

# ESG REPORT

ANNUAL SUMMARY

# 2021



ROCA GROUP

This document constitutes the Non-Financial Information Statement (the "NFI") of the company Roca Corporación Empresarial, S.A. and its consolidated group of companies (hereinafter "Roca" and/or "Roca Group").

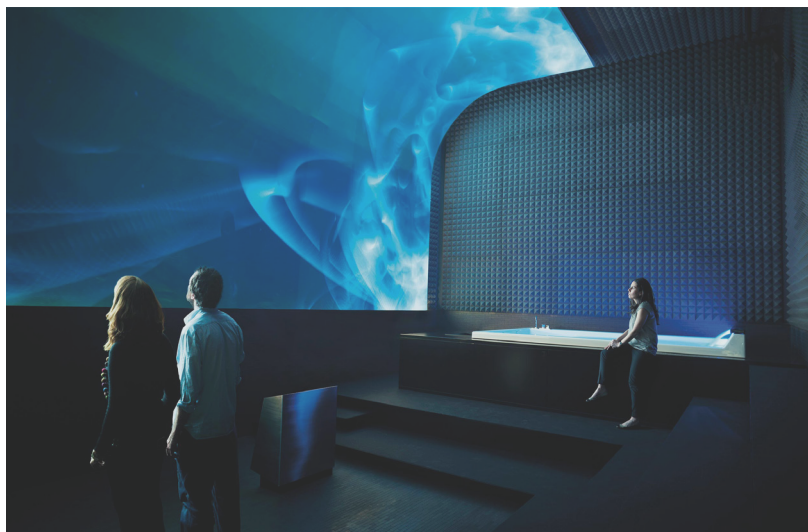
The NFI has been prepared to comply with the provisions of Articles 44.1 and 49.5 (among others) of the Commercial Code in the wording given by Law 11/2018 of 28 December 2018, and with related provisions of the revised text of the Capital Companies Act approved by Royal Legislative Decree 1/2010, of 2 July, and Law 22/2015, of 20 July, on Account Auditing, in matters of non-financial information and diversity. The information contained in the NFI, although presented in a separate document, forms part of Roca Group's Consolidated Management Report.

In preparing the NFI, the European Commission's Guidelines on non-financial reporting have been followed (2017/C 215/01) resulting from Directive 2014/95/EU, as well as the provisions of the Global Reporting Initiative Standards (GRI Standards).

In this context, by means of the NFI, Roca aims to report on any environmental, social and personnel and human rights issues, as well as those related to the fight against corruption and bribery and in relation to society, that are relevant to the company in carrying out its business activities. To this end, and on an annual basis, Roca performs a materiality assessment taking into account the opinion of its main stakeholders, as shown in Annex I, "Index of the contents required by Law 11/2018, of 28 December".

For each matter proposed by Law 11/2018, this NFI indicates the degree of materiality for the company, the associated policies, related risks and benchmark indicators used to monitor and assess these risks.

Similarly, as indicated by Law 11/2018 on non-financial information and diversity, this NFI is submitted for verification by an independent assurance service provider.



## 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. (p. 4)



## 02 VALUES AND 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. (p. 11)



## 03 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. (p. 16)

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## 03 COMMITMENT TO SUSTAINABLE DEVELOPMENT

