



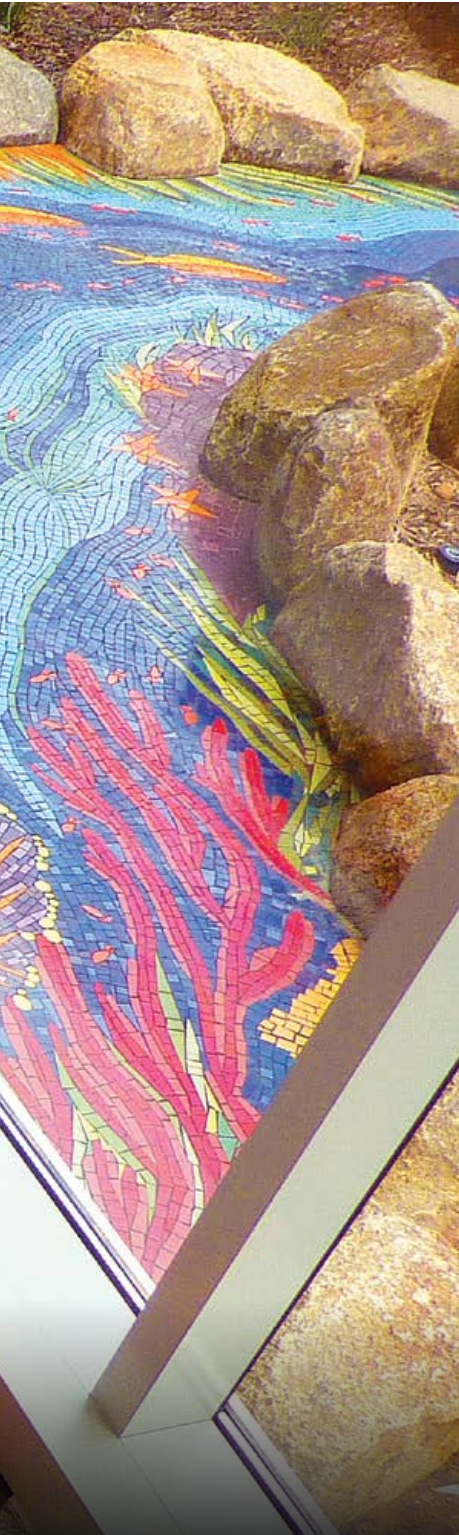
2025

SUSTAINABILITY REPORT

laticrete.com



River of Life · Kim Emerson · Rady Children's Hospital, San Diego, CA



2025 SUSTAINABILITY REPORT

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Chairman of the Board



David A. Rothberg

From the beginning, Dr. Henry M. Rothberg focused on developing safer, water-based products. Now, imagine making epoxy resins that come from cashew nuts instead of petroleum. Or eliminating silica dust from products that always had it. Or formulating recycled materials from places we never thought possible.



We strive to make our new products green, non-hazardous, and non-toxic – innovations we're really proud of.



Patrick Millot

As the company that invented the thin bed adhesive for tile and stone installations almost seven decades ago, LATICRETE has consistently set the standard for our industry from innovation and product quality, to education, training, and technical support — so our customers and partners can do the same.

At LATICRETE, our desire to set the standard extends to our sustainability roadmap, detailed in this report. Our approach is pragmatic, science-based, and grounded in measurable outcomes — avoiding greenwashing. We focus on initiatives that directly reduce our environmental footprint across processes and supply chains, while also developing solutions to help our industry become more sustainable, improve installer well-being, and enhance the quality of life in communities where our products are used.

While we are proud of the unique solutions we've innovated, we recognize that sustainability is an ongoing journey. Team LATICRETE, with the support of our business partners, is deeply committed to delivering on our promise of building a better tomorrow through sustainable practices and products. This is not only a sound business strategy but also a reflection of our core values as we strive to demonstrate care for our employees, partners, communities, and the planet.



LATICRETE has consistently set the standard for our industry from innovation and product quality, to education, training, and technical support — so our customers and partners can do the same.

President & COO

NORTH AMERICAN DIVISION



Ron Nash

At LATICRETE, we've always pushed the boundaries of what's possible. Innovation isn't just about creating new products – it's about redefining the impact those products have on the world around us. From our early focus on water-based solutions to the game-changing development of dust-free technologies, we continue to prioritize sustainability without compromising performance.

Today, we're driving forward with even bolder goals – products that use natural and renewable resources, processes that minimize waste, and innovations that help build a healthier future for our customers and our planet.

This report is a testament to our ongoing commitment to leadership in sustainability, not just because it's the right thing to do but because it's who we are. We're proud of where we've been but are even more excited about where we're going.



Innovation isn't just about creating new products – it's about redefining the impact those products have on the world around us.

Vice President

SUSTAINABILITY AND TECHNOLOGY



Dr. Eerik Maandi

As the Vice President of Sustainability and Technology for LATICRETE, and on behalf of an exceptional team of dedicated individuals, it is with great pride that I introduce our first Sustainability Report.

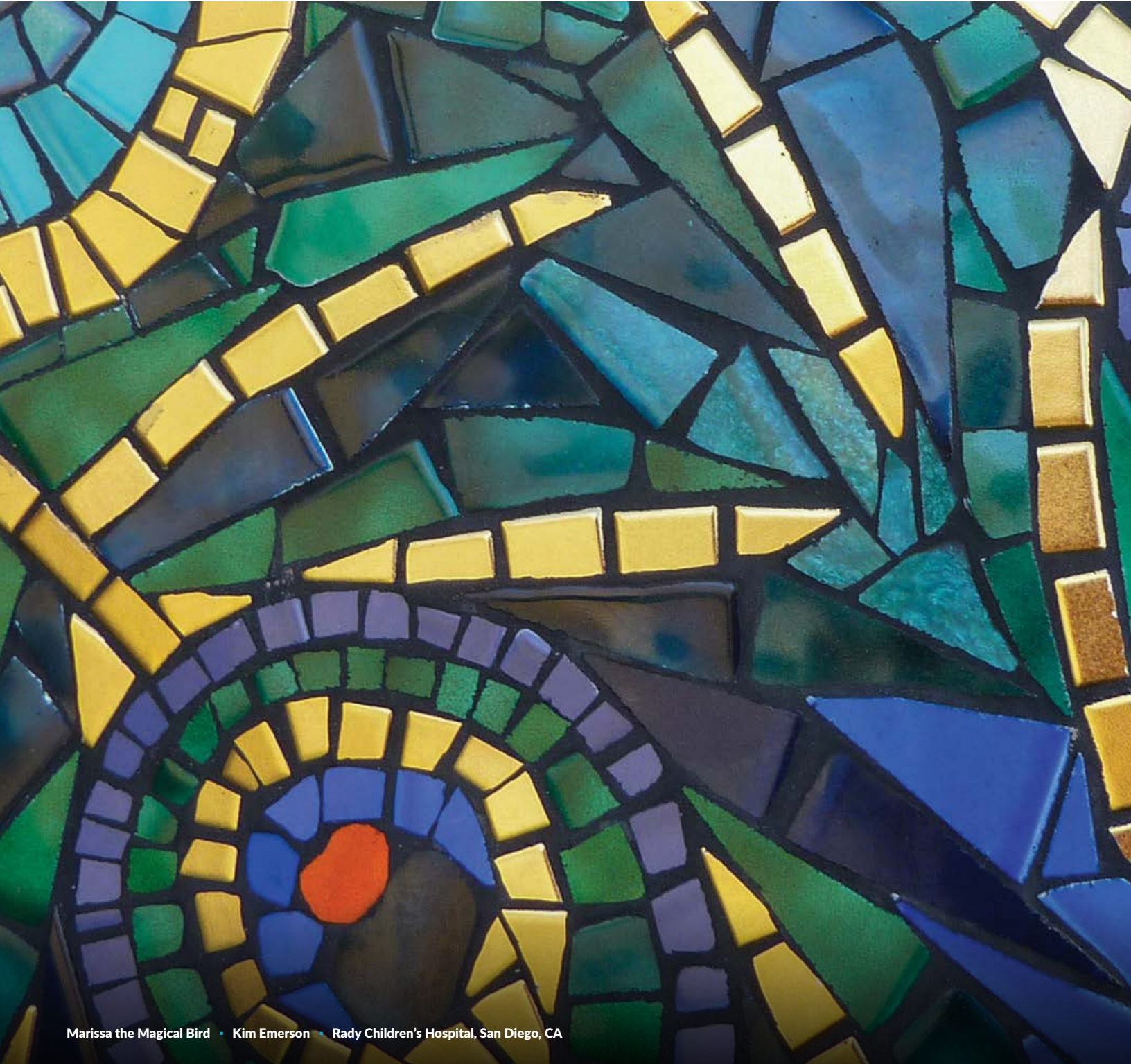
The company remains committed to environmental stewardship, social responsibility, and the health and safety of our customers and employees. As leaders in the tile and stone industry, we understand that our actions have far reaching effects on the health of the planet and future generations, and it is through our commitment to our brand promises and development of sustainable solutions that we strive to positively impact our industry.

Within the pages of this report, you will find a comprehensive overview of our sustainability initiatives in North America, from benchmarking our carbon footprint to conserving natural resources and fostering a culture of inclusivity and ethical business practices. These commitments are fully embedded in our Next Level transformation journey, where every function contributes to building a world-class, sustainable organization. We also believe transparency is paramount and we invite you to explore our achievements, challenges, and aspirations with open eyes.

Thank you for joining us on this journey.



The company remains committed to environmental stewardship, social responsibility, and the health and safety of our customers and employees.



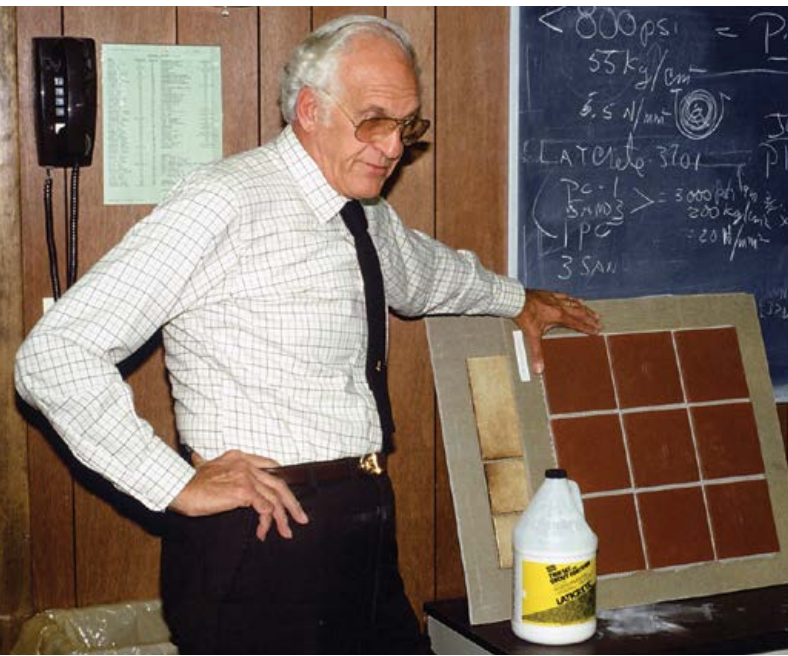
Marissa the Magical Bird • Kim Emerson • Rady Children's Hospital, San Diego, CA

Leading in Sustainability



OVERVIEW

LATICRETE at a Glance



LATICRETE is a family-owned, global organization celebrating its 70th anniversary in 2026. Operating in over 100 countries, with 33 manufacturing facilities, 2,648 employees, and 22 business units, we continue to expand our global footprint and capabilities.

In 2024, we strengthened our European presence through the acquisition of Fuma-Bautec, enhancing our ability to serve customers with innovative façade and finishing solutions. This strategic addition reflects our commitment to sustainable growth, operational excellence, and delivering high-performance systems that elevate the built environment worldwide.

Dr. Henry M. Rothberg, a visionary chemical engineer, founded LATICRETE in 1956 and pioneered the development of the first latex-modified thin-set mortar, an invention that transformed modern construction. Dr. Rothberg identified the inefficiencies of traditional tile and stone installation methods and introduced synthetic latex to improve strength, flexibility, and water resistance. This breakthrough not only led to more durable installations but also significantly reduced labor and material costs, revolutionizing the industry.

