

An aerial photograph showing a dense green forest on the right side, bordering a large, calm blue lake on the left. The forest is composed of many small, rounded tree tops, creating a textured green surface. The lake's surface is smooth and reflects the sky. The overall scene is serene and natural.

# ESG Report **2022**

ROCA GROUP





## 01

### ROCA GROUP

Roca Group is a global enterprise dedicated to the production and sale of solutions that cover all the needs of the bathroom space with the aim of improving people's quality of life.

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### VALUES & CODE OF ETHICS

Since it was first set up, Roca Group has based all its actions on the principles of integrity, honesty and respect for all its stakeholders.

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Roca Group is a family-owned enterprise with a firm commitment to society that has been endorsed throughout its century-long history.

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**01**  
**Roca Group**

# Business strategy

Roca Group is a global enterprise dedicated to the production and sale of solutions that cover all the needs of the bathroom space with the aim of improving people's quality of life. Since it was incorporated in Gavà (Barcelona, Spain) in **1917**, the group has grown, extending its activity to over **170 countries** with **76 production plants** and more than **21,000 workers** worldwide.

Roca Group's corporate project, faithful to the entrepreneurial spirit of the family business, is characterised by a long-term strategy based on growth. The group ensures it can develop sustainably by achieving the necessary profitability to remain an independent company capable of investing continuously with an eye on the future.

 **+105**

YEARS OF HISTORY

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 **+170**

COUNTRIES

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 **76**

PRODUCTION PLANTS

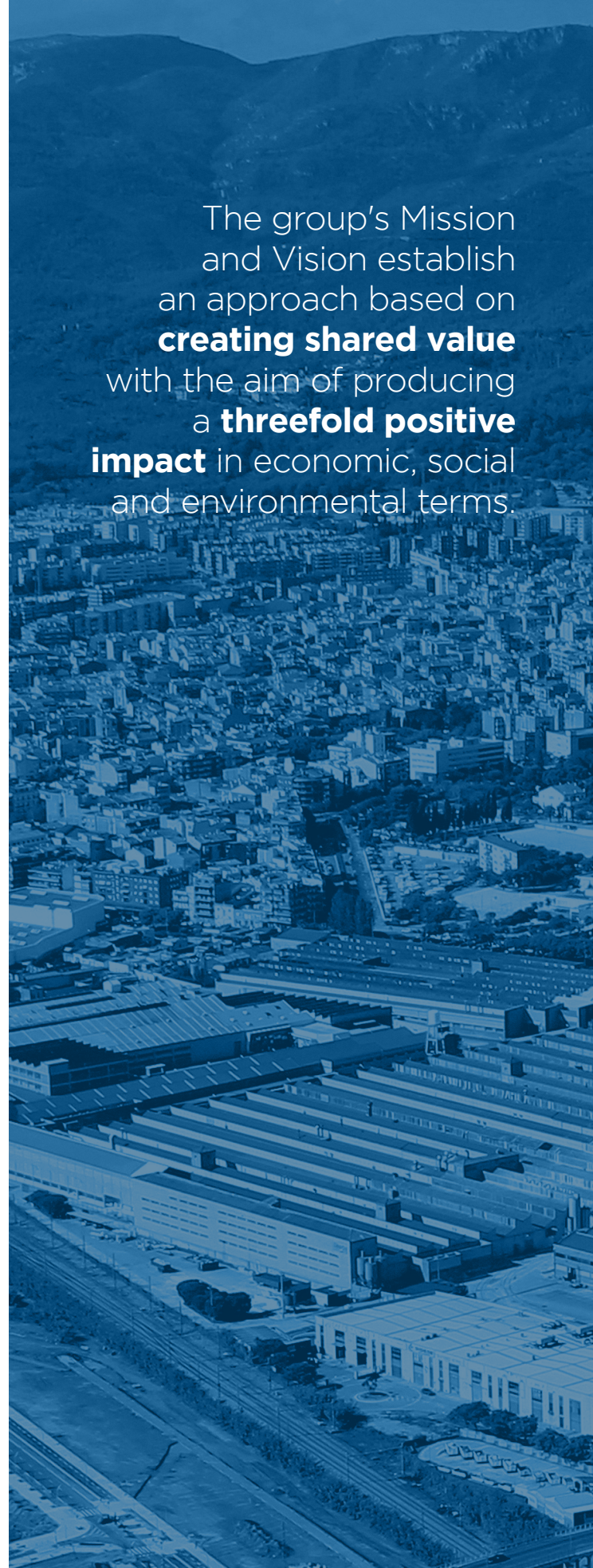
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 **+21,000**

WORKERS

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The group's Mission and Vision establish an approach based on **creating shared value** with the aim of producing a **threefold positive impact** in economic, social and environmental terms.



Six fundamental pillars underpin Roca Group’s strategy, identifying its future horizon:



**GROWTH**

Developing solutions that add value and improve people’s lives is, together with an analysis of the competitive environment and a long-term view, the best guarantee of viability and sustainable growth.



**OPERATIONAL EXCELLENCE**

Implementing the Kaizen methodology through Roca Group Business System, developing Competence Centres and spreading best practices form the basis for building a more responsive, productive and faster-learning organisation.



**INNOVATION**

Seen from a multi-disciplinary perspective, the work of R&D&I involves the entire company and is also promoted by means of collaborative initiatives, such as Roca Group Ventures fund that seeks to create a hybrid model of entrepreneurship together with emerging start-ups.



**DIGITAL TRANSFORMATION**

From procurement and production to marketing and service, the digitalisation and integration of technologies makes it possible to establish, standardise and streamline processes, optimise the value chain and generate new business models.



**SUSTAINABILITY**

The aim of building a better society and planet for future generations places sustainability at the heart of all the group’s activities. The company’s roadmap is aligned with the Ten Principles of the United Nations Global Compact and the Sustainable Development Goals (SDGs) of the 2030 Agenda.



**PEOPLE**

Customers are the reason why the company exists and exceeding their expectations with a vocation to serve is the fundamental goal of the group’s team. The professional growth and development of employees are promoted through the Talent Management department and Roca Group Corporate University.

# Organisational structure & management model

With its headquarters in Barcelona, a global ambition and a presence in 38 jurisdictions, Roca Group's organisational structure consists of a Corporate Management that defines common policies for the group and local business units that implement these policies based on their knowledge of the particular characteristics and needs of each market.



## Corporate Management

Among other aspects, Corporate Management is responsible for coordinating the capture of synergies, the simplification of processes and the streamlining and management of the products and services offered. It defines corporate policies in areas such as Human Resources, Finance, Sustainability, Legal Affairs and Information Systems.



## Local business units

As these have greater and better knowledge of their particular markets, they identify opportunities and develop the group's presence by managing sales channels, establishing stable commercial agreements and implementing different commercial brands.





This model of organisational management is also applied to the industrial process by means of a proximity-oriented production system with 76 plants distributed across 20 countries on all 5 continents, that enables the group to respond as quickly as possible to market demand, both in terms of manufacturing volume and the need to adapt products to local demands, regulations and requirements. A decentralised, networked production system also helps to minimise the environmental impact of the group's supply chain and logistics operations.

By progressively consolidating this organisational model, Roca Group is working to be able to tackle, with flexibility and adaptability, the challenges of a changing market that's subject

to uncertainty in terms of both economic and geopolitical developments, with a direct impact on the construction and renovation sectors.

Roca Group has design and innovation centres distributed around the world that analyse macro trends, developments in society and their impact on the structure of homes, housing and bathroom space. The transformations in society resulting from digitalisation and connectivity, the ageing population, new lifestyles and greater awareness of sustainability are key criteria that are taken into account in developing new technologies and solutions for the company's portfolio. Likewise, these trends are also considered when defining commercial channels and policies.

The group has a balanced geographical spread with a presence in both mature markets and emerging economies. This balance makes it possible to reduce the risk arising from economic uncertainties and to increase business opportunities.

The group's operations are currently divided into four divisions corresponding to the following regions:



# Commercial strategy

In its portfolio, the company produces and markets a wide range of solutions for bathroom spaces, such as ceramic sanitaryware, bathtubs made of cast iron, enamelled steel, acrylic and composites, hydromassage, shower trays, shower cabins and columns, faucets, furniture, installation systems, accessories and shower enclosures, as well as some products for kitchens, such as sinks, faucets and furniture. Roca Group's solutions and products aspire to improve people's quality of life and, at the same time, contribute to a more responsible use of natural resources with minimal water consumption and maximum energy efficiency as the fundamental goals.

With the idea of optimising its value proposition in all the geographical areas where it is present, Roca Group has set up an architecture of commercial brands (global, local and specialist) whose aim is maximum penetration and coverage in the different markets, channels and segments. With a distinct personality, each one of the brands stands out within its competitive environment whilst also conveying the hallmarks of the group, such as quality and trust.



**Global brands**

Roca and Laufen are the group’s global brands and they are progressively extending their presence to all markets, maintaining a homogeneous, consistent personality and image worldwide.



**Local brands**

Local brands add the value of proximity and are in keeping with the specific features of each region and society in which they operate. With products and services adapted to the characteristics of their particular area, they’re able to cover important commercial segments.



**Specialist brands**

Specialist brands are aimed at commercial channels that require differentiated value propositions, as well as certain product categories in which a specialised positioning provides greater added value.







# 02 Values and code of ethics

# Values

The values of Roca Group are reflected in its management style and growth model with the aim of creating shared value.

Since it was first set up, Roca Group has based all its actions on the principles of integrity, honesty and respect for all its stakeholders: employees, consumers, suppliers, public authorities, local communities, etc.

Likewise, the group conducts its business in full compliance with the laws in force in each of the jurisdictions in which it operates.

**The group's actions are based on four fundamental values:**



# Code of Ethics

Roca Group's Code of Business Ethics serves as a guide for the actions carried out in all the jurisdictions in which it operates and is a mandatory standard for the group's employees, over and above any other provision or order from higher management. On joining the company, all employees agree in writing to act in accordance with this Code.

