words of our energizers

I'm glad that Xignux and Viakable support people, because sometimes, however small the improvement might seem, you're helping a lot. Above all, if it's an improvement that not only benefits the company but also helps care for the environment, like my project to reduce water consumption and impact on the subsoil.

Osiel López Hernández
Head of the solutions area at Magnekon Plant 1 and Plant 2, Viakable



We continue to work on reducing our waste, and where possible to reuse and recycle materials.

One example of this is the environmentally friendly VG-100 Transformer produced by Prolec, which includes a soybean-based byproduct and chemical composition based on a mix of plant-based, non-toxic and 100% biodegradable fatty acids.

Renewable and non-renewable materials used by company in 2020 (Ton)

Company	RENEWABLES	TOTAL WEIGHT	NON-RENEWABLES	TOTAL WEIGHT
Viakable	Cardboard*	2,564,202	Copper	110,982
	Wood	29,238	Aluminum	22,341
	Wood in pieces at Viakable San Luis Potosí Plant and Sao Marco Plant	620,805	High- and low-density polyethylene	11,992
	Wood in board feet at Durango Multipak Plant	17,206	PVC and XLPE	41,948
			Pigments for PE, PVC and Nylon	195
			Enamels	1,406
			Lubricants	374
			Plastic spools	152
			Organic solvents	77
			Cardboard	0.4
			Pallets	1,196
			Plastic wrapping	139
			Steel	18
	Prolec			Oil
			Plastics	25
Wood		336,276	Copper	5,907
	Cardboard	1,930	Aluminum	9,352
Voltrak			Steel	80,302
			Oils**	311,997
	Cardboard	0.38	N/A	NA

*In units
**In liters

Renewable and non-renewable materials used by company in 2020 (tons)

Empresa	RENEWABLES	TOTAL WEIGHT	NON-RENEWABLES	TOTAL WEIGHT
Qualtia	Cardboard*	2,600	Lubricants	23
	Pallets	1,696	Waterproof casing	144
			Plastic wrapping	210
			Oils	1,500
			Flours and condiments	10,000
			Plastics	327
			Pastas	141,685
			Bones	701
			Meat products	8,939
		High- and low-density polyethylene	3,496	
BYDSA	Cardboard	5,910	Plastic wrapping	51.54
	Wood	3,061	Packaging	1,383
			Flours and condiments	12,155
			Oils	5,800
			Cardboard	3,999
			Pallets	883
			High- and low-density polyethylene	48

*In units
**In liters

Promoting a circular economy is part of our Sustainable Development strategy, and the nature of our business challenges us to innovate to do so.

- **100% of the cardboard used at Viakable and Voltrak is recycled, as is 68% of the cardboard used at BYDSA.**
- **81% of the wood used at Qualtia is recycled, as is 50% of the wood used at Viakable.**
- **100% of the copper and aluminum used at Voltrak are recycled.**
- **Voltrak recycles 100% of the PET plastic it uses.**

For waste generated in our operations, we comply with existing regulations and ensure we dispose of it properly; we are continually working to reduce waste generation and incorporate it into processes wherever possible.

Waste by disposal method (metric tons)

Method	Hazardous		Non-hazardous	
	2019	2020	2019	2020
Reuse	241	412	108,416	17,331
Composting	0	0	1,134	1,197
Recovery	25,126	194,952	3,109,940	10,626
Incineration	660	1,595	0	0
Injection in deep wells or confinement	0	41,279	0	0
Sanitary landfill	624	571	11,865	442,910
Total	26,651	238,809	3,231,355	472,064

Other Environmental Actions

We carry out a number of activities in conjunction with the communities around us, and in partnership with other organizations, to amplify the benefits of our environmental care actions.

In 2020, with the third annual Xignux Challenge, together with the Tecnológico de Monterrey (Monterrey Tech), we invited proposals to improve air quality in urban zones of Mexico. The first place project received an award of one million pesos and consulting on development of the idea; the second-place winner received 400,000 pesos.

The project earned us a “Bóscar” award in the category of forestry entrepreneurship promotion from Reforestamos México.

To learn more about the results of the Xignux Challenge, see the “Community” section of this report.



At Viakable, through an “Adopt a Tree” campaign, more than 350 trees were adopted by employee volunteers. At the San Luis Potosí Plant, more than 100 energizers worked together with the state’s Environmental Improvement Committee in adopting various species of trees native to the region, like mesquite and pirul, and some species of fruit trees.



Meanwhile, energizers at the Viakable’s Monterrey Plant, El Carmen Plant, Magnekon, Vialutek and Multipak, adopted 205 trees sent by energizers from the San Luis Potosí plant.