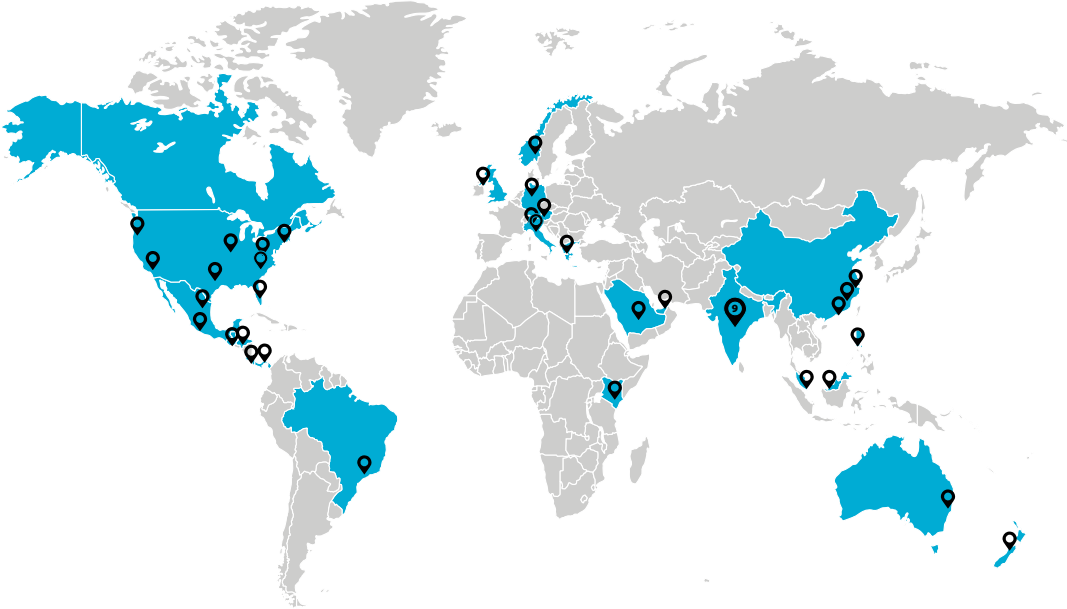
Since then, the early success of LATICRETE with latex-modified products opened the door for expansion into a wide range of product lines, including grouts, waterproofing systems, profiles, facade adhesives as well as surface preparation products that meet the needs of both residential and commercial construction. With the highest specification rate of our industry in North America, LATICRETE system solutions are recognized as the main reference by installers, distributors and architects for performance, ease of installation and durability, and enabling iconic designs for projects throughout the world.

The Rothberg family has remained at the helm of LATICRETE for over three generations, a testament to their dedication and vision. David A. Rothberg, the founder's son, is Chairman of the Board of LATICRETE and two third-generation family members are currently employed at the company. The management team includes leaders who have grown from within the company as well as seasoned executives with significant global businesses experiences. The LATICRETE Board of Directors is comprised of a majority of independent directors with proven records of global leadership or functional expertise. As a family business, we recognize

that our employees and our customers are part of our family. We care for them and want to help them thrive and succeed.

In that context, sustainability has become a central focus for LATICRETE. We believe that by innovating and transforming our solutions, supply chain and processes, LATICRETE can develop the most sustainable systems in our industry while reducing energy consumption, emissions, and resource use. Having a holistic view of sustainability, our commitment to health and safety is also evident in every aspect of our product development and manufacturing processes.

LATICRETE Global Presence



SUSTAINABILITY AT THE CORE

Our ESG Roadmap & Continuous Improvement Initiatives

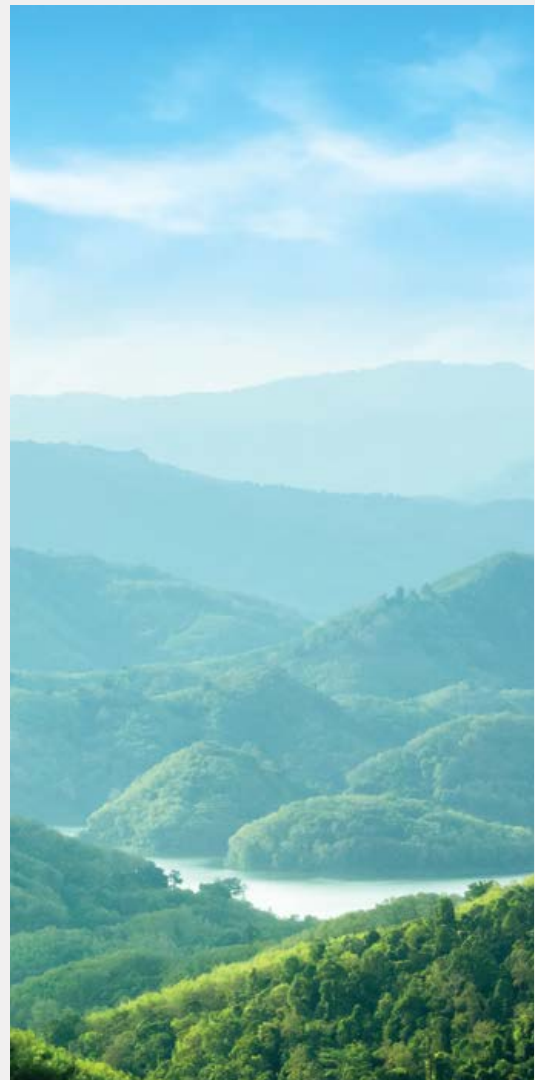
Sustainability is central to the LATICRETE brand, defining both its purpose and industry leadership. By prioritizing the planet, partners, and people, sustainability shapes every aspect of the LATICRETE operations from product innovation and third-party certifications to comprehensive energy and material reduction initiatives. This commitment solidifies LATICRETE as an innovator and also enhances our reputation among specifiers, designers, builders, and installers who value environmentally responsible practices. Through strategic investments dedicated to sustainability roles and technologies, we reinforce our critical position as a trusted brand committed to improving the built world now and for future generations.

ESG

Environmental, Social, and Governance (ESG) represents a strategic framework used by companies to evaluate their broader impact on the environment, society, and their governance practices. ESG criteria help organizations measure sustainability and ethical performance beyond traditional financial metrics, focusing on responsible resource management, social responsibility toward employees and communities, and transparent, accountable governance.

Environmental Stewardship

Our commitment to the environment starts with our people and our communities. By focusing on sustainable solutions and products, our team develops eco-friendly products that contribute to reducing environmental impact. We also emphasize sustainable processes, constantly looking to optimize our manufacturing and logistics to cut down on energy consumption and emissions. Even within our supply chain, we prioritize materials and partnerships that adhere to our high standards of sustainability around reducing carbon footprint and prioritizing ethical business and labor practices.



Social Responsibility

Our commitment to social responsibility aligns with our purpose: to improve the built world and the lives of those who build it. We prioritize a safe, healthy, and inclusive work environment for our diverse teams through comprehensive health and safety programs, professional development opportunities, and a culture of continuous improvement. Through our community initiatives, we encourage employees to volunteer and support local projects, strengthening our connection to and making a meaningful impact on the communities we serve.

Governance Excellence

Integrity is at the core of our foundation and our operations. We focus on ethical business practices and robust governance. Our team ensures compliance with legal and ethical standards through transparent structures, regular audits, and effective risk management. We follow the Global Reporting Initiative (GRI) format for ESG reporting, involving internal and external stakeholders in maintaining accountability and transparency.

Next Level

Our ESG performance is embedded in the structured Next Level methodology, which maps organizational processes into 12 operational and ESG pillars. This ensures cross functional alignment, measurable improvements, and governance at every level of the company. As an integral part of our World Class Manufacturing (WCM) initiative, Next Level is a holistic approach, launched at LATICRETE in 2024, to continuous improvement and capability enhancement across every function of the organization. It is a structured initiative that uses proven tools developed for manufacturing optimization that we will use to implement our strategic agenda in every aspect of our business. This is a journey, a never-ending task. Each site and function will increase their level of effectiveness for every process. Each leader, each employee will develop their skills and grow with LATICRETE.

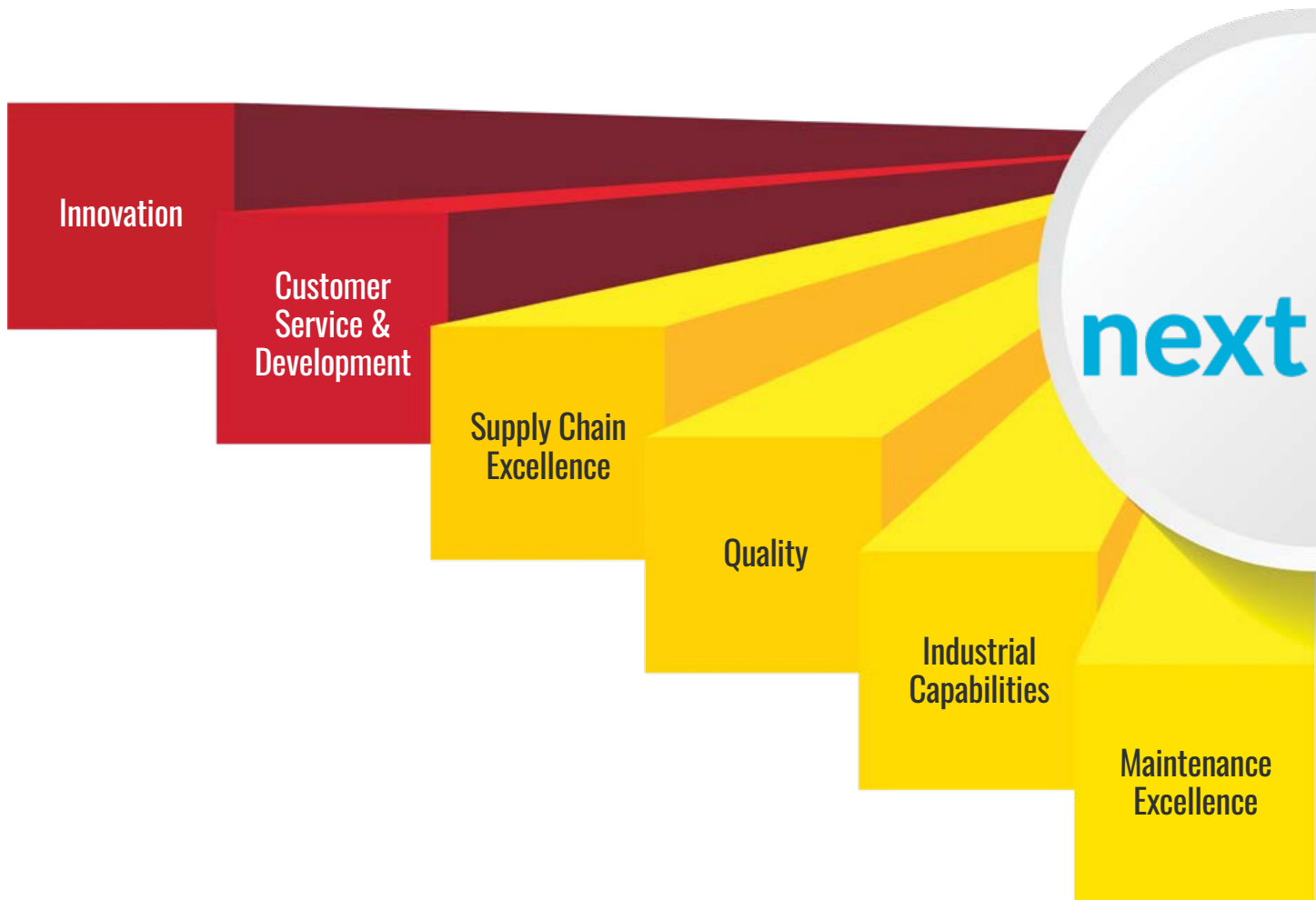


OUR PILLARS

Process & Functions

In order to structure and organize improvement initiatives, we have mapped our organization's processes and functions into key areas called pillars. The pillars are defined either by key stakeholders (customers, employees, etc.) or by


key functions/processes (supply chain, quality, etc.). Each pillar has an owner/leader: usually the head of a specific department but may also involve team members of several departments for cross functional projects.