## **Roca Group's Code of Ethics includes the following aspects:**

1. Equality, non-discrimination and respect for the individual (including Human Rights)
2. Respect for the environment
3. Treatment of confidential information
4. Use and safeguarding of group assets
5. Health and safety at work
6. Discharge of other professional services
7. Right to privacy
8. Relations with suppliers and customers
9. Gratuities and gifts
10. Conflicts of interest (with suppliers and customers)
11. Conflicts of interest (within the group)
12. Compliance with local and international legislation

An Ethics Committee ensures the dissemination, correct interpretation of and compliance with this regulatory framework and is responsible for establishing the measures deemed appropriate in the event of inappropriate conduct. All group employees can contact this Committee to request information about it and they undertake to report any individual or collective behaviour that violates the principles contained in the Code of Ethics.

Employees may contact the Committee in complete confidentiality by letter, email or any other written means.

The Ethics Committee carries out the procedures established to process the communications received. After analysing the facts and circumstances of each case, it was concluded that none of the issues reported in 2022 involved a violation of Human Rights.

# Corporate Regulations

Directly emanating from this Code of Ethics, Roca Group also has Corporate Regulations which serve as a global benchmark and define the organisation's management style. These standards act as a global regulatory framework of reference for all group companies and they also use them to develop their own specific rules and procedures in line with their needs and the legislative framework of each country.

These Regulations include concrete guidelines for the Commercial, Human Resources, Administration, Finance and Purchasing areas, with specific references to issues related to work clothes, supplier evaluation, the use of technological equipment and anti-corruption and bribery issues, among others.

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## ANTI-CORRUPTION AND ANTI-BRIBERY

### Purpose

1. It is strictly forbidden to make any offers or promises, or authorise payments to any third party (civil servants, customers, suppliers, etc.), whether directly or indirectly, in cash or other items of value, with the aim of obtaining inappropriate advantages.
2. In accordance with the above, payments of unlawful sales commissions or fees are strictly prohibited, as is the giving of in-kind gratuities. This prohibition includes the following items:
  - Shares
  - Entertainment
  - Discounts on product purchases
  - Forgiveness of debts
  - Reimbursement of travel or other expenses
  - Gift vouchers or cards
  - Political contributions
  - Hiring of family members or civil servants
  - Favourable contracts
  - Personal favours
3. It is forbidden to offer any bribes, whether in cash or in kind, to induce any civil servants to take (or not take) a decision or action in our favour.
4. For the purposes of these regulations, the definition of "civil servant" includes persons employed directly by State bodies, persons appointed to an office authorised by law, civil servants in any political party or candidates to political office, employees of any state firms or

undertakings controlled by the State, or employees of international public organisations such as the United Nations or the World Bank.

5. These regulations prohibit payments made indirectly via any agent or intermediary such as a consultant acting on behalf of the company, in order to conceal any of the activities described above.

6. Should a group company enter into any relations in which the other party will be in contact with civil servants, a written contract must be made requiring compliance with all the pertinent laws.

### Scope

All employees and Management of Roca Group are subject to these regulations.

Failure on the part of any employee to comply with these regulations or with their implementing procedures may result in disciplinary measures.

### Compliance

Roca Group Management shall oversee the correct implementation of these regulations at all the group companies.

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With regard to the prevention of corruption and conflicts of interest, the Code of Business Ethics contains the following Articles.

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#### SECTION 9

##### **Gratuities and gifts**

The employees of Roca Group shall not request or accept, directly or indirectly, any gifts, gratuities, favours, considerations or compensations, in cash or in kind, whatever their nature, which may influence their decision-making related to the discharge of their professional duties.

Gifts and gratuities may only be given or accepted if they have a token value.

Likewise, employees of Roca Group shall not offer or grant, directly or indirectly, any gifts, gratuities, favours or considerations to any authorities or civil servants. Specifically, the employees shall abstain from making payments to facilitate or fast-track formalities, consisting of giving money or other items of value, whatever their amount, in exchange for ensuring or fast-tracking the processes or actions, whatever their nature, with respect to a legal, public administration or official body.

Where presents, gifts, invitations or gratuities might be interpreted by an objective observer as made with the intention of influencing the impartiality of the receiver in view of their frequency, characteristics or attendant circumstances, they must be rejected and reported to the Ethics Committee.

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#### SECTION 10

##### **Conflicts of interest (with suppliers and customers)**

A “conflict of interest” shall be deemed to exist with suppliers or customers where there is a link between them and an employee of the group or persons related to an employee of the group (whether directly or via any intermediary, or persons acting systematically in concert with them), and such employee or related person directly or indirectly discharges any of the following responsibilities:

- Decision-making power in the supplier or customer.
- Management or executive office in the organisation of the supplier or customer.

Cases in which employees of the group or any persons related to them may receive any fees in respect of any matter concerning the supplier or customer in question shall likewise be considered a conflict of interest.

Financial links and family relations with suppliers or customers can adversely affect independent decision-making and create a potential risk of improper actions due to the conflict between personal interests and those of the group.

Situations of this kind should therefore be avoided. Where this is not possible, any conflict of interest should be brought to the attention of the Ethics Committee.

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# 03 Commitment to sustainable development



# Commitment to sustainable development

Roca Group is a family-owned enterprise with a firm commitment to society that has been endorsed throughout its century-long history. As a member of the **UN Global Compact**, sustainability forms an integral part of its commitment and it works in line with the targets of the **Sustainable Development Goals** (SDGs).

**WE SUPPORT**



This corporate commitment seeks to create a positive impact in three broad areas: **PEOPLE**, **PLANET** and **PROSPERITY**. Roca Group aims to improve society and contribute to the preservation of its environment by creating value that enables the necessary reinvestment of profits to develop jobs and care for the environment.

During the 2022 financial year, Roca Group's **Sustainability department** grew in terms of the number of people and responsibilities, with the aim of continuing to define and consolidate the group's global strategy in this field, validating the lines of work and defining the specific projects to be carried out.

Roca Group's **Sustainability Committee**, a multi-departmental and multi-disciplinary body made up of the heads of the most relevant business and functional areas in terms of the group's sustainable development, validates the lines of work and ensures the effective implementation of projects that benefit from the commitment and direct involvement of over a hundred collaborators.






## Double materiality assessment

To prioritize the company's efforts and facilitate strategic decision-making in environmental, social, and governance (ESG) matters, Roca Group has carried out a double materiality assessment in line with new regulatory and reporting requirements.

The double materiality assessment has been conducted following the guidelines of the European Financial Reporting Advisory Group (EFRAG) and the Global Reporting Initiative (GRI), in collaboration with the Esade Center for LeadershipS and Sustainability and the consulting firm Anthesis Lavola.

For this process, global and sectoral trends have been identified, and benchmarking of relevant references has been conducted. Interviews and surveys have also been conducted with internal and external stakeholders, and participatory and validation sessions have taken place with the Sustainability Committee and the Executive Committee of the company.

Additionally, global risk analysis and sectoral risk analysis have been taken into consideration based on the company's activities and the countries in which it operates.

A blue-tinted photograph of a person wearing glasses, focused on writing on a document with a pen. The person's hands and the pen are in sharp focus, while the background is blurred. The overall scene conveys a sense of professional diligence and attention to detail.

The **20 most prioritized material topics** in the double materiality assessment **are already being managed** within the corporate strategy of the group and the eight lines of action in its sustainability roadmap.

As a result of the assessment, the eight most relevant material topics for the group have been identified, based on their weighted ratings above the average in both materiality dimensions.

Among them, four topics are particularly prioritized as they have been categorized in the highest quartile of relevance in both ESG impact and financial materialities.

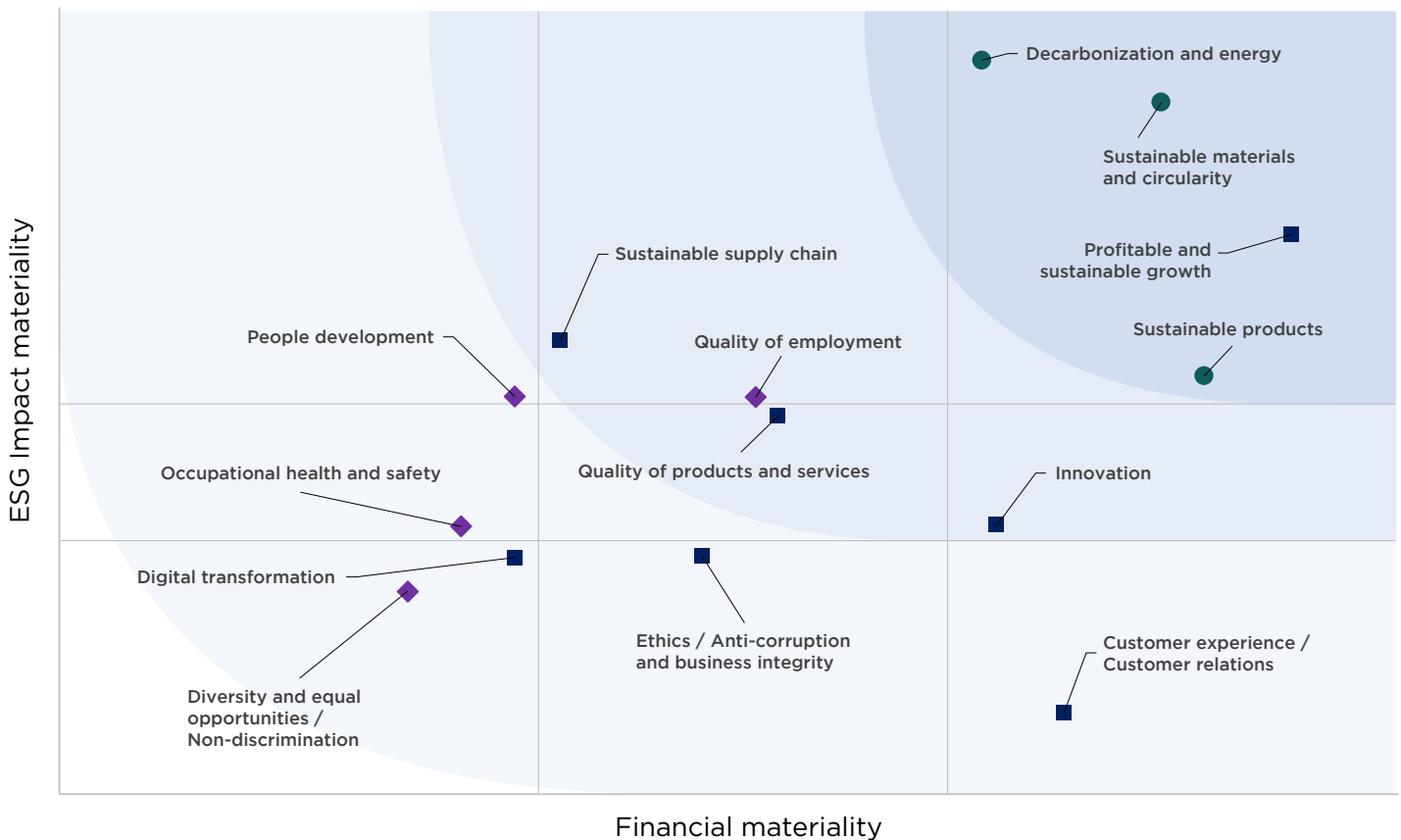
Regarding the other material topics identified in the analysis and brought forward for consultation with stakeholders, six of them have been considered by the group as topics to monitor due to their high ratings in one of the two materiality dimensions or ratings close to the average in both dimensions.