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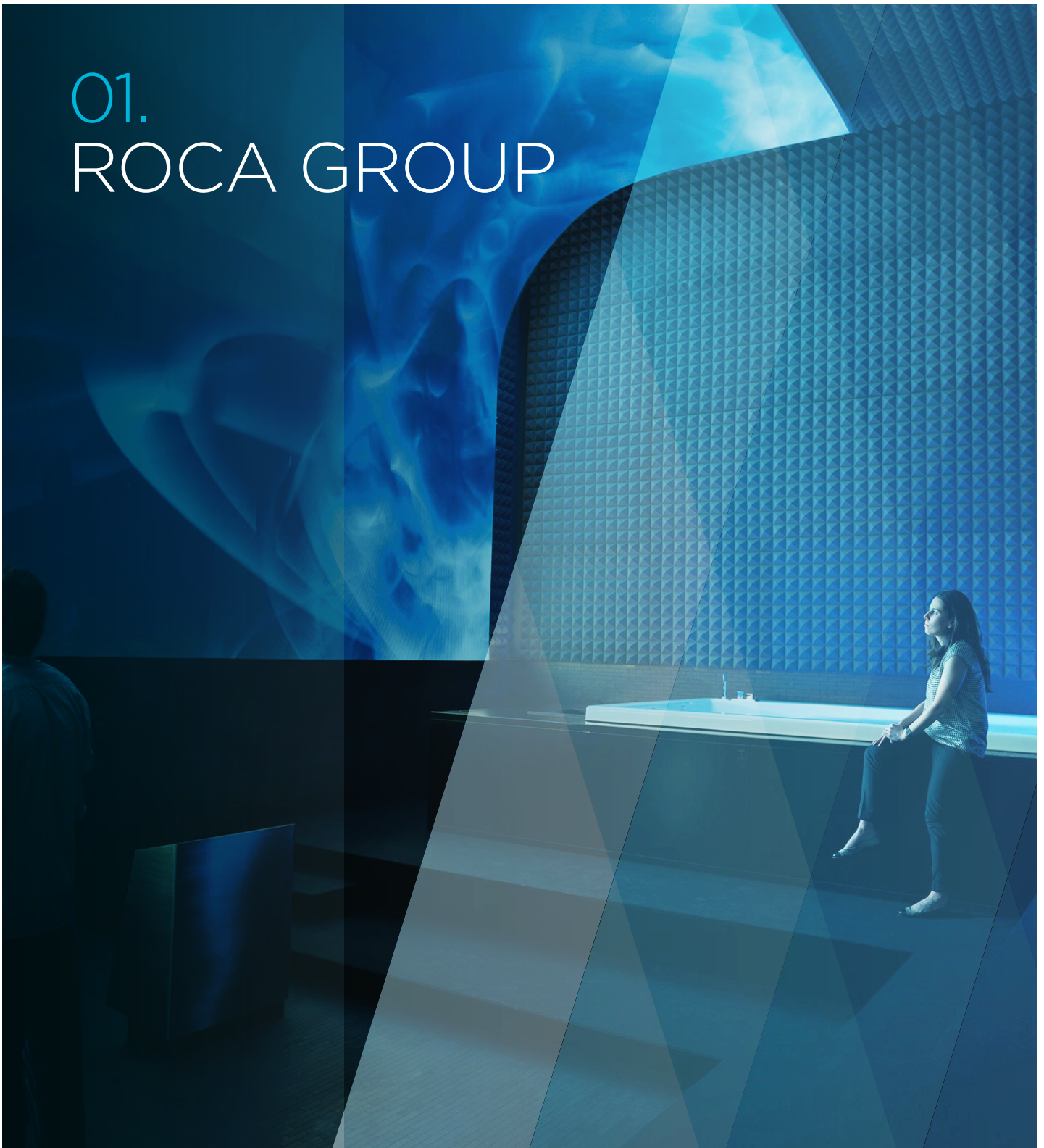
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# 01. ROCA GROUP

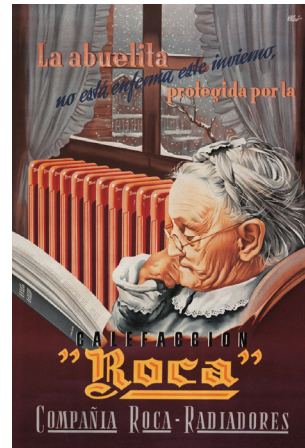


# BUSINESS STRATEGY

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 84 production plants and more than 24,000 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.

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.



 +100

YEARS OF HISTORY

 84

PRODUCTION PLANTS

 +170

COUNTRIES

 +24,000

WORKERS

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.

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**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.

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**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.

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**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.

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**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.