We have selected the following 12 pillars with corresponding sub-pillars:


Growth


Value


ESG



Sustainability Strategy

What

The LATICRETE sustainability journey is a collaborative, holistic approach to contribute to the sustainable development of the communities we live in and for our planet.

We do this by continuously transforming our business to minimize its impact on health, safety, and the environment and by innovating more sustainable processes, products, and services for our employees, installers, distributors, and the occupants of buildings made with our solutions.

Why

As a multi-generational global family business, we care for the members of our business families — employees, customers, business partners, for the communities we live in, for the next generations, and for the planet.

To be a sustainable company for the long run, we believe that sustainable development is essential for our business model and our brand to:

- Fulfill the aspirations of our employees.
- Attract new generations for our teams.
- Improve the lives of people using our solutions.
- Drive the positive evolution of the construction industry.
- Differentiate as a leading brand from the competition while embracing the best standards of our industry.
- Be recognized as an organization embracing our social responsibilities in the communities and countries where we operate.

This commitment is consistent with our purpose to improve the built world and the lives of those who build it.

How

In this journey, we seek incremental progress, behavior changes, and significant breakthroughs, with objective and measurable contributions to sustainability improvement.

We do this by incorporating a holistic approach of the impact of our processes and solutions, by us and our business partners, and for all steps of our product life cycle. We are not interested in greenwashing. Our approach is pragmatic, transparent, honest, and resolute, based on facts and science, and is reflective of our core values and brand promises.



Mosaic Garden • Kim Emerson • Santa Barbara, CA

Where

Our sustainable journey will focus on the following six key areas, assessing impacts on the environment and the health and safety of all our stakeholders:

- Sustainable Solutions
- Sustainable Processes
- Sustainable Supply Chain
- Sustainable Working Places and Behaviors
- Sustainable Initiatives in Our Communities
- Sustainable Industry Leadership

We do what is right. We do it together and with our partners.

Six Key Areas



Sustainable Solutions

LATICRETE offers products, systems, and services designed to minimize environmental impact across their lifecycle, from sourcing and production to installation and disposal. This includes creating eco-friendly formulations, using sustainable raw materials, reducing VOC emissions, and designing products that enhance durability and performance while reducing waste on the job site. Our sustainable solutions also enhance end-user health and safety through dust-free technologies, ergonomic handling, and safe formulations.



Sustainable Processes

Processes at LATICRETE aim to reduce our environmental impact and improve efficiency across manufacturing, operations, and facility management. This includes applying World Class Manufacturing (WCM) methodologies to reduce waste, optimize energy consumption, minimize water usage, and drive continuous improvement.



Sustainable Supply Chain

The LATICRETE approach to supply chain ensures that sustainability standards are embedded across procurement, logistics, and supplier relationships. This involves optimizing our freight plans and selecting suppliers that align with the LATICRETE ESG goals of reducing transportation emissions and collaborating with partners to drive environmental and social responsibility throughout the entire value chain.



Sustainable Work Places and Behaviors

LATICRETE promotes a safe, healthy, inclusive, and engaging work environment where employees are empowered to contribute to sustainability goals. This includes robust health & safety programs, employee training in sustainability, and fostering a culture of continuous improvement through employee-driven ideas.



Sustainable Initiatives in Our Communities

LATICRETE extends its sustainability commitment beyond the factory floor, investing in philanthropy, volunteerism, and community engagement that creates positive social and environmental impacts in the communities where we operate. This includes charitable giving, educational partnerships, local clean-up efforts, and environmental awareness campaigns.



Sustainable Industry Leadership

LATICRETE is committed to leading by example, advocating for sustainability best practices across the construction and building materials sectors. This includes actively participating in industry associations, influencing product standards, and fostering collaborative innovation that benefits the entire industry.



Governance



Sustainability Through Leadership

The Board of Directors oversees sustainability initiatives, ensuring alignment with business goals and accountability to stakeholders. Regular review of performance and progress enables continuous improvement and adjustment to best practices.

Additionally, supporting these efforts, LATICRETE has established a Vice President of Sustainability role reporting directly to the CEO, with the Leadership Team responsible for implementing strategies that optimize resource use, reduce environmental impact, and foster a culture of sustainability across all operations.



Specialized sustainability committees, consisting of cross-functional teams, support both the Board and Leadership Team by driving initiatives such as product development, waste reduction, energy efficiency, and ESG reporting.

Utilizing the Global Reporting Initiative (GRI) framework, LATICRETE maintains transparency and accountability in its sustainability efforts. Regular review of ESG performance helps the company set new targets and achieve its long-term sustainability goals through collaboration, innovation, and iteration.

David A. Rothberg

Chairman of the Board



As Chairman, together with all of our family owners, it is our priority to ensure that our company benefits from a Board of outside Directors. These are seasoned executives with proven track records of substantial contributions to the implementation of resolute sustainability roadmaps in the businesses they have led, as well as to the welfare of their employees and the communities they operate in.



FUNDAMENTAL PRINCIPLES

Purpose & Values

Purpose

We strive to be the leading construction brand trusted globally for high-performance tile and stone installation systems and building finishing solutions with the goal of improving the built world and those who build it.

Our core values are the fundamental principles, aligned with our brand promises, that guide the conduct and actions of our team, as members of our LATICRETE family.



David A. Rothberg

Chairman of the Board

Values are like the compass I carry with me on my climbing expeditions — they show us the path to making the right decisions.

Values

Trust & Integrity

Our mutual trust is built on our integrity.

Trust, built on integrity and professionalism, enables us to rely safely on each other, with our colleagues and our customers.

At LATICRETE, we strive to do the right thing, we do what we say. We want to listen and to be listened to, and to be empowered through trust. We are committed to respecting and trusting each other.

Passion & Commitment

Passion and commitment fuel our entrepreneurial spirit.

Passion is the engine of any individual and collective undertaking. Commitment is an investment for the long run, with humility, dedication, and perseverance, in good times and in bad times.

Innovation

We embrace innovation and change, for us and for our industry.

Innovation is a mindset, with driving forces of curiosity, creativity, willingness to change, take risk, and challenge the status quo. It is a collaborative undertaking, built on science and market intelligence, to anticipate trends. It aims to design innovative and sustainable systems for the needs of the future.

At LATICRETE, we pursue excellence with pride, building a company that lasts for generations.

Customer Centricity

Our customers are our shared priority.

Customer centricity is prioritizing customers in any decision we make, to improve their experience as well as meet expectations of their journey with us.

At LATICRETE, we are committed to aligning with our customers for their success, as their success is our success.

Growing Together

We grow individually, and we grow together as Team LATICRETE.

Our growth as a company and our personal growth are inextricably linked. Growing together as a diverse team leads to collective and personal achievements.

Our professional life is much more rewarding, as we help each other by working, learning, and developing together.

Caring

As human beings, our purpose is to contribute to the well-being of the people with whom we interact in our personal and professional lives.

As a family business, we are eager to assist and contribute. We care for ourselves, for our colleagues, for our customers, for our communities, and for our planet.

THE LATICRETE COMMITMENT

Our Brand Promises



Paragon Prairie Tower • David B. Dahlquist • Urbandale, IA



Innovative

Our innovations transform our industry with new solutions and opportunities for architects, designers, and installers.



Committed to Sustainability

We are committed to improving the sustainability of our industry and the health and safety of our customers and employees.



Enabling Iconic Designs

We are the go-to brand for the world's most demanding and iconic projects everywhere people live, work, and are together.



Trusted for Life

One can trust our products to last for a lifetime. Same as one can trust our lifelong support.



Best Installer Experience

We provide the easiest and safest job site experience with outstanding support at every step of the project.



Our Customers are Family

Because we are like them, our customers have a unique experience with us.

OUR TEAM

Board of Directors



David A. Rothberg
Chairman



Dahra Granovsky
Director



Jerry Perkins
Director



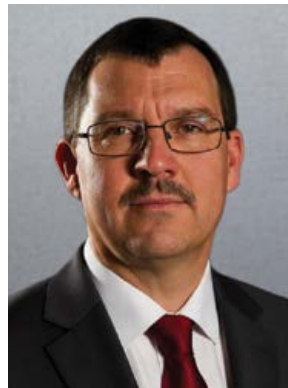
John Selldorf
Director



Henry B. Rothberg
Director



Daniel B. Rothberg
Director



Dr. Volker Weidmann
Director



Doris Zelinsky
Director

OUR TEAM

Leadership



Patrick Millot
Chief Executive Officer



Ron Nash
President & COO,
North America Division



Faisal Saleem
President & COO,
International Division



Stuart Adendorff
Chief Financial
Officer



Giri Peddinti
Chief Information
Officer



Dr. Eerik Maandi
VP Sustainability &
Technology

CORE VALUES

Business Ethics & Integrity

We live and work by doing the right thing, even when no one is looking. This concept is woven into our culture and organization around the globe and has been since LATICRETE was founded in 1956. We believe that trust and integrity are some of the most important core values.

Code of Conduct & Training

LATICRETE prioritizes business ethics and integrity through a company culture and governance framework that conducts its operations with transparency, accountability, and high ethical standards.

The Board of Directors and Leadership Team play pivotal roles in upholding business ethics and integrity, with robust oversight mechanisms, risk management processes, and regular audits to maintain accountability and transparency.

The LATICRETE Code of Conduct outlines expectations for ethical behavior, compliance with laws, and integrity in interactions with customers, suppliers, and stakeholders. This code is enforced through regular training and monitoring, ensuring all employees adhere to these principles. LATICRETE also provides employees with an anonymous reporting hotline worldwide.

We at LATICRETE strive to build a foundation of trust and responsibility, driving sustainable growth and making positive impacts throughout the company and within the construction industry.

All employees complete annual Code of Conduct training. We have rolled out a training program and all employees in North America completed their updated training in January 2025. Employees complete yearly Anti-Trust and Anti-Bribery training as well.