**Material topics**

	Decarbonization and energy
	Sustainable materials and circularity
	Sustainable products
	Profitable and sustainable growth
	Quality of employment
	Sustainable supply chain
	Quality of products and services
	Innovation

**Other topics to monitor**

	People development
	Occupational health and safety
	Diversity and equal opportunities / Non-discrimination
	Digital transformation
	Customer experience / Customer relations
	Ethics / Anti-corruption and business integrity



To determine the parameter values for financial and ESG impact materialities, quartiles have been calculated for both dimensions. These quartiles have served as the basis for visually representing the materiality matrix.

# Lines of work

Based on the material topics identified in the double materiality assessment, Roca Group structures its sustainability roadmap into 8 lines of work that encompass them and serve as the foundation for the main initiatives and projects aimed at achieving its objectives.

## 1 DECARBONIZATION



- Reduce and optimise energy consumption and CO<sub>2</sub> emissions
- Improve the energy consumption mix by increasing sources of renewable energy and offsetting essential emissions

## 2 SUSTAINABLE MATERIALS AND CIRCULARITY



- Reduce and optimise water consumption
- Minimise waste generation and optimise its treatment.
- Eliminate single-use plastics in packaging

## 3 SUSTAINABLE PRODUCTS



- Integrate eco-design principles into product development
- Develop solutions that promote circularity

## 4 PEOPLE DEVELOPMENT



- Support employee training, qualification and development
- Continued provision of the best health and safety conditions



## 5 COMMITMENT TO SOCIETY



- Increase the impact of the WAW Foundation's projects and initiatives
- Develop collaboration networks with other organisations and institutions

## 6 SUSTAINABLE SUPPLY CHAIN



- Involve suppliers in the group's sustainability strategy
- Ensuring compliance with shared social and environmental codes of conduct subscribed by suppliers.

## 7 SUSTAINABLE LOGISTICS



- Optimise the efficiency of cargo spaces in transport
- Minimise transport by optimising routes

## 8 SUSTAINABILITY PROMOTION



- Inform and involve all employees in the sustainability strategy
- Communicate on progress of the group's initiatives and improve reporting systems and parameters





# People

Present in a large number of countries and cultures, the aim of improving people's lives both within and outside the organisation has led Roca Group to promote initiatives that foster talent and improve the customer experience, as well as to implement projects that help the most disadvantaged communities in the world.

## EMPLOYEES

One of the fundamental pillars underpinning Roca Group's business strategy is people and this is particularly evident in how the company approaches its relationship with its employees, promoting a high quality work environment based on respect, diversity and personal and professional development.

Roca Group's workforce is classified into five categories or professional groups:

- Operators
- Skilled operators
- Clerks & Technicians
- Middle management
- Management

Roca Group is committed to promoting its employees' professional development and helping to manage their talent, which is why personnel decisions are taken based on the fundamental principle of merit, regardless of age, sex, religion or any other circumstance or social condition.

 **21,275**  
EMPLOYEES

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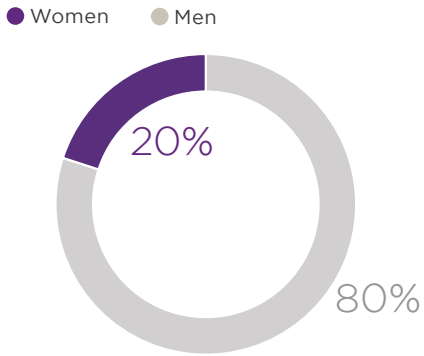
 **90 %**  
PERMANENT CONTRACTS

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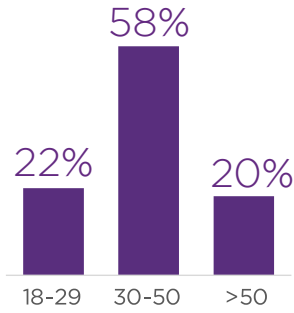
At the end of 2022, the group's workforce consisted of **21,275 people** from different backgrounds, cultures, origins and experiences, located in **38 different countries.**



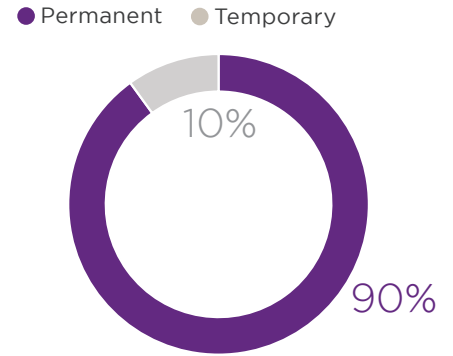
Workforce by gender



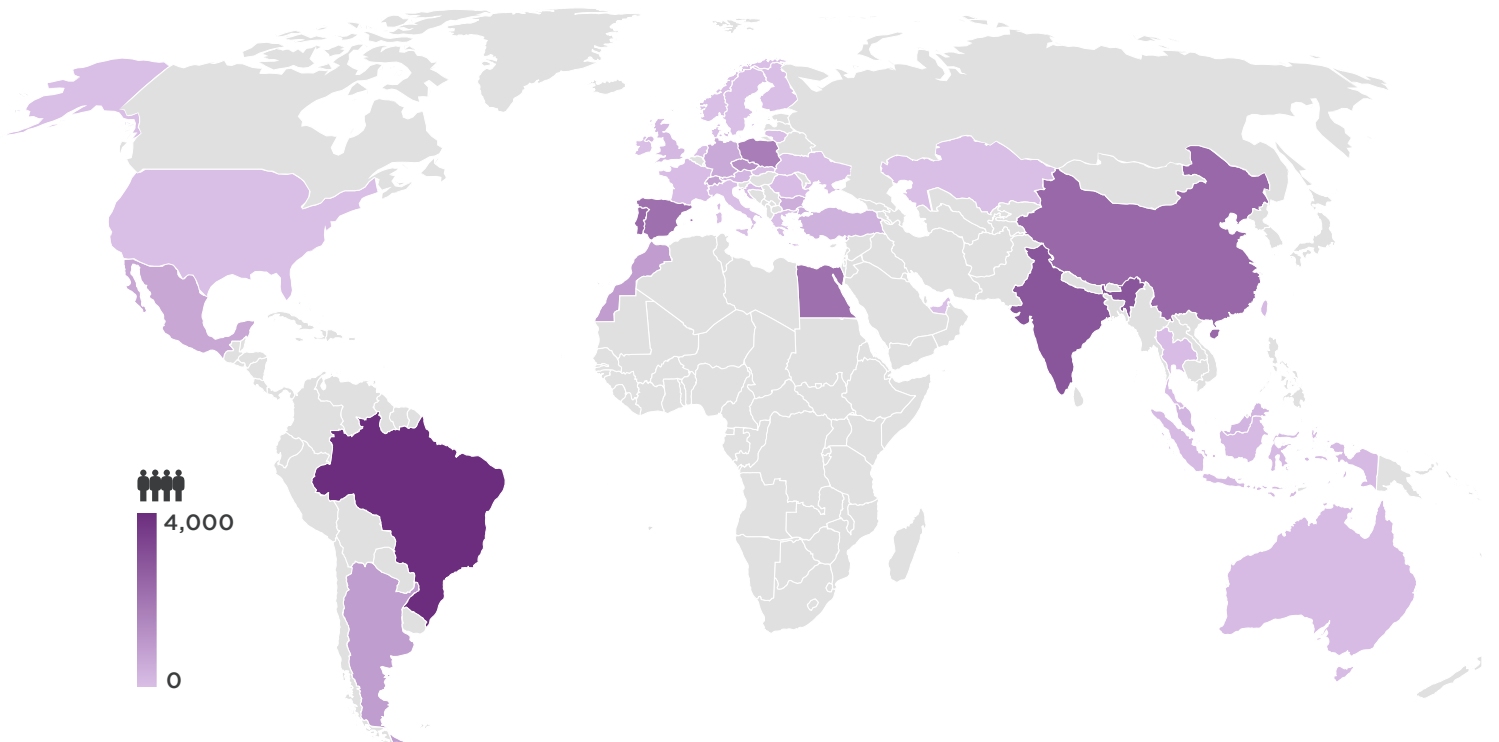
Workforce by age



Workforce by type of contract



Workforce by countries



### Diversity, equality & inclusivity

Roca Group promotes a corporate culture based on respect for Human Rights and dignity of the individual, avoiding any form of discrimination.