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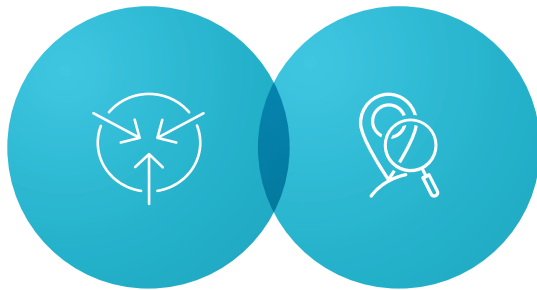
**PEOPLE**

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.

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# ORGANISATIONAL STRUCTURE AND 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.



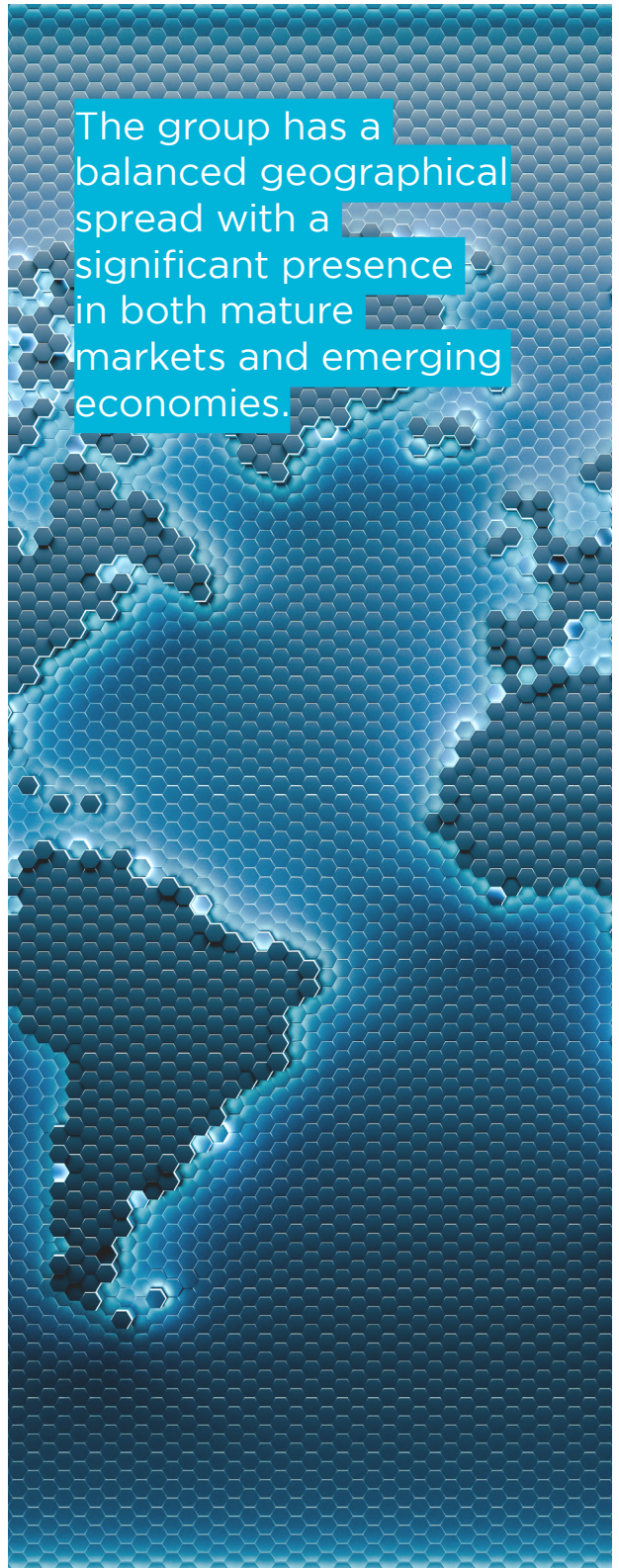
## Corporate Management

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.

The group has a balanced geographical spread with a significant presence in both mature markets and emerging economies.



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.



North  
America, Central  
America and  
South America

Western Europe,  
Africa and the  
Middle East

Northern,  
Central and  
Eastern  
Europe

Asia  
Pacific

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

This model of organisational management is also applied to the industrial process by means of a proximity-oriented production system 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.