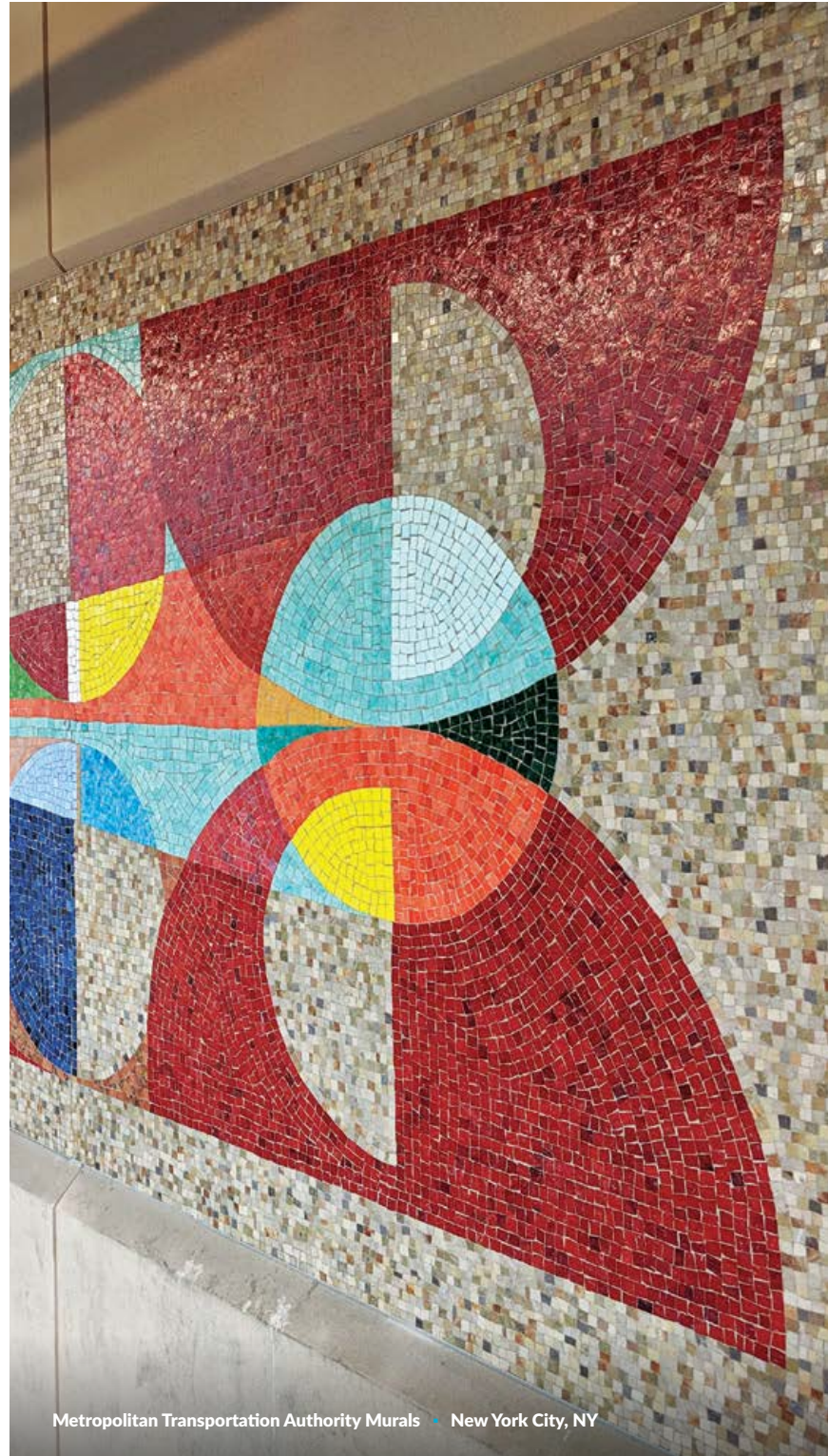
A comprehensive compliance program that addresses compliance training, records retention, policy management, and incident management (anonymous hotline) has been created over the past two years. All International business units completed their code of conduct training in 2025. Anti-Trust and Anti-Bribery training were completed in 2025 for appropriate personnel.

Hotline Structure

LATICRETE provides a compliance hotline in a confidential and accessible way for employees, stakeholders, or external parties to report unethical behavior, violations of laws, policies, regulations, and/or other misconduct within our organization.

We promote transparency and accountability, which encourages a culture of integrity by giving our employees a safe space to report concerns without fear of retaliation. Reports made via our hotline can be used to initiate internal investigations, ensuring that any issues are addressed appropriately and promptly.

LATICRETE is committed to action for all hotline calls. 100% of calls received in 2025 were investigated timely and were resolved to the caller's satisfaction. All hotline calls and resolutions received through the hotline in 2025 were summarized and reported to the C-Suite and the audit committee.



Metropolitan Transportation Authority Murals • New York City, NY

COMPREHENSIVE FRAMEWORK

Risk & Governance Supervision

Risk Management

LATICRETE is developing a comprehensive risk management framework that aligns strategic objectives with enterprise-wide risk oversight. This top-down approach is aligned with our Next Level initiative and is designed to identify, assess, manage, and monitor risks across critical categories, including financial, operational, strategic, compliance, fraud, and reputational exposures. The framework ensures a proactive, structured process for mitigating potential threats and capitalizing on opportunities, enabling us to safeguard

our assets, maintain compliance, and support long-term business resilience.

As part of this program, we also implement third-party risk management protocols that include the continuous monitoring of vendors and customers operating in high-risk regions. These efforts are supported by dedicated software tools that provide structure and consistency in our risk governance approach.



Jade Mountain Infinity Pool • Mamin, St. Lucia

Internal Control & Audits

A key pillar of our risk strategy is a robust internal control system, validated through formal audits and annual self-assessments. In 2024 and 2025, internal control audits were conducted across nine business units globally using audit management software to evaluate regulatory compliance, internal policy adherence, and risk exposure. All business units also complete annual self-assessments to maintain audit readiness, reinforce internal discipline, and promote transparency.

These activities are designed not only to verify compliance but also to strengthen operational efficiency and accountability across our global operations. By embedding these practices into our governance framework, we reinforce a culture of integrity and continuous improvement.



Training

Training is a foundational component of our risk management and ESG deployment strategy. We equip employees with the tools and knowledge needed to identify and address risks across diverse domains and geographies. Specialized training modules support the effective use of our enterprise risk, third-party risk, and audit software systems — ensuring informed decision-making and consistent governance practices across business units. These programs strengthen organizational preparedness and promote a risk-aware culture aligned with our strategic and regulatory commitments.

ORGANIZATION TRANSPARENCY

Material Topics & Certification Partners

Global Reporting Initiative (GRI) protocols define material topics as environmental, social, and economic issues that reflect an organization’s impact on the economy, environment, and people, including human rights. These topics also consider stakeholders’ concerns and are essential for reporting transparently on an organization’s sustainability performance.

As part of this materiality assessment, we subsequently identified 12 areas of importance by surveying both the executive Leadership Team and our key customers. By conducting this exercise, we aim to address the most relevant environmental, social, and governance topics. Ranked results appear below with detailed descriptions included in the appendix.

Aspect	Importance to Stakeholders	Impact on Business
Product Quality	5	5
Customer Satisfaction	4.83	4.8
Data Protection	4.83	3.5
Fair Compensation	4.83	2.7
Market Presence	4.67	4
Anti-Corruption	4.5	2.3
Economic Value	4.5	3.9
Infrastructure	4.5	1.5
Waste	4.42	2.6
Environmental Compliance	4.42	3.5
Water	4.42	1
Energy	3.83	1.5

2025 LATICRETE MATERIALITY MATRIX



Data collection and validation is also accomplished through several industry partners. Carbon dioxide emission data is aggregated through Workiva software. Product life cycle assessments are developed in collaboration with WAP Sustainability Consulting and externally verified by UL (Underwriters Laboratories).

Alignment with UN Sustainability Development Goals

The Sustainable Development Goals (SDGs), outlined by the UN in 2015, have been adopted by nearly every country in the world. They are the blueprint to help countries and organizations partner together to achieve a better and more sustainable future for all and to be able to universally measure that progress along the way.* Our efforts towards sustainability impact the seven goals shown below.

*Sustainable Development Goals." World Hope International, 28 Feb. 2022, worldhope.org/how-we-work/sustainable-development-goals.



Doris Zelinsky

Board Member, Head of Human Capital and Social Values Committees



The LATICRETE philosophy is deeply rooted in environmental stewardship and social responsibility, guided by two key principles. First, the company focuses on long-term horizons, prioritizing generational thinking over short-term financial gains, ensuring sustainable growth that supports future generations and the planet. Second, as a family-owned business, LATICRETE has the flexibility to embed sustainability into its operations thoughtfully. The analogy of improved snack bag design symbolizes this: just as bags are now easier to open with strategic flexibility, the LATICRETE business approach is resilient yet adaptable, allowing for the seamless integration of environmental and social goals into their robust, enduring plans.



Talking Stick Resort Sunset Mosaic Gradation • Allison Eden • Scottsdale, AZ

Products, Solutions & Services



03

OUR CUSTOMER JOURNEY

Sustainability at Every Step

Sustainability with Business Partners & Customers

At LATICRETE, sustainability is a shared journey, one that extends beyond our internal operations to include our business partners and customers around the world. We want to act at every step of the project, from initial sale to end user experience to be sure we can contribute to a sustainable experience. We recognize that lasting environmental and social impact can only be achieved through collaboration, transparency, and mutual commitment to responsible practices. Whether through sustainable product offerings, responsible sourcing, emissions reduction efforts, or compliance with evolving global standards, we strive to work closely with those in our value chain to align on ESG principles. By integrating sustainability into our partnerships, we not only reduce collective risk and enhance operational resilience but also help elevate the standards of the tile and stone installation industry as a whole.



Keaton Barron

Senior Chemist



Sustainability drives innovation within our industry. Within our labs, we push to use safe, renewable materials whenever possible to promote environmentally conscious developments. LATICRETE has gone full force into these efforts in the past few years and strive to improve our sustainability efforts whenever possible, from using post-consumer plastic in our packaging, to utilizing renewable bio-based materials in our products.



Lucile Packard Children's Hospital Stanford Links • Perkins+Will Architects • Palo Alto, CA



Architects

We engage architects as strategic partners in advancing sustainable building design. We provide architects with the tools, data, and support needed to specify environmentally responsible installation systems, including products with third-party certifications and documentation such as EPDs, HPDs, and UL Greenguard. By leveraging our internally developed calculation tools, our technical teams collaborate with architectural firms to ensure our solutions align with LEED, WELL, Living Building Challenge, and the Red List chemical reductions, helping them meet performance and compliance goals.



Distributors

We partner with distributors as critical links in delivering sustainable, high-performance solutions to the global construction market. We work closely with our distribution partners to ensure they are informed, aligned, and equipped to support our sustainability goals, from promoting low-VOC, environmentally certified products to adopting more efficient packaging and logistics practices. We help them to minimize inventories and provide training, shared marketing materials, and technical support to help distributors communicate the value of sustainable solutions to contractors, installers, and end users.



General Contractors

We support contractors by providing access to innovative installation materials that reduce waste, improve jobsite efficiency, and meet green building requirements. Our teams offer extensive technical training, system warranties, and hands-on support to ensure proper product usage and compliance with specifications. This partnership approach enhances contractor confidence, reduces risk, and contributes to the overall success and sustainability of construction projects.



Installers

We maintain a strong, hands-on relationship with installers, recognizing them as essential partners in the successful deployment of sustainable solutions on the jobsite. We provide comprehensive training programs, both in-person and online through LATICRETE University, to ensure installers are equipped with the knowledge and skills to work efficiently with our products. From low-VOC mortars and grouts to advanced waterproofing and surface preparation systems, we help installers deliver durable, compliant installations that meet modern sustainability standards. By empowering installers with high-performance, ergonomic, sustainable systems and reliable technical backing, we reinforce quality outcomes and long-term customer satisfaction.



End Users

We engage with end users, building owners, facility managers, and homeowners, to deliver iconic buildings across the globe and provide lasting value through sustainable, high-performance installation solutions. We prioritize transparency and education, offering clear information on product certifications, health and safety benefits, and long-term environmental performance. This focus on quality, safety, and sustainability reinforces trust in the LATICRETE brand and supports informed decision-making across residential, commercial, and institutional spaces.

Sustainability Embedded in Our Innovation Process

Our commitment to sustainability is deeply embedded in our innovation strategy, ensuring that environmental responsibility is integral to product development and operational practices. To facilitate this commitment, we employ a comprehensive in-house product sustainability scoring system.

The process evaluates all existing and new products across multiple sustainability dimensions, including employee and environmental health and safety, raw material composition, manufacturing processes, packaging attributes, end user ergonomics, and recyclability. Within each of these categories, specific attributes are evaluated, for example, the presence of hazardous substances, allergen content, exposure risks, or compliance with regulatory labeling standards.

Each attribute is then scored on a scale from 1 to 5, with lower values reflecting higher environmental or health risks, and higher values indicating alignment with best practices or regulatory leadership. To ensure that critical impact areas are biased appropriately, each attribute is weighted to reflect its relative importance within the broader sustainability context, e.g., raw material hazards carry more weight than packaging attributes.

These weighted scores are then aggregated into a single cumulative score, providing a standardized method for comparing products across the LATICRETE portfolio. Products that fall below a defined performance threshold are flagged for review and potential reformulation. Conversely, products with high scores are positioned as sustainability leaders and may be prioritized for promotion in green building projects or certifications such as LEED, WELL, and the Living Building Challenge. We currently stand at 2.8 and our initial goal is to have the entire portfolio



average be greater than or equal to three. This is concurrent with a mandate that all new products must also score three or more.

The scoring system not only supports internal accountability but also provides transparency and consistency in how sustainability is defined and measured across our global operations. It serves as a bridge between technical product data and strategic ESG objectives, enabling us to continuously improve our offerings while meeting

the evolving expectations of customers, regulators, and environmental standards.