The group's Code of Ethics and Corporate Regulations include the obligation to maintain a workplace that is free from harassment, intimidation and offensive or improper conduct, as well as any action that undermines the dignity of individuals.

Roca Group believes it's essential to promote diversity and equal opportunities, as well as to ensure a respectful environment given the group's progressive expansion and the need to integrate employees with different backgrounds and customs.

 **+80**

NATIONALITIES

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To meet the needs of this diverse group of individuals, Roca Group has developed a new **Diversity, Equality, and Inclusivity (DEI) Policy**. This policy recognizes the unique experiences and perspectives that each employee brings to the table, and seeks to create a workplace culture that fosters respect, inclusion, and collaboration.

The DEI policy addresses various aspects of diversity, including gender, race, ethnicity, religion, age, and ability. It outlines a set of principles and commitments for creating an inclusive work environment, such as promoting diversity in recruitment, training, and development programs, establishing a zero-tolerance policy for discrimination and harassment, and ensuring that everyone has equal access to opportunities for growth and evolution.

By prioritizing diversity, equality, and inclusivity, Roca Group is not only creating a more positive work environment for its employees, but it is also enhancing its ability to innovate and remain competitive, as diverse teams are more creative, productive, and better able to solve complex problems.



To ensure compliance with these principles, policies, and corporate regulations, confidential channels have been established so that employees can report vulnerabilities, as well as resolve any doubts regarding the practical application or interpretation of these principles and regulations.

In Spain, and in accordance with the provisions of current legislation, Roca Group has developed an **Equality Plan** which shows that the fact that the current percentage difference between the number of men and women employed by the company is mainly due to the industrial nature of its sector.

As stated in Article 1 of Roca Group's Code of Ethics, the company expressly prohibits its employees from discriminating, in any way, on the grounds of disability. At year-end 2022, Roca Group employed 377 people with disabilities.

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## SECTION 1

### **Equality, non-discrimination and respect for the individual**

The group respects, defends and supports the human and labour rights recognised by international legislation and the local legislation of the States in which it conducts its business.

In particular, the group expressly rejects child labour and forced or unfree labour. Likewise, the group respects freedom of association and collective bargaining, as well as the rights of minorities.

Given its global and international nature, the group prohibits its employees from engaging in any kind of discrimination, harassment or inappropriate treatment on grounds of gender, race, colour, nationality, creed, religion, political beliefs, age, sexual orientation, incapacity, disability or other situations protected by international law.

Accordingly, it is incumbent on us all to keep the workplace free of harassment, bullying and offensive or improper behaviour, including sexual propositioning or innuendo, malicious talk and indecent printed matter, and in general from any action which might be injurious to personal dignity.

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**Developing talent and Training**

Talent is developed within Roca Group by means of training programmes and an organisational work system that enables a high quality work environment to be achieved.

Roca Group is committed to internal promotions as the best way to boost the growth of both employees and the company, advocating the development of professional careers within the organisation and valuing each employee’s commitment, honesty and performance in the responsibilities taken on. The Human Resources department also leads a skills-based performance management programme for management staff.

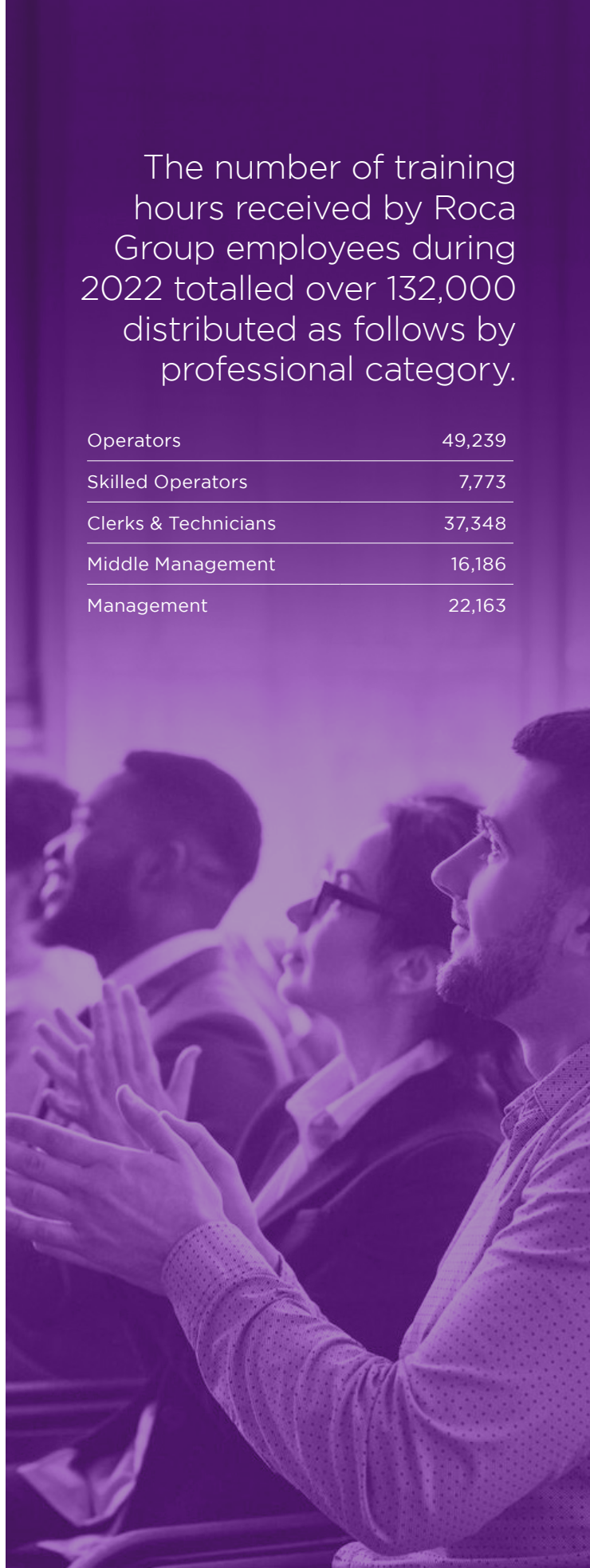
The growth and development of professionals through training, this being understood as any educational activity that allows employees to develop their skills and talent, is in line with a long-term view of the business and internal recognition of the culture of hard work.

The group’s training is organised via **Roca Group Corporate University** (RGCU), with the aim of achieving a working environment of the highest quality and efficiency and responding to the development needs of the teams by means of specific programmes and projects. To this end, the Human Resources departments of each group company identify which courses are necessary for each group of employees and training is designed accordingly.

The areas in which RGCU works include technical training, personal skills development, as well as other cross-cutting areas such as occupational health and safety, languages, and diversity.

The number of training hours received by Roca Group employees during 2022 totalled over 132,000 distributed as follows by professional category.

Operators	49,239
Skilled Operators	7,773
Clerks & Technicians	37,348
Middle Management	16,186
Management	22,163



 **132,709**  
TRAINING HOURS

 **8.8 / 10**  
AVERAGE SATISFACTION RATING



## Work-life balance

Aware of the importance of promoting work-life balance regardless of the gender of parents, Roca Group ensures not only that current legislation is complied with but also that the spirit of the law is achieved.

The companies that make up Roca Group promote this principle and adopt different work-life balance measures depending on local legislation and the culture of each country in question.

Among the measures taken to improve the work-life balance, the group has implemented a **flexible remuneration plan**, consisting of different products and services, including tax-exempt childcare vouchers to cover nursery costs for children up to 3 years of age.

In Spain, in addition to promoting flexible remuneration, the group also pays special attention to providing employees with relevant information on balancing their work and private lives, informing them of their rights, including the possibility of flexible working hours.

## The right to disconnect

Recently incorporated into Spain's legal system, the right to disconnect guarantees respect for employees' rest time and ensures the working day is not exceeded when employees use the electronic resources made available by the company.

As an eminently industrial corporation, most of Roca Group's work is carried out at production plants where employees do not have access to professional digital devices during or outside working hours.

Although, at the end of 2022, no specific digital disconnection policy had been drawn up, with the exception of the management team, the rest of the employees are governed by a clock-in/out system at the beginning and end of the workday and are not provided with professional digital devices they can use outside their working hours.



## Remuneration

Roca Group's remuneration policy is in line with both the group's corporate culture and values and also with the specific frameworks of each of the markets and environments in which it operates. The organisational system implemented in the company directly involves the HR, Production, and Methods and Processes departments in the progressive application of high labour quality standards and common professional remuneration.

The criteria applied to establish salaries in Roca Group strives to be coherent with the degree of complexity and responsibility assumed by the people in question, is in accordance with the effort and performance of the employee and aimed at encouraging the best results to be achieved. It's therefore based on objective and measurable criteria of merit.

Remuneration is established according to the category of the position. The remuneration level of employees covered by collective bargaining agreements or collective regulations is established according to the professional group to which they belong, this situation affecting operators, middle management and administrative technicians. For those professional groups not included in such agreements and regulations, remuneration is defined individually according to their level of responsibility, professional background and experience as part of the company's management team.

The diversity of environments in which Roca Group operates, with labour markets at different levels of maturity, is key to understanding the proportion of men and women on the workforce.

At the end of 2022, 20% of the total workforce were women and 80% men.

## Social dialogue

Good labour relations and effective social dialogue are crucial for the smooth running of the company. Consequently, collective bargaining is used to improve working conditions and the efficiency of the group's companies, contributing to social harmony and the prevention and proper management of potential labour conflicts.

Collective bargaining and social dialogue form an important part of Roca Group's activities, as evidenced by the existence of a **European Works Council** made up of 13 members from different EU countries, as well as an information and communication forum made up of around 40 people from European countries.

### Trend for the average salary by age and gender for those employees covered by collective bargaining agreements or collective regulations.

	18-29		30-50		>50				
<b>2022</b>	12,571.47	11,688.19	-7.6%	13,259.34	14,451.01	8.2%	16,978.65	20,333.85	16.5%

● Women ● Men

The formula used to calculate the salary gap was as follows:

$(\text{Average remuneration of men} - \text{Average remuneration of women}) / \text{Average remuneration of men} \times 100$ .