# 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.

**Roca** LAUFEN

## 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.

**zoom** JIKA Sanitana **gala** GRAVENA **logasa** Celite **Incepa**  
**capea**  CERAMOSA **INKER**  **ECONAX** **FAYANS**  
*Parryware* **santek**  *Giessdorf*  *JohnsonSuisse Bathroom Solutions* 

## 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.

**AQUART** **AKBATOH** **COSMIC** **POMDOR** **METALFLU**  
**POOLSPA** **Royo** **ELITA**  **NSK**

## 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.

Roca Group manages existing and future risks responsibly and proactively.





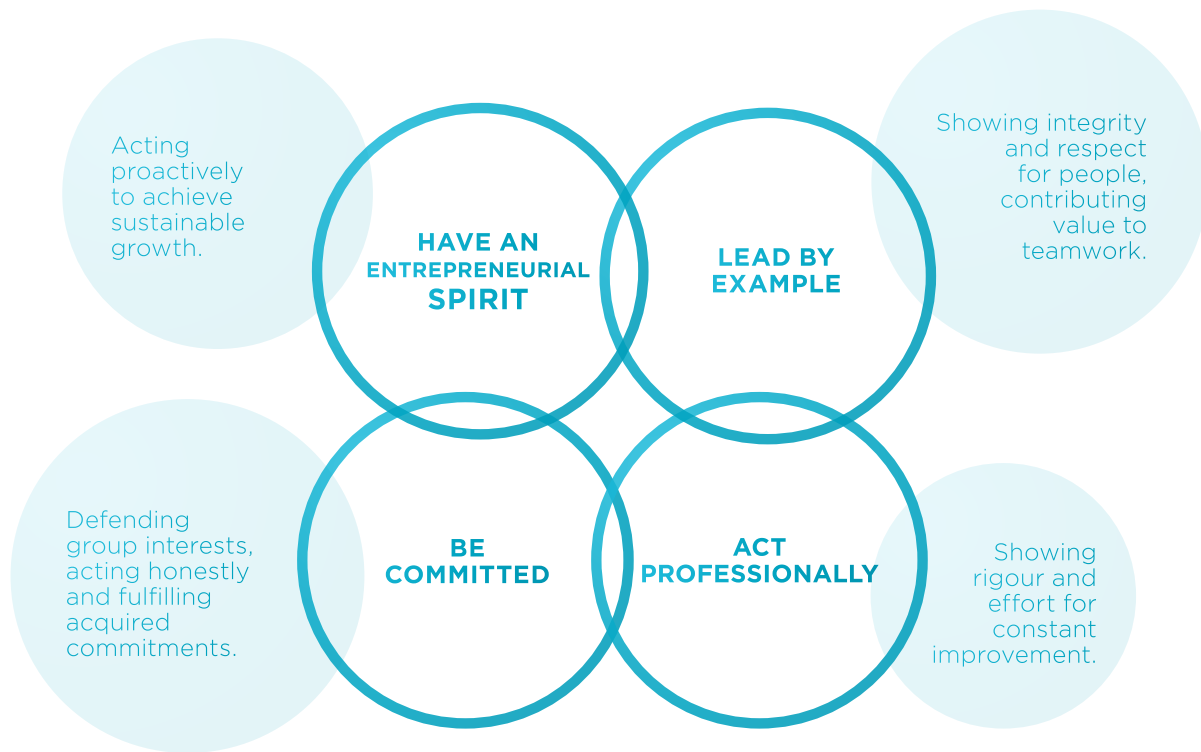
02.  
VALUES  
AND CODE  
OF ETHICS

# VALUES

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:**

These values are realised within a model of growth that generates shared value in those places where Roca Group is present.



# 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:

- Equality, non-discrimination and respect for the individual (including Human Rights)
- Respect for the environment
- Treatment of confidential information
- Use and safeguarding of group assets
- Health and safety at work
- Discharge of other professional services
- Right to privacy
- Relations with suppliers and customers
- Gratuities and gifts
- Conflicts of interest (with suppliers and customers)
- Conflicts of interest (within the group)
- 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 2021 involved a violation of Human Rights.