Certifications and Awards in Recognition of Our Commitment to Environmental Care

Cables	ISO 14001	Clean Industry
Viakable Monterrey Plant	●	●
El Carmen Plant	●	●
Magnekon	●	●
São Marco	●	
Multipak Tlaxcala		●
Multipak San Luis		●
Multipak Durango		●
Centelsa	●	
Cobres de Colombia	●	
Alcatek	●	
Cabel (ICV)	●	

Food	Clean Industry
Qualtia Querétaro	●

Infrastructure	ISO 14001
Voltrak	●

Transformers	ISO 14001	Clean Industry
Prolec GE	●	●
Celeco	●	●

● AWARDED

Index of Contents GRI (Global Reporting Initiative)

GRI 101: Foundation

GRI 102: General content

	STANDARD	GENERAL CONTENT	PAGE OR RESPONSE	SDG (Sustainable Development Goals)
	Organizational Profile			
GRI 102: Standard Content 2016	102-1	Name of the organization	Xignux Corporativo, S.A.	
	102-2	Activities, brands, products, and services	pp. 6-17	
	102-3	Location of headquarters	pp. 6-17	
	102-4	Location of operations	pp. 6-17	
	102-5	Ownership and legal form	Xignux Corporativo, S.A.	
	102-6	Markets served	pp. 6-17	
	102-7	Scale of the organization	pp. 6-17	
	102-8	Information on employees and other workers	pp. 40-57	
	102-9	Supply chain	The supply chain of each our companies differs depending on their industry. Xignux maintains a close and responsible relationship with all its suppliers.	
	102-10	Significant changes to the organization and its supply chain	There were no significant changes during the period reported.	

STANDARD	GENERAL CONTENT	PAGE OR RESPONSE	SDG (Sustainable Development Goals)	
Organizational Profile				
GRI 102: Standard Content 2016	102-12	External initiatives	pp. 18-27	Goal 17. Partnerships for the goals
	102-13	Membership of associations	pp. 18-27	Goal 17. Partnerships for the goals
	102-14	Statement from senior decision-maker	p. 3	
	102-15	Key impacts, risks, and opportunities	p. 3	
	102-16	Values, principles, standards, and norms of behavior	pp. 30-37	Goal 16. Peace, justice and strong institutions
	102-17	Mechanisms for advice and concerns about ethics	pp. 30-37	Goal 16. Peace, justice and strong institutions
	102-18	Governance structure	p. 5	
	102-26	Role of highest governance body in setting purpose, values, and strategy	p. 5	
	102-40	List of stakeholder groups	pp. 18-27	

STANDARD	GENERAL CONTENT	PAGE OR RESPONSE	SDG (Sustainable Development Goals)	
Organizational Profile				
GRI 102: Standard Content 2016	102-41	Collective bargaining agreements	pp. 40-57	Goal 8. Decent work and economic growth
	102-42	Identifying and selecting stakeholders	pp. 18-27	
	102-43	Approach to stakeholder engagement	pp. 18-27	
	102-44	Key topics and concerns raised	pp. 18-27	
	102-45	Entities included in the consolidated financial statements	pp. 6-17	
	102-46	Defining report content and topic boundaries	pp. 18-27	
	102-47	List of material topics	pp. 18-27	
	102-48	Restatements of information	This year we have not reported on the four indicators of the Food and Beverages Industry Supplement. We will do so in the future once the version of the Standard is updated.	
	102-49	Changes in reporting	There were no significant changes during the period reported.	
	102-50	Reporting period	January 1-December 31, 2020.	
	102-51	Date of most recent report	2019 Reporting cycle	
	102-52	Reporting cycle	Our reporting cycle is annual, and for the past four years we have applied the Global Reporting Initiative (GRI) Standards, core option.	
	102-53	Contact point for questions regarding the report	Back page	
	102-54	Claims of reporting in accordance with the GRI Standards	This year we opted to report using the core option. We have also included our contributions to the UN 2030 Agenda and Sustainable Development Goals.	
	102-55	GRI content index	p. 92	
	102-56	External assurance	We did not obtain external assurance this year.	