The data in the table cover employees who've worked the entire year as of 31 December each year.

The management category is excluded.

Amounts are in euros, using the exchange rate applicable to the currency of each country in the corresponding year.

## Occupational health and safety

Roca Group is committed to continuously improving occupational health and safety conditions, implementing a programmed, systematic and periodic process of evaluation and analysis of any incidents.

Prevention is integrated within all its activities and at all levels of the hierarchy in order to ensure effective protection against occupational hazards, as well as the continuous improvement of working conditions and the work environment.

As stated in the **Occupational Risk Prevention Plan** of Roca Group's Joint Prevention Service in Spain, the group's commitment to and model of occupational health and safety is based on integrating preventive actions at all hierarchical levels of the organisational structure. Emphasis is placed on those activities with a potential impact on the health and safety of workers, mainly covering the professional categories of technicians, skilled personnel and operators but without ignoring the risks involved in administrative positions.

In the rest of the countries in which Roca Group operates, the company ensures that occupational health and safety measures are duly applied in accordance with the applicable legislation.

Roca Group also has mandatory Corporate Regulations that establish specific rules regarding the use of work clothes and Personal Protective Equipment (PPE).

With regard to occupational illnesses, a total of 147, cases have been recognised worldwide at Roca Group, mainly of musculoskeletal origin, affecting 85 men and 62 women.

In the following chart are the occupational accident rate indicators regarding the frequency and severity of occupational accidents, broken down by gender, for 2022.

	Accidents	FI*	SI**
Men	741	24.96	0.49
Women	93	12.32	0.31
<b>Total</b>	<b>834</b>	<b>22.40</b>	<b>0,45</b>

\* Frequency index (FI): number of accidents / number of working hours x 10<sup>6</sup>. \*\* Severity index (SI): Days lost \*1000 / number of working hours.

## Organisation of work time

As Roca Group is predominantly an industrial company, the work is managed by means of a continuous production model. For production, the group has several factories, industries and warehouses and most of its human capital is involved in manufacturing its products.

Consequently, the vast majority of the workforce is employed in the production area on a rotating shift basis (early, late and night shifts) or on fixed shifts, due to the fact that several production plants are in operation 365 days a year.

The percentage absenteeism in 2022, without taking holiday periods into account, was 6,3%.

Total theoretical hours*	37,263,163
Hours absent	2,347,579
<b>% absenteeism</b>	<b>6.3%</b>

\* Estimated hours taking into account the total workforce.

## CUSTOMERS

Roca Group manufactures products that form part of the daily lives of millions of people around the world and it's committed to creating efficient, safe products that do not affect the health of consumers, this being guaranteed by means of various production control protocols and common manufacturing processes at all its plants.

The group's manufacturing sites have **ISO 9001** and **ISO 14001** quality and environmental management certificates, respectively. All products take the same criteria into account and are thoroughly tested to ensure they are not hazardous or harmful to the user's health.

Roca Group's corporate **Quality department** is responsible for maintaining this level of quality by means of three lines of action:

- Encouraging the sharing of knowledge between production units and aligning teams under the same goals
- Carrying out internal audits of the various processes and providing all group companies with technical support
- Ensuring customer and user satisfaction

The corporate Quality department uses a new communication tool, the **Product Quality Feedback Channel**, which records the observations and suggestions for improvement made by the different commercial networks and technical services around the world in order to improve efficiency in their analysis and management.

### Customer service

Roca Group's Technical Service combines telephone and online attention with local contact in the field through a network of internal and external technicians.

Customers can send their communications directly or through their distributor, in which case the latter registers the incident using the corresponding channels.

The systems used to manage the actions carried out are structured at a local level so that the various commercial networks and technical services can systematically process incidents in each geographical area. This ensures that data can be recorded and analysed for the efficient processing and satisfactory resolution of incidents at source.

During 2022, the group's technical services worldwide carried out a total of 371.885 actions through its global network. These cover a wide range of services, such as installations and demonstrations of complex products, repairs and the handling of complaints, among others.

The corporate After-Sales Service department aims to standardise service excellence levels globally. Several projects are currently being developed to standardise and improve processes by implementing global management systems that consolidate information from all the technical services based on common taxonomies.

 **55**

ISO 9001

 **49**

ISO 14001

## SUPPLIERS

Suppliers represent a key part of Roca Group's value chain and are managed via a model based on collaboration and continuous improvement. For this reason, reliable partners are selected that can provide materials, components and products that meet the group's demanding requirements, both in terms of quality, volume and price. Similarly, all group employees are required to comply with the same standards and requirements in all operations.

Currently, all suppliers of Roca Group are required to accept and subscribe to the group's **Social Code of Conduct**, in which they commit to observing the principles and fundamental rights outlined in the Universal Declaration of Human Rights and the Declaration of the International Labour Organization. This includes a strong emphasis on issues related to child labour, involuntary labour, forced labour, discrimination, abuse, health and safety, freedom of association, and collective bargaining.

Similarly, suppliers must also accept and subscribe to the group's **Environmental Code of Conduct**, which includes measures to promote energy efficiency, minimize greenhouse gas emissions, responsibly use water resources, minimize and properly handle waste, manage chemicals appropriately, and comply with prevailing environmental legislation by not using prohibited substances.

Failure to comply with the standards and requirements defined in these codes may result in corrective actions, suspension, or termination of the supplier's contractual relationships with Roca Group. Furthermore, non-acceptance of these conditions implies the direct rejection of the supplier's application to become a supplier for the group.

Roca Group carries out regular supplier evaluations following the model established in Roca Group Procurement Rules. According to this corporate regulation, evaluations must be carried out at least once a year for strategic suppliers and once every three years for those classed as non-strategic. These evaluations include criteria such as compliance with Roca Group's ethical requirements, quality of delivery, service level and achievement of the main satisfaction indicators.

In 2022, 44 quality audits were carried out on product and component suppliers. The following table shows the results of these evaluations.

Rating	Total suppliers	% suppliers
A ( $100 \geq S > 95$ )	2	5%
B ( $95 \geq S > 80$ )	16	36%
C ( $80 \geq S > 70$ )	12	27%
D ( $70 \geq S \geq 50$ )	14	32%
E ( $S < 50$ )	0	0%

Data corresponding to the audits supervised by the corporate Quality department, which evaluates the group's major suppliers, mainly located in EMEA and APAC. At a local level, audits are also carried out on suppliers with less impact on operations in all regions.

As a result of the audit, a joint action plan is developed together with the supplier to help them improve their rating and verify their compliance in subsequent evaluations. For those suppliers that obtain a D grade, a new audit is planned within 6 months to check whether the action plan has been complied with thoroughly or it is analysed whether the supplier should be withdrawn. Suppliers with an E rating are proposed for withdrawal.

## SOCIETY

Roca Group has grown responsibly for more than 100 years, creating a positive impact in all those countries where it is present. Its commitment to society can be seen not only in its design, manufacture and marketing of solutions to improve people's lives but also in its relationship with each of its stakeholders.

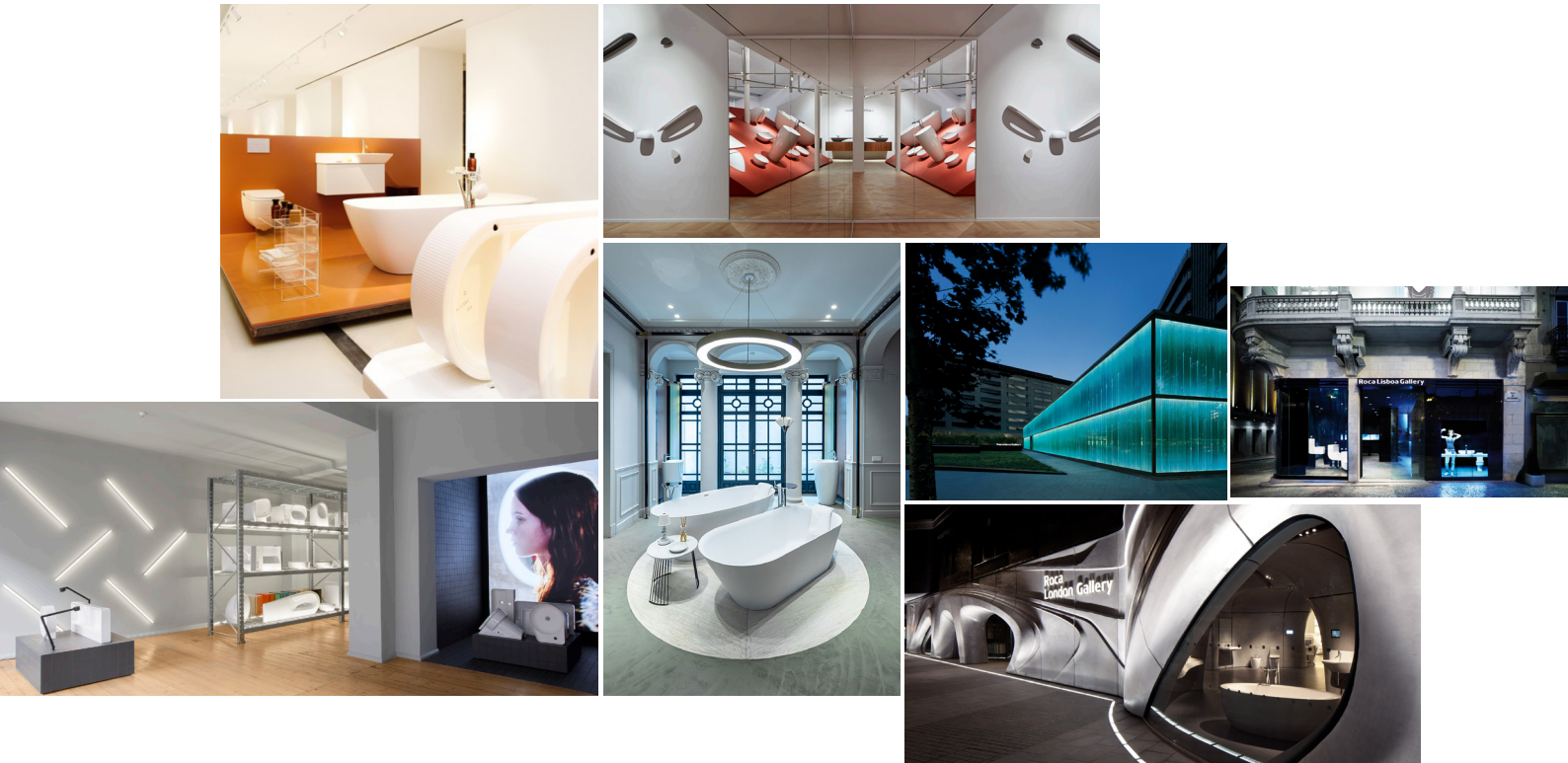
Throughout its history, the company has promoted various projects aimed at sharing knowledge, spreading culture, fostering innovation and promoting sustainability among all its stakeholders: from professionals in the world of architecture and design to society at large.