With regard to the prevention of corruption and conflicts of interest, the Code of Business Ethics contains the following Articles 9 and 10:

#### 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.

#### 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.

# 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.

## 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.



# 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).

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 2021 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.



The specific goals of these projects are contained within the eight lines of work established for the group's initiatives, related to its key material topics.

- |  |  |
|--|--|
| <p><b>1</b> DECARBONISATION</p>                               | <ul style="list-style-type: none"> <li>• Reduce and optimise energy consumption and CO<sub>2</sub> emissions</li> <li>• Improve the energy consumption mix by increasing sources of renewable energy and offsetting essential emissions</li> </ul> |
| <p><b>2</b> SUSTAINABLE MATERIALS AND CIRCULARITY</p>         | <ul style="list-style-type: none"> <li>• Reduce and optimise water consumption</li> <li>• Minimise waste generation and optimise its treatment</li> <li>• Eliminate single-use plastics in packaging</li> </ul>                                    |
| <p><b>3</b> SUSTAINABLE PRODUCTS</p>                          | <ul style="list-style-type: none"> <li>• Integrate eco-design principles into product development</li> <li>• Develop solutions that promote circularity</li> </ul>   |
| <p><b>4</b> DEVELOPING PEOPLE</p>                             | <ul style="list-style-type: none"> <li>• Support employee training, qualification and development</li> <li>• Continued provision of the best health and safety conditions</li> </ul>   |
| <p><b>5</b> COMMITMENT TO SOCIETY</p>                        | <ul style="list-style-type: none"> <li>• Increase the impact of the WAW Foundation's projects and initiatives</li> <li>• Develop collaboration networks with other organisations and institutions</li> </ul>                                       |
| <p><b>6</b> SUSTAINABLE SUPPLY CHAIN</p>                    | <ul style="list-style-type: none"> <li>• Involve suppliers in the group's sustainability strategy, sharing and aligning targets</li> </ul>   |
| <p><b>7</b> SUSTAINABLE LOGISTICS</p>                       | <ul style="list-style-type: none"> <li>• Optimise the efficiency of cargo spaces in transport</li> <li>• Minimise transport by optimising routes</li> </ul>  |
| <p><b>8</b> PROMOTING AND COMMUNICATING SUSTAINABILITY</p>  | <ul style="list-style-type: none"> <li>• Inform and involve all employees in the sustainability strategy</li> <li>• Communicate on progress of the group's initiatives and improve reporting systems and parameters</li> </ul>                     |

# 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. At the end of 2021, the group's workforce consisted of 24,492 people from different backgrounds, cultures, origins and experiences, located in 38 different countries.

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

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

By the end of 2021 the net workforce had grown by 4%, mainly due to acquisitions and increased production.

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.



At the end of 2021, the group's workforce consisted of 24,492 people from different backgrounds, cultures, origins and experiences, located in 38 different countries.

### Developing talent and equal opportunities

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. The Human Resources department also leads a skills-based performance management programme for management staff.

These initiatives, implemented throughout the entire organisation, contribute to the personal and professional development of the group's more than 24,000 employees by distributing tools to improve abilities and management skills.

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.

In Roca Group's promotion and selection procedures, no employee or candidate is discriminated against on the basis of race, sex, religion, age or any other personal or social condition or circumstance.

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.

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.

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.



### Diversity and integration

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. To this end, 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.

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 2021, Roca Group employed 371 people with disabilities, representing an increase of 22% compared with the previous year.

 371

PEOPLE WITH DISABILITIES  
UNDER CONTRACT



#### 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.

### Training

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 of training addressed are based on three main aspects: technical training, according to the professional category held by the professionals; the development of personnel skills, related to Roca Group's culture and values; and other areas with significant impact on the organisation. In addition to these main aspects, multi-disciplinary areas such as occupational health and safety, languages and diversity are also included.

In 2021, due to restrictions on meetings in order to protect employee health, virtual formats were intensified and online training was reinforced via the Moodle platform.