We also provide over 200 Health Product Declarations (HPD), 35 product specific (Type III) Environmental Product Declarations showing environmental impacts of each product, and 70 UL GreenGuard Gold certifications certifying low VOC emission compliance. We also have ICC (International Code Council) Product Certificates for several of our waterproofing membranes and spot bond epoxy adhesive products. These are standardized documents that certify compliance with international and residential building codes, IBC and IRC respectively. These initiatives reflect our holistic approach to sustainability, where innovation is leveraged to develop products that contribute to healthier indoor environments and support global environmental goals. By integrating sustainability into our core operations, we reinforce our role as a responsible leader in the construction industry.



CONTINUOUS INNOVATION

Sustainable Solutions & Systems Through Innovation

LATICRETE advances sustainability through continuous innovation, integrating environmental responsibility into every stage of product development. By leveraging a robust R&D framework in the Lillian D. Rothberg laboratory and aligning with ISO 9001:2015 quality standards, we deliver high-performance solutions that prioritize customer value. Our product development is guided not only by technical performance but also by the aforementioned internal scoring framework that evaluates health, safety, and environmental dimensions. From recyclable packaging and movement toward pails with post-consumer recycled content (PCR) to warranty-backed system solutions and a “make where we buy” philosophy, the company’s innovation strategy integrates circular economy principles with practical jobsite realities.



Adhesives & Mortars

LATICRETE adhesive and mortar innovations reflect our commitment to bio-based chemistry, low-impact materials, and reduced physical strain. Lightweight mortars across several product lines offer the same performance with less effort, supporting healthier handling practices. LATAPOXY® BioGreen™ 300 incorporates renewable raw materials, contributing to reduced dependence on fossil-based inputs.

MULTIMAX™ Lite, a high-performance adhesive, reduces jobsite complexity and meets the requirements of the most stringent industry standards. We also recently introduced MULTIMAX 1, a professional grade pre-mixed, read-to-use adhesive, manufactured for premium performance while eliminating concerns related to respirable crystalline silica.

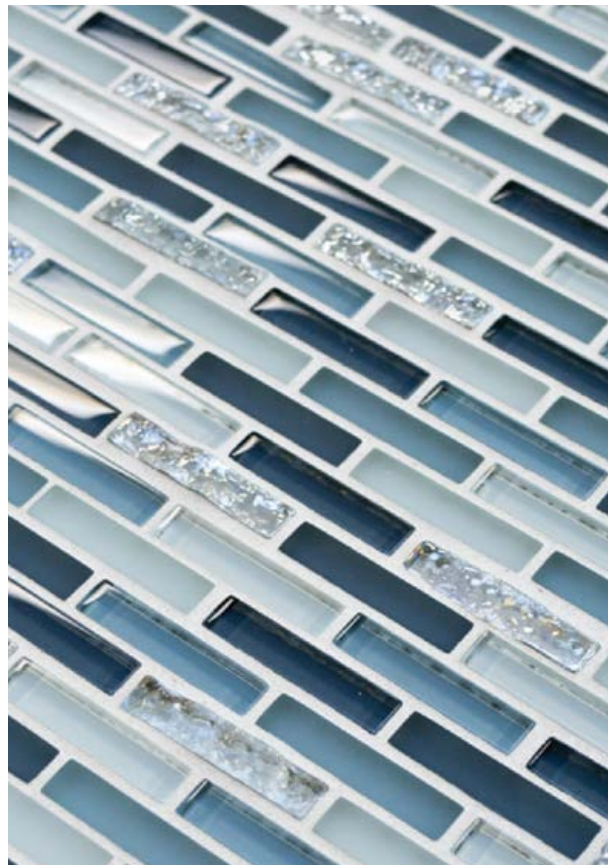
Grouts

SPECTRALOCK® 1 Pre-Mixed Grout is a flagship example of sustainable product innovation within LATICRETE. It provides epoxy-grade performance in a ready-to-use format while emitting very low levels of VOCs. Its long open time, stain resistance, and high durability reduce maintenance frequency and replacement needs, making it a smart choice for both commercial and residential projects. This patented grout reflects the alignment of LATICRETE with high-performance green building standards without compromising installer convenience or safety.

Concrete & Substrate Preparation

LATICRETE has made significant advancements in substrate preparation by integrating lighter, safer, and more environmentally responsible materials into its product offerings. The 3701 Lite Mortar and its rapid version reduce weight and improve handling safety while maintaining performance, offering substantial benefits for worker health

and installation efficiency. Within self-leveling underlayments, innovations like NXT® Level Plus Lite and Skim Lite set new standards. These products are engineered to be approximately 50% lighter than traditional self-levelers and contain no respirable crystalline silica above OSHA action levels, significantly reducing airborne exposure risks. Additionally, their reduced packaging weight aligns with LATICRETE transportation efficiency goals. Complementing these underlayments is the use of recycled rubber within sound control membranes, improving acoustic performance while promoting the circular use of post-consumer materials contributing to quieter, more sustainable built environments.



Waterproofing & Shower Systems

Our waterproofing and shower systems portfolio demonstrates continued investment in simplifying installations while reducing environmental and ergonomic burdens. Prefabricated HYDRO BAN® shower pans and HYDRO BAN Board are up to 60% lighter than traditional cement backer boards and mud beds, easing installation strain and lowering shipping emissions. HYDRO BAN 1, a new ready-to-use single coat waterproofing membrane, not only eliminates jobsite mixing but also reduces time to install prior to flood testing while continuing to deliver robust performance.

Uncoupling & Anti-Fracture Membranes

STRATA_MAT™ uncoupling membrane provides ease of movement on jobsites while offering crack isolation benefits. Its design reduces material requirements and simplifies logistics, supporting both ergonomic safety and jobsite efficiency. The substitution of lighter, more flexible materials over heavier alternatives aligns with broader goals of LATICRETE to reduce product weight, transport emissions, and installation risk.



Radiant Floor Heating

In the area of radiant floor heating, we have developed industry leading innovations. The STRATA_HEAT™ Thermal Pack uses patented Thermal Diffusion Technology™ to ensure uniform heat distribution across adhesive layers, enhancing comfort and reducing energy consumption. Paired with Smart and Programmable LCD Thermostats, these systems help maximize energy savings through intelligent scheduling and temperature control. This portfolio reflects a holistic view of sustainability, one that extends beyond materials to include operational energy savings and end user comfort.

Tile, Stone, & Surface Care

STONETECH® surface care is undergoing a significant sustainability transformation, beginning with the launch of our first round of products. We are moving the entire portfolio to formulations free of intentionally added perfluoroalkyl substances (PFAS). This proactive initiative reflects our commitment to environmental responsibility and product stewardship. By continuing to advance our water-based technologies, we reinforce our dedication to innovation and transparency. The remaining products in the portfolio will follow soon, completing this forward-looking evolution.



Adhered Facade & Wall Finish Systems (MVIS™)

Masonry Veneer Installation Systems (MVIS™) Air & Water Barrier is a multifunctional solution that enhances building envelope performance while supporting environmental durability. As a single-component, liquid-applied product, it reduces jobsite waste and application complexity. Its ability to serve as a waterproofing, crack-isolation, and air barrier membrane makes it ideal for high-performance facades. Used in conjunction with other MVIS™ components, it enables more energy efficient, durable, and resilient buildings reinforcing the role of LATICRETE in advancing sustainable architectural systems.

Pedestals, Plaza, & Deck Systems

New to the LATICRETE product line is the NXT® Pedestal System that exemplifies how functional innovation and environmental design can converge. Designed to improve drainage and facilitate the transformation of underutilized areas like rooftops into usable spaces, the system enhances building utility without compromising sustainability. The pedestal solution reduces the use of consumables, minimizes construction waste, and extends the lifespan of architectural surfaces while aligning with urban densification and green building goals.



MINIMIZING WASTE

Raw Material & Packaging

We actively work to advance our sustainability goals through focused innovation in raw materials and packaging, aligned with our broader ESG strategy and guided by our in-house Product Sustainability Scoring Tool. As mentioned on previous pages, this tool evaluates products across multiple dimensions, including raw material and packaging contributions.



Regarding raw materials, we prioritize renewable, recycled, and non-hazardous inputs wherever feasible. We make regular use of post-industrial recycled materials like slag in cementitious products such as thinsets and self-leveling underlayments, preventing landfill waste while enhancing product performance. We are also incorporating green cements with lower embodied carbon to reduce overall product emissions. As of December 2025, 22.9% of our North America cement purchases were lower carbon alternatives. Also, our headquarters location in Bethany Connecticut has now transitioned exclusively to lower carbon cement. In addition, we pursue bio-based raw materials as functional alternatives to petrochemical derivatives, supporting carbon neutrality and circularity objectives.

Water-based and low-VOC chemistries are standard across all product lines to protect both installers and the environment. We have worked diligently in this area to review and address materials based on regulatory and sustainability risks. As a result, we have successfully reformulated numerous finished goods and only have four remaining products that exceed their respective category VOC limit. Collectively, these products represent 0.32% of total sales.

With regard to packaging, we have adopted a Reduce-Reuse-Recycle approach. Key actions include redesigning bonding flange drain packaging to cut weight by over 50%, transitioning to recycled plastics in pails, and utilizing corrugated and paper packaging with an average of 84% recycled content. For powder products, we continue to pursue plastic bag formats that are more recyclable, made with post-consumer content, offer superior moisture protection, and result in fewer product failures or returns compared to paper alternatives. Furthermore, we promote the reuse of pails both in the field and internally, and any non-spec materials are repurposed in labs or production areas to minimize waste.



HEALTH AND SAFETY

End-User Safety

Arthur Mintie

Senior Vice President, Customer Experience



At LATICRETE, our commitment to end-user safety is deeply embedded in the way we design and deliver our products. From lighter-weight adhesives that reduce physical strain, to ergonomically superior systems like foam shower pans and lightweight boards that replace traditional heavy materials, we're focused on making daily work safer and more efficient. Our ready-to-use solutions eliminate unnecessary steps like mixing and hauling, minimizing exertion and maximizing productivity. By reducing waste, both in materials and packaging, we're not only supporting sustainability but also simplifying the jobsite experience for distributors and installers alike. Every innovation is a step toward a safer, smarter future for our customers.



Safe Solutions

End-user safety is a core component of our sustainability strategy and product development process. We focus on delivering safer work environments by integrating health, wellness, and ergonomic considerations into every system we design. This includes minimizing dust and respirable crystalline silica exposure by aligning with strict regulatory thresholds, creating lightweight, ready-to-use products that reduce physical strain and handling risks, and developing integrated solutions that eliminate unnecessary steps in the installation process.