Moreover, to improve the quality of life of the most disadvantaged communities, Roca Group continues to promote international cooperation initiatives through the We Are Water Foundation, helping to resolve problems arising from the lack of water and sanitation in the world.

## Roca Galleries and LAUFEN Spaces

Roca Galleries and LAUFEN Spaces are iconic buildings and places where visitors can experience the global brands of the group. In addition to providing an interactive showcase for the brands' products and values, these centers host cultural activities, exhibitions, workshops, and discussions related to topics such as design, architecture, innovation, and sustainability.

With six Roca Gallery locations in **Barcelona, Madrid, London, Lisbon, Shanghai, and Beijing**, as well as LAUFEN Spaces in **Berlin, Vienna, Milan, Prague, Madrid, and Miami**, along with the LAUFEN Forum near Basel, the group has 13 sites open to its stakeholders in major cultural and economic capitals.



### Donations and sponsorships

Another example of Roca Group's commitment to society is its contribution to projects and initiatives that promote development and contribute to social progress through financial aid and donations of products and medical supplies.

Furthermore, the group sponsors various competitions and events related to the fields of architecture and hospitality, such as the **International Property Awards**, the **AHEAD Awards for Hospitality Experience and Design**, the **IDEA Interior Design Excellence Awards**, the **CID Commercial Interior Design Awards**, and the **Roca Awards for Hotel Initiative**.

The company also sponsors events related to the design and creativity sector, such as the **Madrid Design Festival**, the **Barcelona Design Week**, and the **MUTEK Digital Creativity Festival**.

Roca Group also organises initiatives that contribute to the development of talent, such as the international series of contests for young designers **One Day Design Challenge**.

In addition, the group also supports initiatives aimed at promoting sustainability and fundamental rights, such as the **International UIA 2022 Forum "Affordable Housing Activation: Removing Barriers"** to raise awareness about the right to affordable and adequate housing.

In 2022, Roca Group made donations amounting to **€2,148,000**, including aid given to the We Are Water Foundation.



# €2,148,000

DONATIONS

## We are Water Foundation

Set up in 2010 on the initiative of Roca Group, this non-profit organisation promotes actions to alleviate the effects of the lack of water resources and to improve access to hygiene and basic sanitation, as well as programmes to raise awareness regarding the efficient use of water resources in the world.

To **improve the quality of life** of the most disadvantaged communities, Roca Group continues to promote **international cooperation initiatives** through the We Are Water Foundation.

During this time, the We Are Water Foundation has helped over 3.6 million people in 33 countries through 83 projects aimed at alleviating problems related to the lack of drinking water, access to basic sanitation, food security and awareness of efficient water use.



**83**

PROJECTS



**33**

COUNTRIES



**3,664,500**

PEOPLE



2022 has been a year in which water has gained international prominence, and the Foundation has continued to establish itself as a leading entity in the most significant debates.

On World Water Day and within the framework of Expo Dubai 2020, the Foundation participated in the **World Majlis | The Price of Water**, contributing ideas on how to address the dichotomy between the value and price of water to confront a future with significant water risks. At **COP 27 in Sharm El Sheikh**, the Foundation engaged in discussions on decarbonization and its relationship with water and economic activity.

In February, the **Smart Water, Smart (collective) Creativity** cycle concluded, promoting the exploration of creative strategies and mobilization channels through water in sectors and activities defining sustainable architecture, urban planning, tourism, and industrial development.

We Are Water has also continued to expand the **Aquanauts** initiative, aiming to educate and raise awareness among students about water-related issues through educational workshops, talks, and meetings.

The Foundation also participated in the **Global 6K For Water**, a popular race simultaneously held in over 20 countries, to raise awareness about the lack of access to water worldwide.





## Projects 2022



### With Ukrainian refugees

In the face of the tragedy of the war in Ukraine, international aid has been mobilized, but the vital needs of the refugees continue to multiply as they accumulate in reception camps. In partnership with UNICEF and World Vision, the Foundation immediately initiated two projects to assist the victims who remain within the country and those who flee to Romania and Moldova. These projects will continue as long as necessary until the conflict is resolved.



### Supporting the rural world

Aquifers are an essential resource in the face of the water crisis, particularly in rural areas. In addition to monitoring the four reservoirs built in collaboration with the Vicente Ferrer Foundation in India, this year a project was completed that provided access to water for Honduran farmers in the El Paraiso department. In Madagascar, in collaboration with UNICEF, efforts have continued to improve the availability of sustainable drinking water facilities in several of the poorest communities.



### Water, sanitation, and hygiene in schools

Projects in schools continue to be a cornerstone of the Foundation's work. The construction of a well in a school in the poorest areas of Zimbabwe has demonstrated that the benefits extend to the entire community. In three schools in Indonesia, school absenteeism has been reduced through the provision of gender-separated bathrooms and hygiene facilities facilitated by We Are Water.



### For women, with women

Women continue to be the most affected by the lack of access to water and sanitation, despite being the main force in their communities in the fight against poverty and climate change. The Foundation has initiated a project in Malawi that addresses menstrual hygiene and education as a crucial element in water and sanitation access plans. Beyond clean water and safe latrines, access to menstrual hygiene supplies is provided, and cultural changes are fostered within communities.

Since the outbreak of the conflict in Ukraine, We Are Water has mobilized all its resources to provide water supply and sanitation infrastructure to the affected and displaced individuals. Roca Group complemented the donations from its employees to the Foundation's projects with an additional one million euros.



**€1,000,000**

DONATIONS FOR UKRAINE





# Planet

Roca Group's commitment to sustainable development, coupled with the evident pressure on the planet's natural resources and the challenge posed by climate change, mean that the company continues working, on a daily basis, to improve the impact of its operations on the environment.

Similarly, the group continues to innovate in developing sustainable technologies and products that are built to last, applying a circular approach and enabling water and energy savings in millions of bathrooms around the world.

## **QUALITY AND ENVIRONMENTAL POLICY**

The group's Quality and Environmental Policy establishes the principles and guidelines related to the management of excellence, quality and the integration of these principles into internal operations.

This public document, available via the following [link](#), refers to the protocols that must be respected by all the organisation's production units, as well as the Environmental Product Declaration, the promotion of awareness projects and the quest for efficiency in all resources.

In addition, Article 2 of Roca Group's Code of Ethics establishes.

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### **SECTION 2**

#### **Respect for the environment**

Above and beyond compliance with the respective state laws, we assume the responsibility to continuously improve the environmental compatibility of our products and reduce the demand for natural resources, taking into account an economic standpoint.

Therefore, all the group's employees shall comply with the applicable laws, regulations and internal codes of the company in environmental matters, using natural resources in an appropriate and economic manner.

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In order to implement these principles both in production processes and in the development of products and services, Roca Group is committed to progressively incorporating certified quality and environmental management systems at all its production units.

By the end of 2022, 72 % of the group's plants had ISO 9001 quality management certification and 64 % had ISO 14001 environmental management certification.



Roca Group is committed to progressively incorporating **certified quality** and **environmental management systems** at all its production units.

Apart from complying with the legal requirements applicable in the different geographical areas in which the group's activities are carried out, commitment to this policy also entails monitoring the key indicators for environmental performance, natural resources and energy efficiency. All this is aimed at consolidating the highest standards at all plants and ensuring compliance with the guidelines of major international organisations.

At all Roca Group plants where an **Environmental Management System** is in place, the necessary resources are allocated in order to preserve biodiversity and prevent any environmental impacts that may arise in the surrounding area. The resources allocated to ensure adequate environmental management are detailed in the annual accounts.

With regard to noise and light pollution, regular checks are made to ensure the group's facilities comply with local regulations. In addition, low-noise equipment is used, housed in insulated units.

All Roca Group production plants are equipped with filtration systems that retain polluting particles before they are emitted into the atmosphere.

The **Environmental Product Declaration**, a study aimed at preparing a Life Cycle Analysis for the product in question, has been carried out in the group's core businesses. These Declarations can be found at the following links.