The number of training hours received by Roca Group employees during 2021 totalled over 197,000, distributed as follows by professional category.

#### Training hours in 2021

Operators	66,014
Skilled Operators	22,470
Clerks & Technicians	59,561
Middle Management	27,256
Management	21,733
<b>Total</b>	<b>197,034</b>

 197,034  
TRAINING HOURS IN 2021

## 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 2021, 22% of the total workforce were women and 78% men.

Below is the trend for the average salary by age and gender for those employees covered by collective bargaining agreements or collective regulations during 2021.

### Trend for the average salary by age and gender for those employees covered by collective bargaining agreements or collective regulations during 2021\*

	18-29			30-50			>50		
<b>2019</b>	10,381.11	9,310.64	11.5%	11,348.26	12,300.37	-7.7%	12,627.36	17,222.75	-26.7%
<b>2020</b>	11,670.01	10,860.46	7.5%	11,703.07	11,956.26	-2.1%	12,668.23	17,020.47	-25.6%
<b>2021</b>	10,443.57	9,122.77	14.5%	10,966.50	11,533.65	-4.9%	11,925.55	17,887.77	-33.3%

● Women ● Men

\* The formula used to calculate the salary gap was as follows: (Average remuneration of women - Average remuneration of men) / Average remuneration of men x 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.



### 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 2021, 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.



### 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.

### 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 2021, without taking holiday periods into account, was 5.9%, almost one percentage point lower than the previous year.

Total theoretical hours*	42,861,000
Hours absent	2,519,999
<b>% absenteeism</b>	<b>5.9%</b>

\* Estimated hours taking into account the total workforce.



### Occupational health and safety

Occupational health and safety is a basic and fundamental principle for Roca Group. 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.

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.

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).

In the following chart are the occupational accident rate indicators regarding the frequency and severity of occupational accidents, broken down by gender, for 2021.

With regard to occupational illnesses, a total of 118 cases have been recognised worldwide at Roca Group, mainly of musculoskeletal origin, affecting 73 men and 45 women.



	Accidents	FI*	SI**
Men	625	18.7	0.410
Women	74	7.8	0.193
<b>Total</b>	<b>699</b>	<b>16.3</b>	<b>0.362</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.

## 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

In 2021, the corporate Quality department developed a new communication tool, the Product Quality Feedback Channel, which will be rolled out in the organisation throughout 2022. This tool 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 2021, the group's technical services worldwide carried out a total of 309,101 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.

In 2021, a corporate After-Sales Service department was set up with the aim of standardising 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.



PLANTS WITH ISO 9001



PLANTS WITH 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.

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 and achievement of the main satisfaction indicators.

At facilities with ISO 14001 certification, suppliers are requested to sign Roca Group’s Supplier Environmental Code of Conduct.

In 2021, 64 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≥S>95)	1	1.56%
B (95≥S>80)	17	26.56%
C (80≥S>70)	16	25.00%
D (70≥S≥50)	29	45.31%
E (S<50)	1	1.56%

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.