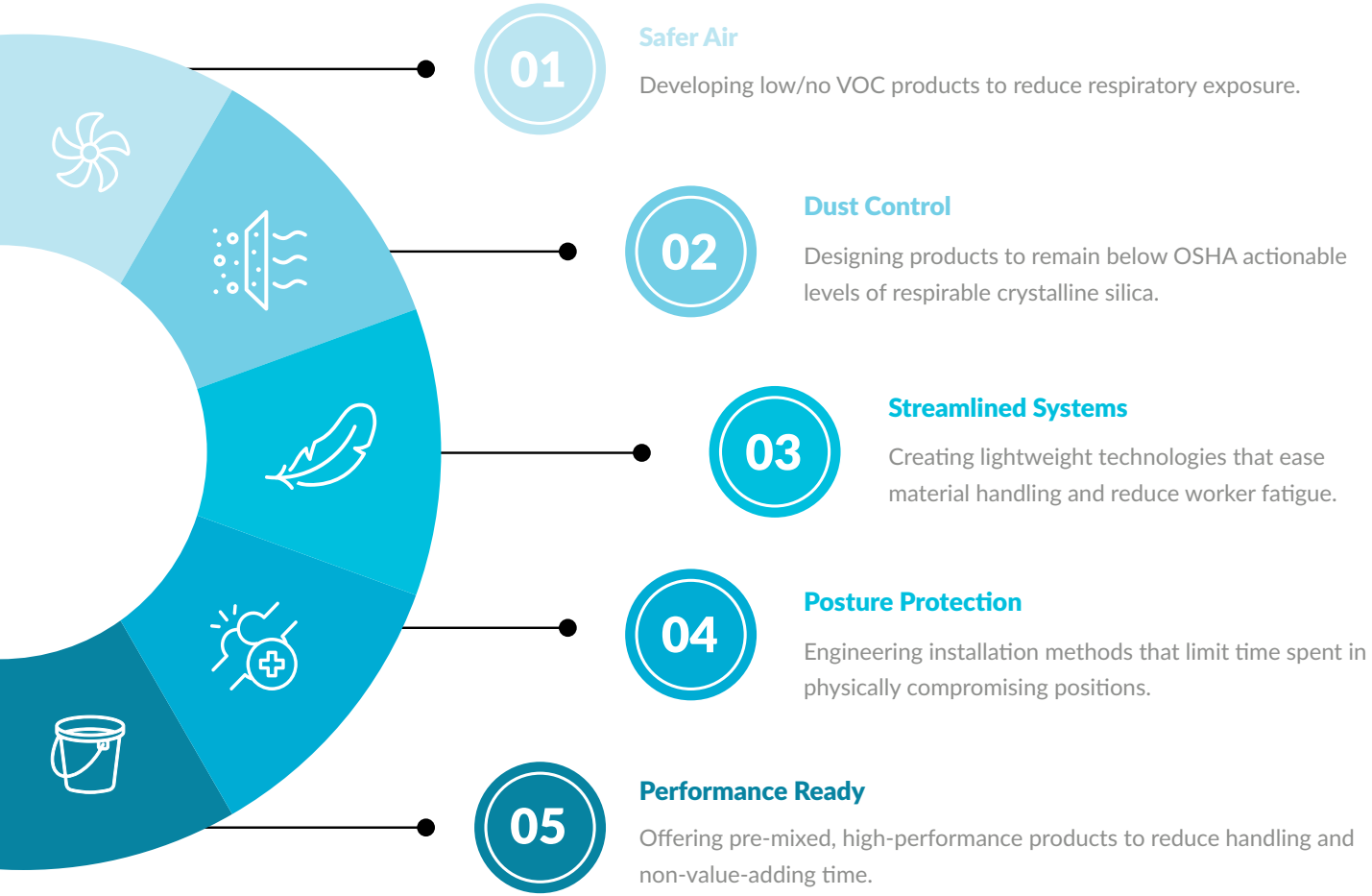


ProjectSafety™ is a holistic initiative designed to improve the health and

safety of our industry through education, training, and, most importantly, the development of safer products. While we recognize that product innovation alone can't eliminate risks, as a manufacturer, we take responsibility to minimize them as much as possible.

The ProjectSafety™ mission is to raise awareness about the risks involved in construction installations and provide guidance on how to mitigate those risks. No one should have to sacrifice their health or well-being for their livelihood, and we are dedicated to driving positive change in our industry.

Key Areas of Product Innovation



Training for Safety

Alongside our product innovations, we recognize the importance of equipping users with the knowledge to work safely and effectively. Through targeted training programs and resources, LATICRETE helps architects, general contractors, installers, and end users identify on-site risks, adopt proper safety procedures, and make informed decisions about the products and systems they use. These efforts ensure that safety is not only designed into our solutions but also understood and practiced in the field.

INTEGRATED EFFORTS

Circular Economy

We apply the circular economy concept at every stage of our business. From raw material sourcing to product design, manufacturing, packaging, and reuse, LATICRETE integrates principles of resource efficiency, durability,

and waste minimization throughout its operations and value chain. Our approach replaces the traditional linear “take-make-dispose” model with a closed-loop system that extends product life and reduces environmental impact.



Raw Materials

We are committed to reducing our reliance on virgin inputs by incorporating post-consumer recycled (PCR) materials and sourcing responsibly. For example, we are transitioning our plastic pails to include 25%–50% PCR content in 2025. Additionally, our paper-based packaging is produced by suppliers that meet Forest Stewardship Council (FSC) and Sustainable Forestry Initiative (SFI) standards, using water-based inks and adhesives and an average of 84% recycled fiber content. These practices ensure that the raw materials we use contribute to a more sustainable supply chain.



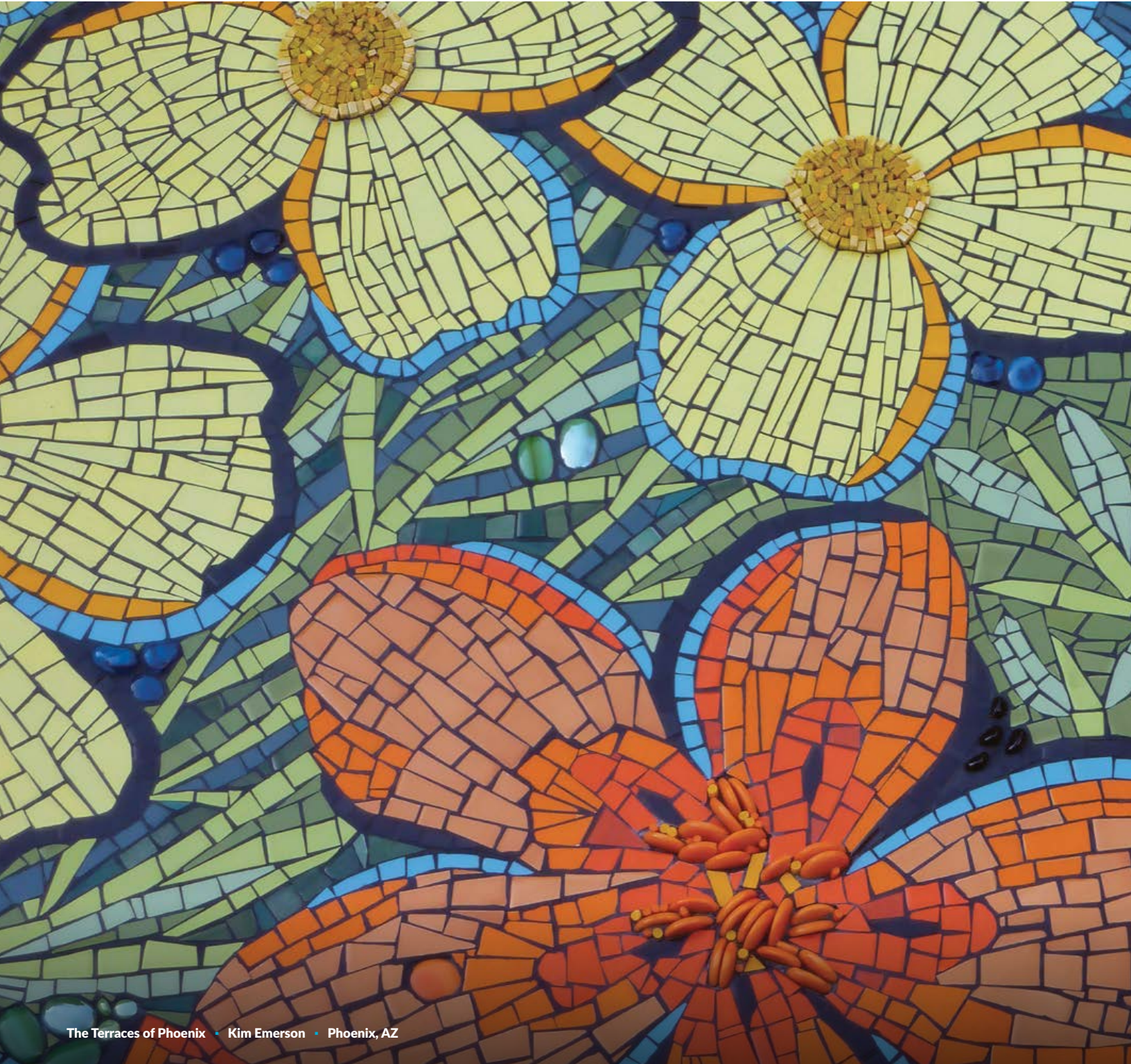
Processes

Our manufacturing and packaging operations are designed to keep materials in circulation and minimize waste. Packaging materials and containers that do not meet quality specifications are not discarded, instead, they are repurposed internally within our plants and laboratories or returned to suppliers. Internally generated material waste is redirected into non-primary applications whenever possible, keeping valuable resources within our production ecosystem.

Solutions

We design long-lasting, durable systems that reduce the need for frequent replacement, aligning with circular economy goals. Product containers, such as our plastic pails, are routinely reused by contractors for mixing, tool transport, and storage, extending their useful life well beyond initial application. In addition, we are actively exploring closed-loop systems for the recycling of tile adhesive materials and bags, with the intent to recover, repurpose, or recycle these inputs wherever feasible. These solutions not only lower demand for new materials but also support a more resilient and sustainable construction ecosystem.

Through these integrated efforts, LATICRETE is advancing a circular economy model that strengthens our operations, reduces environmental impact, and contributes to long-term industry transformation.



The Terraces of Phoenix • Kim Emerson • Phoenix, AZ

Operations



MEANINGFUL CONTRIBUTIONS

Next Level Operations & Sustainability Integration

As part of our Next Level transformation journey, sustainable operations at LATICRETE have become fully integrated into daily manufacturing processes, operational disciplines, and strategic objectives. This integration is executed through the World Class Manufacturing (WCM) framework, embedding sustainability directly into how we operate, measure, and improve across every site and function.

The Next Level methodology aligns twelve organizational pillars – including Environment, Industrial Efficiency, Industrial Capability, Maintenance Excellence, and Health & Safety – to ensure that every operational improvement initiative delivers measurable environmental, safety, and business benefits. Resource consumption, material efficiency, emissions, waste, and worker safety are continuously evaluated and optimized through formal tools such as value stream mapping, kaizen events, TPM audits, and cross-functional leadership teams.

This structure allows LATICRETE to convert broad sustainability commitments into highly actionable operational processes that directly support the company's ESG roadmap, align with GRI reporting frameworks, and create meaningful contributions toward both corporate performance and global sustainability goals.





Jonathan Randall

Manager, Plant Operations (Hamlet, NC)

All of our plants are committed to sustainable manufacturing. Significant amounts of material are sent to landfills each year, leading to increased disposal costs and environmental impact.

Rework on products that do not meet quality standards, packaging issues, incorrect weights, and sample collection all contribute to rework. While sometimes necessary, rework creates waste, consuming resources and generating scrap materials that often end up in landfills.

Strategies for prioritizing rework and reducing the amount of waste being sent to landfills are being defined through process optimization and improved quality control measures. For example, dust collection material is being reintroduced to certain products, QC hold material with dispositions are being added to production scheduling for consumption, process optimization is being done to reduce open and light weight bags during part changes, and each failed batch of finished good is being tracked daily for approval or disposition. Combined, all these efforts are driving a reduction from previous years of material going to the landfill.

Alignment with WCM & Next Level



Pamplona Rose
Julie Richey
Fort Worth, TX

Waste & Material Efficiency

Waste reduction is fully embedded in daily operations. The cost of waste relative to production was 0.18% in 2024 and 0.16% in 2025, actively tracked through World Class Manufacturing (WCM) dashboards. Loss source identification via process mapping drives improvements in formulation control, batch accuracy, packaging design, and inventory management. Rework minimization has achieved up to a 75% improvement through targeted capability studies (Cpk), first-pass yield analysis, and mixer technology upgrades. Ongoing automation of raw material weighing, hand-add systems, and continued mixing technology enhancements will further reduce operator variability and material loss.

Energy Management

Energy intensity for production reached 61.6 pounds produced per kWh in 2025. WCM driven site energy audits have identified projects such as manufacturing efficiencies, compressed air system repairs, HVAC optimization, motor upgrades, and LED conversions, all of which served to reduce Scope 1 and/or 2 emissions. These continuing actions directly support our ESG goals while improving plant efficiency.

North America Carbon Footprint (all in tCO ₂ e)			
	Scope 1	Scope 2	Scope 3
2023	945	3160	
2024	1327	2928	
2025	1035	3830	111,294

Water Usage

Closed-loop water systems have been deployed in ready to use product production to recycle wash water. Additional metering initiatives are being investigated to quantify water savings across multiple sites, while further reuse options for non-potable applications are under development.