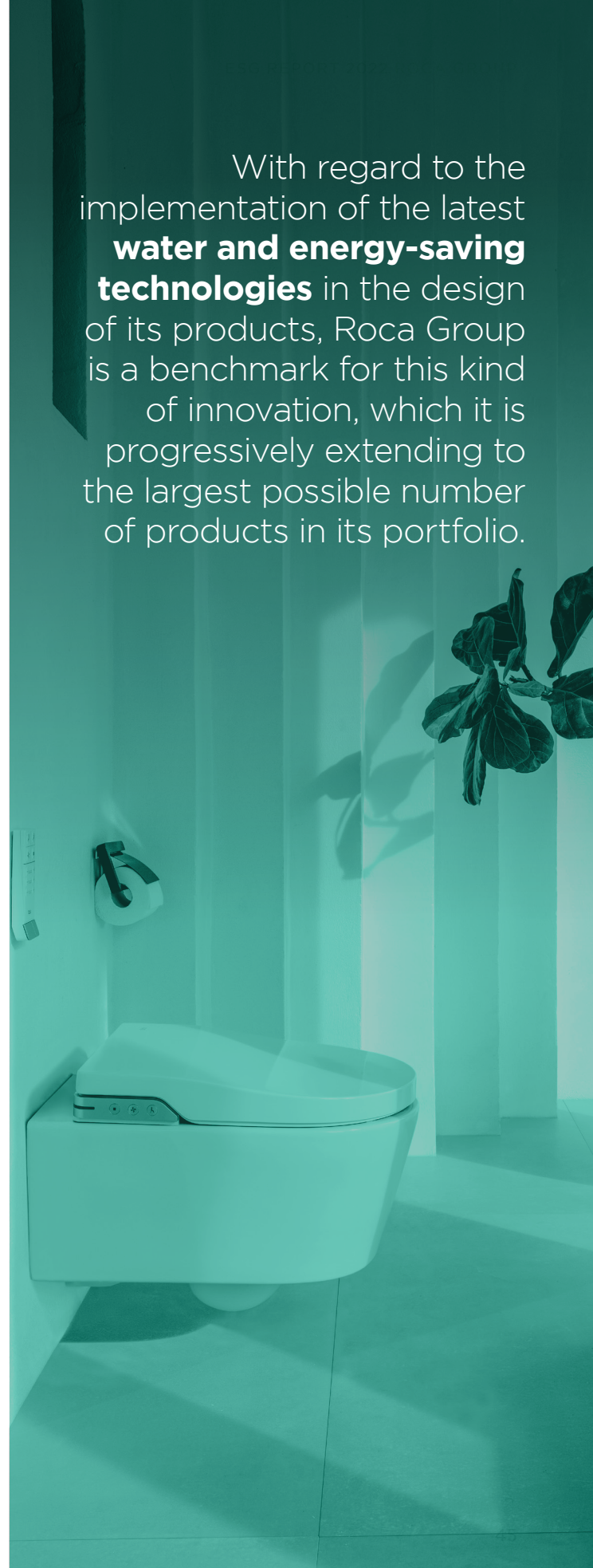
Ceramics  
Roca Sanitario SA  
Laufen Bathrooms AG

Faucets  
Roca Sanitario SA

Enamelled steel  
BLB Indústrias Metalúrgicas SA

The group has the necessary data, processes, and tools to create Environmental Product Declarations at the SKU level upon request.

With regard to the implementation of the latest **water and energy-saving technologies** in the design of its products, Roca Group is a benchmark for this kind of innovation, which it is progressively extending to the largest possible number of products in its portfolio.



## ENERGY

The corporate Sustainability department is promoting the development of a plan with the target of becoming carbon neutral in terms of direct emissions by 2045, a commitment in line with the UN's **Science Based Targets initiative (SBTi)**.

To achieve this goal, the group will focus its efforts on seven initiatives:

- 1.** Formalizing a robust governance system for the project in each of the group's 76 factories, aiming to coordinate the development of the local plan, monitor the level of goal compliance, and identify new improvement opportunities.
- 2.** Implementing the necessary digital equipment to measure energy consumption at its industrial facilities.
- 3.** Optimising energy consumption in production processes.
- 4.** Maximising the use of clean energy sources via self-production using photovoltaic systems, the purchase of green electricity and the use of the most sustainable alternatives in its thermal processes.
- 5.** Offsetting essential emissions via guarantees of origin or other offsetting instruments.
- 6.** Using sustainable vehicle fleets and offsetting emissions from business travel.
- 7.** Engaging suppliers to minimise scope 3 emissions.

The group's 76 factories have collaborated in developing this plan, as well as a multi-disciplinary team that, together with the Schneider Electric consulting firm, have defined the strategy and main actions required to achieve these targets, taking into account the expected growth of the business.



# 2045

CARBON NEUTRALITY AMBITION

Roca Group continuously monitors the **energy efficiency** of its plants that consume fossil fuels. Such monitoring allows the company to evaluate and implement **improvement measures on a continuous basis.**

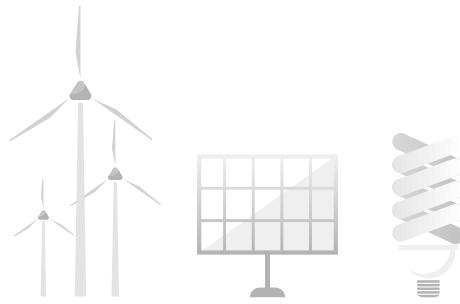
During 2022, the group installed 9,849 photovoltaic panels in its infrastructures, enabling the generation of 5,000 MWh of renewable electrical energy per year. In 2022, the group doubled its capacity for self-generation of energy through photovoltaic panels, reaching over 21,800 panels and 7 MWp operational in its factories. Currently, the group has facilities that are powered by 100% certified renewable electricity.

Other actions to reduce energy consumption and greenhouse gas emissions include: the replacement of lighting fixtures with LED technology, preventive maintenance plans to eliminate leaks in the compressed air distribution network, the installation of more efficient motors and these motors being run and controlled by means of sensors.

The efforts of Roca Group have resulted in a 39% reduction in its Scope 1 and 2 emissions compared to those generated in 2018.

This reduction is a result of various factors, including the aforementioned actions and the improvement in the energy intensity of the group's production processes, which has decreased by 47% in the same period.

These data demonstrate Roca Group's commitment to improving efficiency, seeking a more sustainable energy mix, and reducing the impact of its operations on the environment.



**The group's energy consumption and emissions in 2022 are detailed below.**

Natural Gas	1,407,326 MWh	256,893 t CO <sub>2</sub>
Propane	125,336 MWh	26,836 t CO <sub>2</sub>
LPG	24,700 MWh	5,298 t CO <sub>2</sub>
Gasoil	2,600 MWh	668 t CO <sub>2</sub>
Diesel	2,414 MWh	611 t CO <sub>2</sub>
Carbon	1,645 MWh	534 t CO <sub>2</sub>
Gasoline	68 MWh	16 t CO <sub>2</sub>
Butane	30 MWh	7 t CO <sub>2</sub>
Refrigerant gases	-	756 t CO <sub>2</sub>
Commercial fleet	-	8,211 t CO <sub>2</sub>
<b>Subtotal scope 1</b>	<b>1,564,117 MWh</b>	<b>299,830 t CO<sub>2</sub></b>
Electricity	260,872 MWh	104,754 t CO <sub>2</sub>
Renewables	92,636 MWh	-
<b>Subtotal scope 2</b>	<b>353,508 MWh</b>	<b>104,754 t CO<sub>2</sub></b>
<b>Total</b>	<b>1,917,625 MWh</b>	<b>404,583 t CO<sub>2</sub></b>

Emission factors used to calculate scope 1 are from UK Government GHG Conversion Factors for Company Reporting. Country-specific emission factors from the International Energy Agency (IEA 2022) have been used to calculate scope 2 emissions.

CO<sub>2</sub> ↓ **39%** ⚡ ↓ **47%**

EMISIONES CO<sub>2</sub>\*

ENERGY INTENSITY\*

\* Compared to 2018. Due to the variety of product types and production processes within the group, the energy intensity of its operations is calculated by dividing the total energy consumption by the net sales amount.

**WATER**

As with energy, the corporate Sustainability department is promoting a plan to minimise water consumption and optimise its circular use in conjunction with Veolia Water Technologies. Pilots are being carried out at the ceramics factories of Settat (Morocco) and Burgos (Spain), as well as at the faucets factories of Eskisehir (Turkey) and Cantanhede (Portugal). These plants are representative of Roca Group's core businesses and are also located in areas with limited water resources.

The group's total water consumption in 2022 was 2,203,312 m<sup>3</sup>, down by 28% from the previous year and 47% lower than in 2018.

The efforts of Roca Group to reduce water use intensity in its operations have resulted in a 30% decrease compared to the previous year, with an accumulated reduction of 55% compared to 2018.

Roca Group has eleven production sites in Morocco, India and China located in areas classified as having a high risk of water stress. Of these, four only consume water on a par with domestic water consumption, with no intervention in the production process. All the sites located in these areas are ISO 14001 certified, which accredits that consumption is monitored, targets are set to reduce any environmental impact and resources and investments are made to mitigate this.



**↓ 47 %**

WATER CONSUMPTION\*



**↓ 55 %**

WATER USE INTENSITY\*

\* Compared to 2018. Due to the variety of product types and production processes within the group, the water use intensity of its operations is calculated by dividing the total fresh water consumption by the net sales amount.





Roca Group also has **water treatment systems** that ensure any water discharged is in line with the quality standards and regulations of the different countries in which it operates, avoiding any impact on **biodiversity** and the environment.

## RAW MATERIALS

The group's production processes are made up of multiple stages and various types of materials that are tackled from a sustainable perspective. Roca Group has implemented procedures to control its efficiency, monitoring raw material consumption on a monthly basis.

The materials mainly used by the group include geological materials (ceramic raw materials used to produce vitreous china), metals (to produce faucets and accessories), wood (to produce furniture and packaging) and cardboard, paper and plastic (used in packaging and accessories).



The mark of responsible forestry

Regarding the use of wood, it should be noted that, the group managed to obtain the FSC® chain of custody certificate. This certification guarantees that the wood used in the manufacture of Roca Group bathroom furniture originally comes from sustainably and responsibly managed forests.

In relation to single-use plastic consumption, the group is undertaking various corporate projects to minimize the use of shrink foil and eliminate plastic components inside packaging, such as polyethylene bags and polystyrene protectors. All these measures are incorporated within the production processes by means of established procedures that ensure their correct implementation.