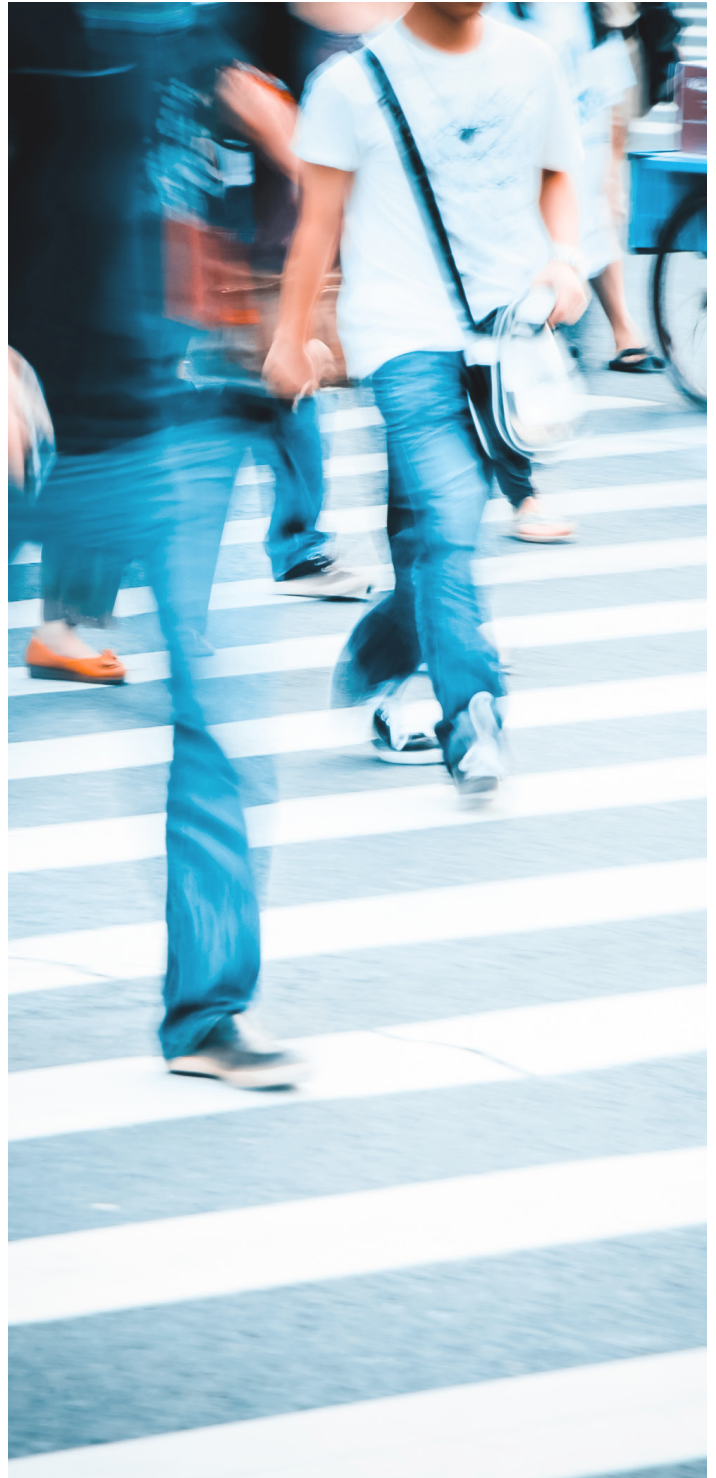


## SOCIETY

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.



### 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.

During this time, the We Are Water Foundation has helped over 2,250,000 people in 29 countries through 80 projects aimed at alleviating problems related to the lack of drinking water, access to basic sanitation, food security and awareness of efficient water use.



80  
PROJECTS



29  
COUNTRIES



2,250,000  
PEOPLE





Among the Foundation's main lines of action is the development of knowledge, helping to firmly establish its role as a benchmark in the debate on the management of water resources and sanitation systems.

The Foundation has sponsored projects to address the **gender gap** in water collection tasks (#NoWalkingForWater), seminars on **water management** in metropolises (Smart Water Architecture, technology and design at the service of water and society), producing manuals for the **construction of wells and latrines** in locations without basic sanitation networks, a film festival focusing on **water awareness** (We Art Water Film Festival), agreements to **promote sustainability** with complementary industries such as the hotel trade (Let's Make a Deal), **educational projects for schoolchildren** on the proper use of water and respect for the environment (Aquanauts, protectors of water), among many other initiatives.



Since 2020, in the wake of the global COVID-19 pandemic, the Foundation's commitment to hygiene, which is fundamental in tackling the pathogen that causes the disease, has led the organisation to further strengthen its role in creating containment walls against the coronavirus.



**Projects 2021**



**Border areas**

Aware of the social and human drama affecting the millions of migrants and refugees around the world, the vast majority of them in territories suffering from malnutrition, food insecurity, a lack of water or risks due to climate change and natural disasters, the We Are Water Foundation has provided hand-washing infrastructures and hygiene kits, as well as collaborating in COVID awareness programmes in the border areas of Mexico, Mali and Brazil.