Circular Economy Practices

Circular economy principles are applied across operations. These actions reduce raw material demand and landfill contributions while supporting the broader circularity strategy at LATICRETE.



Smart Reuse

Internal reuse of packaging, pails, and slip sheets



Waste Reduced

Repurposing of off-spec packaging in labs and production



Increased Recycled Content

30%-50% for plastic pails;
~ 84% recycled content for paper packaging

Worker Health, Safety, & Dust Control

Health & Safety pillars integrate ProjectSafety™ initiatives to minimize worker exposure to dust and respirable crystalline silica. Upgraded dust collection systems are now installed across all plants, with the Hamlet facility operating fully automated recycling of captured dust. Additional combustible dust controls further strengthen worker protection and product yield simultaneously.

Behavioral Sustainability

Employee-driven behavior changes, including the elimination of single-use plastics, Styrofoam, and disposable coffee cups, complement larger operational projects, reflecting an engaged, cross-functional culture of sustainability.



Current & Planned Operational Initiatives

Material Waste Minimization Projects

- Process capability improvements across product families
- Automation for weighing, dosing, and hand-add processes
- Packaging redesign to reduce weight and materials

Energy Optimization Initiatives

- Compressed air leak remediation
- HVAC scheduling improvements
- High-efficiency motor upgrades
- LED lighting conversions

Water Stewardship Projects

- Full site water metering deployment
- Closed-loop water recycling for expanded processes

Circular Economy Expansion

- Higher recycled content in packaging materials
- Expanded internal reuse of packaging and non-spec materials
- Exploration of closed-loop adhesive and bag recovery programs

Worker Health & Safety Enhancements

- Dust collection upgrades
- Real-time exposure monitoring
- Behavior-Based Safety (BBS) expansion

Next Level TPM Deployment

- Predictive maintenance tied to energy efficiency metrics
- Full TPM audits for compressed air and critical equipment

Capital Roadmap Development

- Prioritization of sustainability-linked capital projects
- EV charging infrastructure evaluations at more plant locations
- Solar feasibility studies aligned with state incentives



Portside Pier • Pacific Building Group • San Diego, CA



Sustainable Value Chain



Freight Statements

Our Transportation Management System (TMS) plays a critical role in advancing our Next Level goals by streamlining outbound shipping operations. It enables smarter routing decisions and maximizes load consolidation, directly targeting reductions in fuel consumption, idle

time, and overall logistical waste. A major focus is minimizing Less-Than-Truckload (LTL) shipments through more strategic order planning and regional consolidation. These initiatives not only lower cost but also reduce our emissions intensity.



Randy Wright

Director, Logistics



At LATICRETE, we are committed to sustainability and reducing our carbon footprint through strategic logistics improvements. One key initiative has been increasing load capacity across our transportation network. By optimizing vehicle fill rates and enhancing route planning, we have minimized the number of trips required, resulting in fewer vehicles on the road. Another key initiative has been to move truckloads to rail service on inbound raw material bulk moves. This has significantly reduced carbon emissions. These efforts, combined with the adoption of more fuel – efficient vehicles, underline our dedication to operating responsibly and sustainably

Inbound freight efficiency has improved significantly by transitioning raw bulk truckload shipments to more sustainable rail transportation. Through this effort, we have eliminated an astounding 6.0 million truck miles in 2025 which is an increase of 300,000 miles from the previous year. This equates to a carbon reduction of 4302 tCO₂e!

Further, we are innovating lighter-weight products that maintain full installation coverage, reducing the overall mass of material shipped and lowering overall transportation emissions. In addition, we are working to regionalize and consolidate sand sourcing, which helps reduce both transportation costs and Scope 3 emissions. These initiatives also help to harmonize our supply chain activities and significantly reduce our dependency on air freight, which is used only in critical exceptions and continuously reviewed for elimination where feasible.



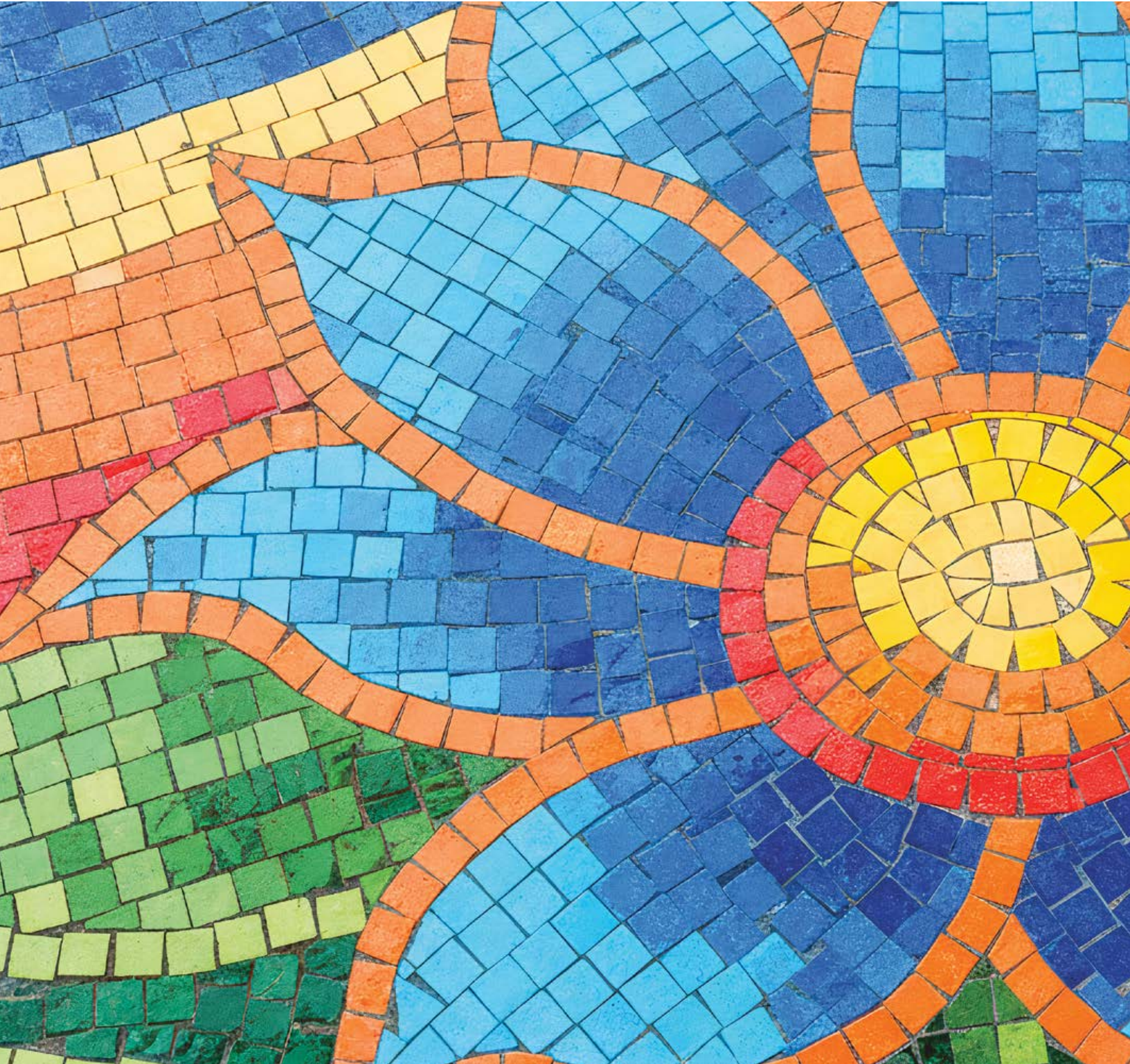
We also remain committed to reducing our reliance on virgin materials. LATICRETE will be fully compliant with the applicable laws regarding PCR content of our products and will continue to transition packaging through 2026. Ongoing reductions will continue and by prioritizing responsible sourcing practices, we are supporting a circular economy and enhancing our sustainability impact across the full value chain.

Steve Peslak

Director, Procurement



LATICRETE is deeply committed to advancing environmental sustainability across all aspects of our business. By adopting innovative practices and working closely with our global supply base, we are reducing our carbon footprint while continuing to deliver high-quality, sustainable solutions. From sourcing eco-friendly materials to minimizing emissions through optimized transportation modes, we strive to create a lasting, positive impact on our planet.



Team Engagement



Health & Safety

LATICRETE is committed to a safe and healthy workplace, and to protecting the environment. This commitment includes complying with all relevant laws and regulations, as well as providing health and safety education for employees. To support this, we use the Velocity EHS Management platform to document and track compliance with applicable laws and regulations, monitor workplace injuries and illnesses, and manage health and safety training. In 2025, Velocity documented 22 property

damage incidents, 1 lost time injury, 6 restricted work, 6 medical treatments, 18 first aid cases, and 60 near misses. The TRIR for 2025 stands at 2.5. In 2024 and 2025, North America employees completed 2026 and 1881 hours of safety training respectively. We are also currently working toward obtaining certification for the ISO 45001 standard, which focuses on occupational health and safety management systems.



We are deeply committed to cultivating an engaged, empowered, and purpose-driven team, recognizing that employee satisfaction is foundational to sustainable growth and innovation.

Jessica Skrehot

EHS Manager



My role in Environment, Health, and Safety (EHS) is integral to advancing our ESG initiatives. By focusing on environmental stewardship, health and safety, social responsibility, and strong governance, I contribute to creating a sustainable, responsible, and resilient organization. My efforts not only help us meet regulatory requirements but also enhance our reputation and drive long-term value for our stakeholders.

An Engaged & Diverse Team

As a family-owned company with a global footprint, we view our employees not just as contributors, but as integral members of the extended LATICRETE family. This culture of care and inclusion is reinforced through strong values such as trust, integrity, growth, and shared success — enshrined in our Brand Promises and lived daily across all business units.

The company's North America team includes 567 employees, with ongoing efforts to improve representation and advancement opportunities for women and underrepresented groups. As of the most recent reporting period, women comprise 23.74% of the workforce and received 14% of promotions in 2024, compared to 11% for men. These numbers reflect both progress and opportunity for continued equity-driven efforts.



Employee engagement is also systematically measured through biennial surveys, which inform program development and leadership actions. In our 2023 survey, engagement rose to 81.7%, a notable increase from 72.8% in 2021. Participation also increased from 68% to a 74% response rate, reflecting trust in the process and a willingness to be heard. Results tabulated for 2025 indicate continued improvement as well. Participation increased to 79% overall with engagement remaining steady at 79.7%. Key indicators of engagement — such as feeling proud to work at LATICRETE, feeling valued, and being motivated to exceed expectations — show strong upward momentum.



We have also created formal structures to elevate employee voices and accelerate inclusive leadership development. The LATICRETE Leadership Council, composed of high-potential employees from multiple departments and regions, serves as an advisory body to senior leadership. Council members meet regularly to review feedback, share grassroots perspectives, and provide recommendations on organizational improvements, including sustainability initiatives, culture building, and professional growth. In parallel, the Women's Forum supports mentorship and advancement for women across the organization, particularly in areas like manufacturing and technical services where gender imbalance has traditionally existed. The Forum creates visibility, promotes networking, and ensures women have access to the resources and support they need to succeed. Both platforms contribute to fostering a workplace where employees feel valued, included, and able to shape the future of the company.



This progress is supported by a robust suite of initiatives. We established a dedicated Learning & Development department, launched structured career planning tools such as Individual Development Plans (IDPs), and created leadership programs like the SEEDS (Skill Enhancement and Employee Development System) program, which delivers monthly training on topics such as business etiquette, time management, public speaking, and Empowering Leaders for Success initiatives.

Looking forward, our ambition is clear: to remain an employer of choice by investing in our people, listening with intent, and acting with integrity, ensuring that every team member has the opportunity to thrive while contributing meaningfully to the company's mission and sustainability leadership.



Christine Cafferty

VP Human Resources

“

When employees feel empowered to share their ideas and collaborate openly, we not only build a stronger, more innovative team, but we also create a supportive environment where challenges can be addressed constructively. Trust is the foundation of our interactions, shaping not just our workplace atmosphere but also our collective success. I believe that when we encourage transparency and respect for each individual's unique contributions, we empower our employees to voice their concerns and seek solutions without fear of retaliation. Together, we navigate challenges, ensuring that every team member feels valued and heard.