STANDARD	GENERAL CONTENT	PAGE OR RESPONSE	SDG (Sustainable Development Goals)
Economic Performance			
Economic Performance			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	pp. 6-17 Goal 2. Zero Hunger Goal 5. Gender Equality Goal 7. Affordable and Clean Energy Goal 8. Decent Work and Economic Growth Goal 9. Industry, Innovation and Infrastructure
	Indirect economic impacts		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Págs. 18 a la 27
	103-2	The management approach and its components	Págs. 18 a la 27
	103-3	Evaluation of the management approach	Págs. 18 a la 27
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	Págs. 60 a la 77 Goal 2. Zero Hunger Goal 5. Gender Equality Goal 7. Affordable and Clean Energy Goal 9. Industry, Innovation and Infrastructure Goal 11. Sustainable Cities and Communities

STANDARD	GENERAL CONTENT	PAGE OR RESPONSE	SDG (Sustainable Development Goals)
Economic Performance			
Anti-corruption			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	pp. 30-37 Goal 16. Peace, justice and strong institutions
	205-3	Confirmed incidents of corruption and actions taken	pp. 30-37 Goal 16. Peace, justice and strong institutions
Environmental Performance			
Materials			
"GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 301: Materials 2016	301-1	Materials used by weight or volume	pp. 80-91 Goal 12. Responsible Consumption and Production
	301-2	Recycled input materials used	pp. 80-91 Goal 12. Responsible Consumption and Production
	301-3	Reclaimed products and their packaging materials	pp. 80-91 Goal 12. Responsible Consumption and Production

STANDARD	GENERAL CONTENT	PAGE OR RESPONSE	SDG (Sustainable Development Goals)
Environmental Performance			
Energy			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 302: Energy 2016	302-1	Energy consumption with in the organization	pp. 80-91 Goal 7. Affordable and Clean Energy Goal 8. Decent Work and Economic Growth Goal 12. Responsible Consumption and Production Goal 13. Climate Action
	302-2	Energy consumption outside of the organization	pp. 80-91 Goal 7. Affordable and Clean Energy Goal 8. Decent Work and Economic Growth Goal 12. Responsible Consumption and Production

STANDARD	GENERAL CONTENT	PAGE OR RESPONSE	SDG (Sustainable Development Goals)
Environmental Performance			
Water			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 303: Water 2016	303-1	Interactions with water as a shared resource	pp. 80-91 Goal 6. Clean Water and Sanitation
	303-2	Management of water discharge-related impacts	pp. 80-91
	303-3	Water withdrawal	pp. 80-91 Goal 6. Clean Water and Sanitation Goal 8. Decent Work and Economic Growth Goal 12. Responsible Consumption and Production
Emissions			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	pp. 80-91 Goal 3. Good Health and Well-being Goal 12. Responsible Consumption and Production Goal 13. Climate Action Goal 14. Life Below Water Goal 15. Life on Land
	305-2	Energy indirect (Scope 2) GHG emissions	pp. 80-91 Goal 3. Good Health and Well-being Goal 12. Responsible Consumption and Production Goal 13. Climate Action Goal 14. Life Below Water Goal 15. Life on Land

STANDARD	GENERAL CONTENT	PAGE OR RESPONSE	SDG (Sustainable Development Goals)
Environmental Performance			
Effluents and Waste			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 306: Effluents and Waste 2016	306-1	Waste generation and significant waste-related impacts	pp. 80-91 Goal 3. Good Health and Well-being Goal 6. Clean Water and Sanitation Goal 12. Responsible Consumption and Production Goal 14. Life Below Water
	306-2	Management of significant waste-related impacts	pp. 80-91 Goal 3. Good Health and Well-being Goal 6. Clean Water and Sanitation Goal 12. Responsible Consumption and Production
	306-3	Waste generated	There were no significant spills during the period of this report. Goal 3. Good Health and Well-being Goal 6. Clean Water and Sanitation Goal 12. Responsible Consumption and Production Goal 14. Life Below Water Goal 15. Life on Land

STANDARD	GENERAL CONTENT	PAGE OR RESPONSE	SDG (Sustainable Development Goals)
Environmental Performance			
Environmental Compliance			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	There were not significant fines during the period of this report. Goal 12. Responsible Consumption and Production Goal 16. Peace, justice and strong institutions
Social Performance			
Employment			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	pp. 40-57 Goal 5. Gender Equality Goal 8. Decent Work and Economic Growth
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	There is no distinction between the benefits provided to full-time and part-time employees. Goal 8. Decent Work and Economic Growth

STANDARD	GENERAL CONTENT	PAGE OR RESPONSE	SDG (Sustainable Development Goals)
Social Performance			
Labor/Management Relations			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	At Prolec, three weeks; at Qualtia and Viaka-ble, two weeks. Goal 8. Decent Work and Economic Growth

Occupational Health and Safety			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	pp. 40-57 Goal 8. Decent Work and Economic Growth
	403-2	Hazard identification, risk assessment, and incident investigation	pp. 40-57 Goal 3. Good Health and Well-being Goal 8. Decent Work and Economic Growth
	403-3	Occupational health services	pp. 40-57 Goal 3. Good Health and Well-being Goal 8. Decent Work and Economic Growth
	403-4	Worker participation, consultation, and communication on occupational health and safety	pp. 40-57
	403-5	Worker training on occupational health and safety	pp. 40-57