### Consumption of the main materials used by the group in 2022.



**521,202 t**

GEOLOGICAL MATERIALS



**19,436 t**

METALS



**33,522 t**

CARDBOARD & PAPER



**29,568 t**

WOOD



**2,717 t**

PLASTIC

**606,445 t**

TOTAL

Whenever possible, the group sources raw materials from recycled sources, such as steel (20%), brass (30%), cardboard (65%), or particle board (74%). In the case of plastic, Roca Group's film supplier in Spain and Portugal reintroduces the group's own plastic waste from factories to provide recycled film in a fully circular process. Following the positive results of this pilot practice, the extension of this process to production units worldwide is being evaluated.

## WASTE

In line with its commitment to the sustainable use of resources, Roca Group makes a particular effort to optimise its production processes in order to minimise the amount of waste produced and promote its reuse, either by its own plants or by collaborating companies.

Much of the waste from ceramics manufacture is recovered and reused in the production process itself as raw materials or in the production of other materials by third parties in related sectors, such as cement companies.

Roca Group also operates in line with various Integrated Management Systems by means of programmes that ensure the correct processing, among other aspects, of packaging and the electrical or electronic components of products at the end of their useful life.

The total amount of waste generated in 2022 amounts to 170,652 tonnes down by 20% from the previous year and 46.5% lower than in 2018.

The efforts of Roca Group to reduce the waste generation intensity in its operations have resulted in a 22% decrease compared to the previous year, with a cumulative reduction of 54.6% since 2018.

The percentage of waste reintroduced into the production processes in 2022 was 74%, which is 4% higher than the previous year.

Only 0.8% of the total waste volume generated by the group falls into the hazardous waste categorization, and its total volume has decreased by 8% compared to the previous year.

All waste that cannot be recycled is disposed of in accordance with European or country-specific regulations. It is properly separated by type at the plants and managed by authorized waste treatment companies.

The annual volume of waste generated by the group has been reduced by 20%. Out of these waste materials, **74%** have been **recycled or reused** in production processes.

 ↓ **46,5 %**  ↓ **54,6 %**

WASTE\*

WASTE GENERATION INTENSITY\*

\* Compared to 2018. Due to the variety of product types and production processes within the group, the waste generation intensity of its operations is calculated by dividing the total waste volume generated by the net sales amount.

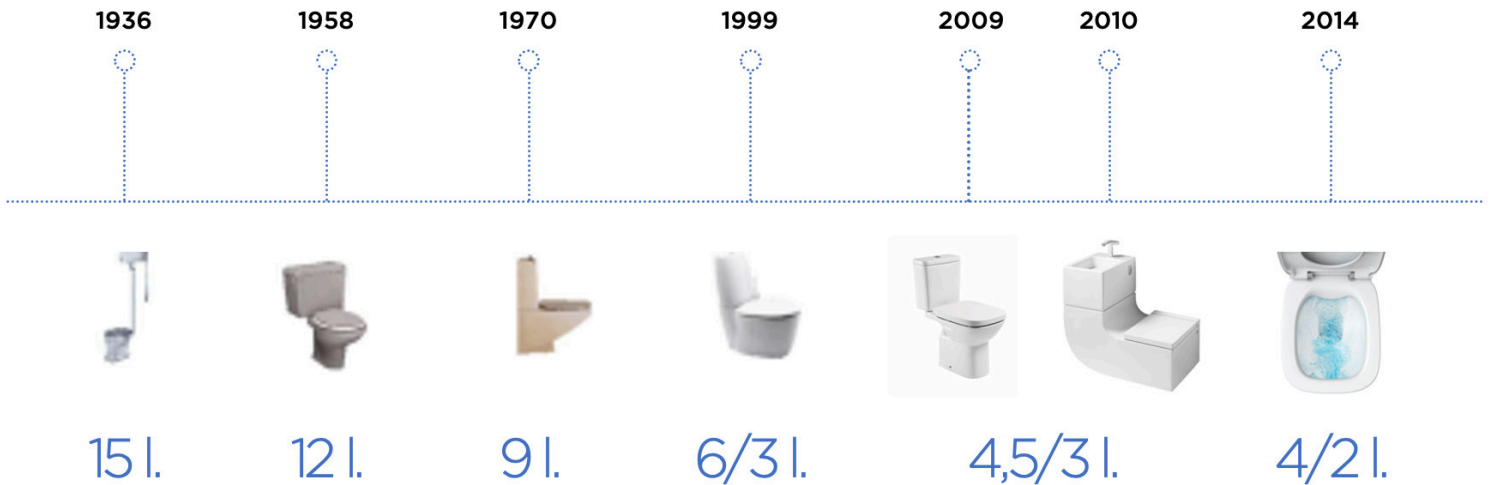
## EFFICIENT PRODUCTS

Roca Group works on developing and implementing technologies to minimise water and energy consumption in bathroom spaces. The improvement in the efficiency of existing and most commonly used products results in savings of millions of liters of water worldwide.

A good example of this is the toilet flushing mechanisms, whose water consumption has been reduced from 15 liters to the current dual flush of 4.5/3 or 4/2 liters. Similarly, washbasin faucets incorporate aerators, with most products consuming around 5 liters per minute, which is less than half the consumption of other solutions currently available in the market.

Roca Group products adhere to all the principles of ecodesign and are recognized for their durability, longevity, and reparability. The availability of spare parts is guaranteed, extending their lifecycle and avoiding unnecessary replacements. Additionally, they are designed for easy disassembly, promoting optimal recyclability at the end of their life.

In parallel, Roca Group also dedicates resources and efforts to the development of innovations that set milestones in the evolution of sustainable bathroom solutions, such as the toilets W+W by Roca or LAUFEN save!





### W+W

Internationally renowned, this design integrates a washbasin and toilet in a single piece that reuses water from the washbasin to flush the cistern.



### Cold start

The front-opening system for cold water, which is increasingly being incorporated in faucets produced by the group, avoids the unnecessary activation of boilers, thereby reducing CO<sub>2</sub> emissions.



### LAUFEN save!

A pioneering toilet that passively separates urine from solids, allowing for the recovery and recycling of valuable nutrients, making wastewater management more sustainable.



### Aerators

The aerators integrated into the faucet spout mix water with air to reduce the flow without compromising functionality or comfort.



### Roca Connect / LAUFEN Smart

Connectivity solutions that allow for monitoring water consumption in bathroom spaces, optimizing maintenance, and detecting leaks or malfunctions that can cause unnecessary waste and larger damages.



### Unified Water Label

The water and energy consumption of many products from the group is certified and labeled according to the Unified Water Label for easy identification of their efficiency levels.



### Touchless solutions

Sensor-activated products prevent unnecessary consumption when the product is not in use and eliminate the need for direct hand contact.



### Declare

The main product categories of the group are certified with the Declare label, providing comprehensive and transparent information about their composition, recyclability, and absence of toxic substances.



### Waterless urinals

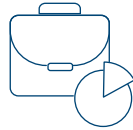
A new concept in urinals that require no flushing after use. A cartridge is used to prevent unpleasant odours with a lifespan of 6,000 cycles.



### Recyclable packaging

The group's packaging is designed for optimal recyclability, eliminating staples, adhesives, single-use plastics, and using single-color printing on unbleached Kraft materials.





# Prosperity

Participating in society and in people's lives implies a long-term commitment to the generation of wealth. Since it first started as a family business, Roca Group has sought to ensure that the creation of jobs and profits has a direct impact not only on employee remuneration and improvements in the organisation's processes but also on society at large. This entails scrupulous respect for tax obligations in all the markets in which the group operates: a total of 38 jurisdictions.

## PROSPERITY

Given this context of global international business, Roca Group is subject to different tax regulations and obligations managed by various tax administrations and authorities in each region where the group is present.

Operating in such an environment requires the responsible management of tax matters to guarantee the sustainability of the business in the short, medium and long term. Roca Group therefore ensures strict compliance with its applicable tax requirements and obligations, in a manner that is completely in line with its business strategy and its values and ethical principles.

The aim of Roca Group's tax function is to contribute to its business by complying with current legislation, based on the principles of integrity, honesty and respect for its stakeholders, which also include public authorities, consumers and local communities. The group firmly believes that paying tax is yet another way to give back something to the communities where it is present.

As principles of action in tax matters, in managing its taxation Roca Group seeks to ensure compliance with the regulations, attempting to preventively minimise tax risk, as well as any conflict with the corresponding public authorities. Notwithstanding the fact that, in the pursuit of such goals, efforts should also be made to avoid inefficiency and any undue tax costs for the group.

Roca Group believes that, in the event of disagreement with public authorities and with the aim of preserving the interests of the company and its shareholders, it is justifiable to present any reasonable interpretations allowed by the legislation and to pursue, if necessary, any controversies that may arise from such legislation, its actions always being guided by the principles of trust, honesty and mutual good faith.

With regard to tax on profits, Roca Group observes and respects current regulations on transfer pricing and international taxation, with the aim of ensuring that decisions regarding the operations and presence of its companies in different locations are taken for business reasons and that their results are coherent, in each case, with the real generation of value and progress of the business, in accordance with the functions, assets and risks assumed.

### **Taxes on profits paid and public subsidies received**

The amount of tax on profits paid by Roca Group in 2022 totalled 66,308 thousand euros. This corresponds to the amount stated in the consolidated cash flow statement in the consolidated financial statements.

With regard to the public subsidies received, the amount recorded in the consolidated income statement for 2022 totals 3,120 thousand euros.



## Risk management

Roca Group manages existing and future risks responsibly and proactively in order to identify and manage critical issues for the company.

Risks are identified and managed continuously, taking into account the economic and business environment in which the group operates, as well as the trends and future challenges on the global horizon. Over the past few years, the analysis and detection of risks in areas such as health and safety, environment and legal compliance have been systematically extended.

Roca Group has implemented information systems and internal procedures that make it possible to identify potential financial risks. In this respect, there are specific policies and standards for global financial risk management, as well as for specific aspects such as managing foreign exchange risk, interest rate risk, credit risk and liquidity risk.



An aerial photograph showing a dense, lush green tropical forest bordering a deep blue body of water. The forest is composed of various types of trees, creating a textured canopy. The water is calm and reflects the sky. The overall scene is serene and natural.

# ROCA GROUP

June 2022