Learning & Development

Since its formal launch in January 2023, the LATICRETE Learning & Development department has played a transformative role in cultivating a culture of continuous growth, engagement, and professional advancement.

Today, the L&D function provides a structured framework aligned with the company's strategic and sustainability goals, ensuring that every employee has access to tools for career development.



Alexis Pellerin

Manager, HR Operations



After graduating from the LATICRETE Management Development Program and stepping into my current role, I had the chance to launch our Learning & Development Department. Establishing a dedicated department felt like the natural next step in taking our learning culture to the next level. We've introduced a wide range of initiatives over the last 2 years to ensure that every employee has the opportunity to grow and succeed. By building continuous learning, we're empowering our teams to reach new heights. As a family-owned business, we take pride in investing in the LATICRETE family – and it's exciting to see what they'll achieve with everything they learn.

The department focuses on three key pillars: skill-building, leadership development, and educational outreach. General skill-building is supported through partnerships with platforms like LinkedIn Learning and the SEEDS program. To support structured career planning, the company implemented Individualized Development Plans (IDPs) across business units.

Leadership development is another major priority. In addition to foundational programs for new managers, we launched the Empowering Leaders for Success Program in early 2025, focused on aligning leadership behavior with strategic business objectives. Complementing these efforts, the “Back to School” speaker series encourages educational advancement and personal growth through connections with academic institutions and peer-to-peer storytelling.

LATICRETE has significantly expanded its training footprint since the department’s inception. In its inaugural year, employees completed 3,459 hours of training, growing to 8,623 hours in 2024 which is equivalent to over 15 hours of learning per employee. Employees also completed 1092 LinkedIn Learning courses in 2024 expanding to an impressive 5,080 courses in 2025 accounting for 1,575 hours of training with an overall learning total of 11,521 hours. These investments demonstrate that talent development is a core enabler of innovation, sustainability, and organizational resilience.



Team Activities for LATICRETE & Our Communities

The LATICRETE philanthropy and commitment to employee well-being extends well beyond the workplace and into the communities we live in and serve. Employee led committees are central to organizing community service, wellness initiatives, and cultural engagement across the organization. These activities foster a strong sense of belonging, boost morale, and reflect the LATICRETE values of caring, trust, and mutual respect.



Our wellness and engagement initiatives are driven by employee-led committees that foster community involvement, holistic well-being, and an inclusive workplace culture. These grassroots teams organize a wide range of programs that support physical, emotional, and spiritual health, empowering employees to lead their best lives. Activities include on-site flu shots, American Red Cross blood drives, guided meditation, yoga sessions, and the MOVE! for Mental Health campaign, which emphasizes the role of exercise in mental wellness. Additional offerings such as healthy cooking classes and the recognition of health awareness months, including Heart Health, Stroke Awareness, and Infertility Awareness, further promote well-being.



A standout initiative this year was the LATICRETE Endurance Lab 12-Week Step Challenge, which ran from August through October and engaged 124 participants across three challenge levels: Wanderers (8,000 steps/day), Trailblazers (10,000 steps/day), and Mountaineers (12,000+ steps/day). By the end of the challenge, employees collectively walked 66,212,175 steps which is equivalent to an astonishing 32,000 miles. This remarkable achievement reflects both commitment to physical health and team spirit. Weekly leaderboards and prize incentives kept motivation high, fostering camaraderie and friendly competition throughout the event.

These same committees also lead the charge in organizing team-building and community engagement events that foster camaraderie and reduce workplace stress. Activities such as Family Fun Day, fishing trips, Super Bowl Jersey Day, chili cook-offs, and Color Days bring employees together in meaningful and enjoyable ways. Further, LATICRETE generously supports a plethora of community activities and organizations with just a few of them listed below. Through these efforts, employee committees play a pivotal role in shaping the culture of LATICRETE by promoting trust, inclusion, and mutual respect while strengthening cross-functional relationships and employee morale. These committees also lead charitable activities, cultural celebrations, and inclusive heritage events that connect employees across roles and regions. The result is a healthier, more connected organization where every employee can thrive.



2025 Donations & Partnerships

- ALS Therapy
- Amity High School Science Scholarship
- Amity High School Theater Productions
- ASPCA
- Bethany Athletic Association Carnival Sponsor
- Bethany Citizen Award Dinner
- Bethany Harvest Festival
- Bethany Nursery
- Bethany School
- Blood Cancer United
- CT Alliance for Law Enforcement
- CT Brain Tumor Alliance
- CT Foodshare
- Dan Lu Scholarships – 2
- George Hummel Little League
- Griffin Hospital
- Jamie Hulley Arts Foundation
- JCC of Greater New Haven
- Make A Wish Foundation of CT
- Murray Lender 5k Bagel Run
- New Castle Choir Boosters
- Rocky Hill Baseball boosters
- Ronald McDonald House Trees of Hope
- Special Olympics Torch Run
- The Animal Haven
- United Way New Haven
- Woodbridge Recreation Department
- Woodbridge Summer Concert Series
- Yale Closer to Free





Conclusion

Our commitment to sustainability is not a standalone initiative, it is an integrated, organization-wide philosophy that connects people, products, and purpose. From our deep investment in environmentally responsible innovation and circular economy practices to our robust ESG governance and risk management frameworks, we are building a company prepared for the future. Our internal systems allow us to make data-driven decisions that improve environmental performance, enhance safety, and align with global certification standards.

Equally important is our focus on people. Through formalized employee engagement programs, peer recognition initiatives, inclusive leadership platforms, and a growing Learning & Development function, we are fostering a culture of empowerment, accountability, and shared growth. Our teams around the world are becoming better equipped to support sustainable progress and are inspired to lead it. By aligning with architects, contractors, distributors, and end users, and reinforcing collaboration across our value chain, we ensure that sustainability is a shared journey, not a solitary effort.

This report reflects both the depth and direction of our ambition. We will continue to set high standards, measure what matters, and act decisively because our purpose is clear: to improve the built world and the lives of those who build it, now and for generations to come.



For the Builders of a Better World®



Lucile Packard Children's Hospital Stanford Links • Perkins+Will Architects • Palo Alto, CA

Sustainability Component	KPI	Unit	Target	Frequency	Chapter	GRI Alignment
Environment	Waste-to-Production Ratio	%	≤ 2.0%	Quarterly	Chapter 5	GRI 306
	Circular Material Use (Plastics PCR Content)	%	≥ 30%-50%	Annual	Chapter 4	GRI 301
	Paper Packaging Recycled Content	%	≥ 84%	Annual	Chapter 4	GRI 301
	Energy Intensity	lbs/kWh	Continuous reduction	Quarterly	Chapter 5	GRI 302
	Scope 1 & 2 CO ₂ Emissions	Metric Tons CO ₂ e	Continuous reduction	Annual	Chapter 5	GRI 305
	Product Life-Cycle Declarations (EPDs)	# products	Ongoing growth	Annual	Chapter 4	GRI 301
	Hazardous Material Reformulations	# products	Continuous reduction	Annual	Chapter 4	GRI 403
Social	TRIR (Recordable Incidents)	Incident Rate	≤ 1.0	Quarterly	Chapters 5 & 7	GRI 403
	Employee Engagement Score	%	≥ 69%	Biennial	Chapter 7	GRI 401
	Diversity – Women in Workforce	%	Continuous improvement	Annual	Chapter 7	GRI 405
	Women Promotions vs Men Promotions	%	Equity improvement	Annual	Chapter 7	GRI 405
	Leadership Development Participation	% eligible	Growing participation	Annual	Chapter 7	GRI 404
	Learning & Development Hours	Hours/employee	≥ 15	Annual	Chapter 7	GRI 404
	SEEDS & Leadership Programs	# participants	Annual growth	Annual	Chapter 7	GRI 404
Safety Training Hours	Hours/year	≥ 500	Annual	Chapter 7	GRI 403	
Governance	Code of Conduct Training Completion	% employees	100%	Annual	Chapter 3	GRI 205
	Anti-Bribery & Anti-Corruption Training	% applicable	100%	Annual	Chapter 3	GRI 205
	Hotline Cases Resolved	% resolution	100%	Quarterly	Chapter 3	GRI 205
	Internal Risk Audits Completed	# audits	100% scheduled	Annual	Chapter 3	COSO / GRI 307
	Supplier ESG Scorecards Established	% top suppliers	Scorecard baseline	Annual	Chapter 6	GRI 308
	Ethical Business Practice Vendor Commitment	% top vendors	Establish baseline	Annual	Chapter 6	GRI 308
	Transportation CO ₂ Emissions Tracked	Metric Tons CO ₂ e	Tracked & reduced	Annual	Chapter 6	GRI 305
Freight Miles Reduced (Inbound Rail)	Miles/year	> 6.0 M	Annual	Chapter 6	GRI 305	

GRI Details

Environmental Topics

1. Hazardous Waste Management (GRI 306: Waste 2020) Disclosure 306-3: Report the total weight of hazardous waste, the disposal method, and any actions taken to minimize its hazardous nature. Explain how hazardous waste is handled, including any efforts to reduce, reuse, or recycle.
2. Spills and Leakages Management (GRI 306: Effluents and Waste 2016) Disclosure 306-3: Report significant spills, including the volume of spills, the material spilled, and the measures taken to mitigate the impacts. Provide information on the frequency of spills and any prevention measures.
3. Water Discharge Management (GRI 303: Water and Effluents 2018) Disclosure 303-4: Report on water discharge by quality and destination, including any water reused or recycled. Include compliance with discharge regulations and the monitoring systems in place.
4. Air Pollutants Emissions (GRI 305: Emissions 2016) Disclosure 305-7: Report emissions of significant air pollutants, such as NO_x, SO_x, and other air emissions. Explain the control mechanisms in place to reduce these emissions and any improvements over time.
5. Environmental Compliance (GRI 307: Environmental Compliance 2016) Disclosure 307-1: Report significant fines and non-monetary sanctions for non-compliance with environmental laws and regulations. Include any corrective actions taken to prevent recurrence.

Social Topic

1. Product Quality and Safety (GRI 416: Customer Health and Safety 2016) Disclosure 416-1: Report assessments of the health and safety impacts of products and services throughout their lifecycle and explain how safety standards are upheld.
2. Customer Satisfaction (GRI 102: General Disclosures 2016, Customer Centricity): While not explicitly covered by GRI, you can report on customer satisfaction by including surveys, feedback mechanisms, and improvements made based on customer input.
3. Fair Compensation (GRI 202: Market Presence 2016) Disclosure 202-1: Report the ratio of the entry-level wage by gender compared to the local minimum wage in areas of significant operations.
4. Protection of Privacy and Data Security (GRI 418: Customer Privacy 2016) Disclosure 418-1: Report on substantiated complaints regarding breaches of customer privacy and losses of customer data. Include any corrective actions taken to improve data security.
5. Customer Privacy (GRI 418: Customer Privacy 2016) Disclosure 418-1: As noted above, provide a detailed report on privacy breaches and how customer privacy is protected across all touchpoints.

Economic Topics

1. Market Presence (GRI 202: Market Presence 2016) Disclosure 202-2: Report the proportion of senior management hired from the local community and how this impacts market presence. Include efforts to build capacity within local communities.
2. Economic Value Generated and Distributed (GRI 201: Economic Performance 2016) Disclosure 201-1: Provide a breakdown of the direct economic value generated and distributed, including revenues, operating costs, employee wages, and community investments.
3. Anti-Corruption Policies (GRI 205: Anti-Corruption 2016) Disclosure 205-2: Report on communication and training about anti-corruption policies for employees, governance bodies, and business partners. Discuss measures taken to prevent and address corruption.
4. Infrastructure Investments (GRI 203: Indirect Economic Impacts 2016) Disclosure 203-1: Report significant infrastructure investments and services supported, and the current or expected impacts of these investments on communities.
5. Anti-Corruption Training (GRI 205: Anti-Corruption 2016) Disclosure 205-2: Report the total number and percentage of employees who have received anti-corruption training. Include details on the training content and how it is tailored to different roles within the organization.