STANDARD	GENERAL CONTENT	PAGE OR RESPONSE	SDG (Sustainable Development Goals)
Social Performance			
Training and Education			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	pp. 40-57 Goal 4. Quality Education Goal 5. Gender Equality Goal 8. Decent Work and Economic Growth
	404-2	Programs for upgrading employee skills and transition assistance pro-grams	pp. 40-57 Goal 8. Decent Work and Economic Growth
	404-3	Percentage of employees receiving regular performance and career development reviews	pp. 40-57 Goal 5. Gender Equality Goal 8. Decent Work and Economic Growth

Diversity and Equal Opportunity			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 405: Diversity and equal opportunity 2016	405-1	Diversity of governance bodies and employees	pp. 40-57 Goal 5. Gender Equality Goal 8. Decent Work and Economic Growth

STANDARD	GENERAL CONTENT	PAGE OR RESPONSE	SDG (Sustainable Development Goals)
Social Performance			
Nondiscrimination			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 406: Nondiscrimination 2016	406-1	Incidents of discrimination and corrective actions taken	pp. 30-37 Goal 5. Gender Equality Goal 8. Decent Work and Economic Growth Goal 16. Peace, justice and strong institutions

Freedom of Association and Collective Bargaining			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
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	pp. 30-37 Goal 8. Decent Work and Economic Growth

Child Labor			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	pp. 30-37 Goal 8. Decent Work and Economic Growth Goal 16. Peace and Justice Strong Institutions

STANDARD	GENERAL CONTENT	PAGE OR RESPONSE	SDG (Sustainable Development Goals)
Social Performance			
Forced or Compulsory Labor			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	pp. 30-37 Goal 8. Decent Work and Economic Growth

Human Rights Assessment			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 412: 2016 Human Rights Assessment	412-2	Employee training on human rights policies or procedures	pp. 30-37

STANDARD	GENERAL CONTENT	PAGE OR RESPONSE	SDG (Sustainable Development Goals)
Social Performance			
Local Communities			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	pp. 60-77. 100% of our operations.

Customer Health and Safety			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	pp. 6-17
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There were no instances of non-compliance with the regulations during the period of this report. We have specialized call centers for customers to call with questions about our food products. Goal 16. Peace, justice and strong institutions

STANDARD	GENERAL CONTENT	PAGE OR RESPONSE	SDG (Sustainable Development Goals)
Social Performance			
Marketing and Labeling			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	pp. 18-27
	103-2	The management approach and its components	pp. 18-27
	103-3	Evaluation of the management approach	pp. 18-27
GRI 417: Marketing and Labeling	417-1	Requirements for product and service information and labeling	pp. 6-17 Goal 12. Responsible Consumption and Production Goal 16. Peace, justice and strong institutions

About this report

In keeping with the principles of accountability and transparency in everything we do, for the seventh year in a row we are sharing our Social Responsibility Report. In it, we inform our stakeholders and the general public of the actions Xignux has taken in the areas of economic, social and environmental performance.

The scope of this report encompasses all of the operations of the companies Viakable, Prolec, Voltrak, Qualtia, BYDSA and Xignux Corporativo (the parent company). It also discusses the achievements of the company and the challenges we faced from January 1 to December 31, 2020.

Our reporting cycle is annual, and in the last two years we have followed the standards of the Global Reporting Initiative (GRI), for the "core" option. Our measurement methods are also based on GRI recommendations. We have included our contributions to the U.N. 2030 Agenda and Sustainable Development Goals as well.

For the purposes of clarity, the Social Responsibility Report is divided into the following sections:

- About the company
- Responsible corporate governance
- Pillars
- Ethics and Values
- Our People
- Community
- Planet
- GRI Contents

In our process of determining materiality and developing this report, this year we engaged an independent expert in the field; we did not obtain external assurance on the report.

Acknowledgements

This document is the result of the combined efforts of the employees and senior management of each of Xignux's companies. Without their knowledge and the work they have done year in and year out, we would not be able to share this Xignux Social Responsibility and Sustainable Development Report.

In addition, as every year, we reassert our commitment to transparency and we will continue publishing this report in order to share it with our stakeholders and inform them of our actions and our impact on society, economy and the environment.

We are grateful for your preference and your trust in our products, which we will continue to offer with the highest quality.

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A large, horizontal, orange brushstroke with a textured, painterly appearance, centered on a white background. The stroke is slightly irregular and has a soft, feathered edge.

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