**Rural communities**

The Foundation has always paid particular attention to communities located far from large urban centres, which tend to be more severely affected by scarce resources. In this case projects have focused on sensitive areas in Madagascar and Indonesia where latrines, water access points and hygiene kits have been provided, as well as carrying out awareness campaigns to eliminate practices such as open-air defecation and the failure to wash hands.



**Schools**

More than 900 million school-age children lack hand-washing facilities in their schools. For this reason, the Foundation has promoted the construction and renovation of sanitation systems, hygiene kits (particularly focusing on hygiene for girls) and COVID prevention campaigns in schools in Morocco and Nicaragua.



**Health centres**

In developing countries, one in six healthcare facilities doesn't have any functional toilets or hand-washing facilities. The Foundation has also provided new latrines and hygiene kits and distributed coronavirus prevention materials (masks, soap and disinfectant gel) for health centres and hospitals in India and Burkina Faso.



Helping displaced people and working on infrastructures that help bring hygiene to disadvantaged areas of the planet were the focus of the Foundation's work in 2021.

### 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.

In 2021 Roca Group made donations amounting to €1,295,597, including aid given to the We Are Water Foundation.

Moreover, the group sponsors several events in the architecture and design sector, such as the international hotel industry **Ahead Awards**, the symposium on digitalisation in the construction sector, **International BIM Summit**, and the annual design and creativity event, **Barcelona Design Week**.

It also organises initiatives that contribute to the development of talent, such as the contests for young designers **jumpthegap** and **One Day Design Challenge**

In addition, the group sponsors initiatives aimed at promoting sustainability, such as the Spanish pavilion at the **Dubai 2020 World Expo** and the **Barcelona New Economy Week**.

 1,295,597 €  
DONATIONS IN 2021



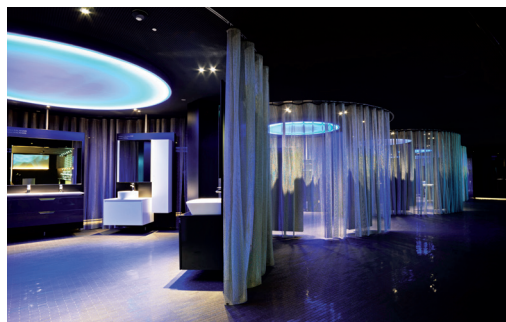
### Roca Galleries

In 2009 Roca inaugurated the Roca Gallery concept in Barcelona, an emblematic building that provides visitors with a brand experience, subsequently rolled out to other cities around the world such as Madrid, Lisbon, London, Shanghai and Beijing.

Roca Galleries are designed as places to interact with the brand's products and values, hosting cultural activities, exhibitions, conferences and debates related to topics such as design, architecture, innovation and sustainability.



**Roca Barcelona Gallery**



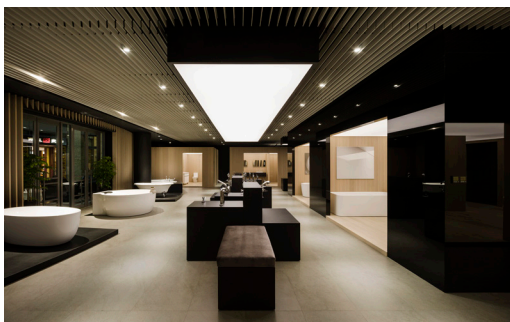
**Roca Madrid Gallery**



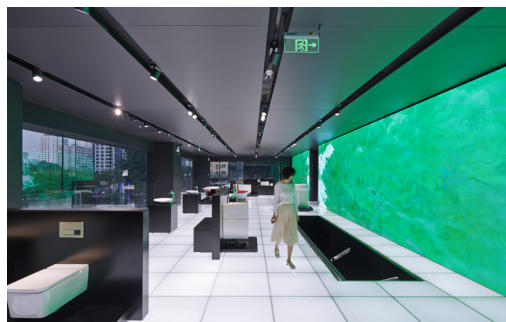
**Roca London Gallery**



**Roca Lisboa Gallery**



**Roca Shanghai Gallery**



**Roca Beijing Gallery**

# 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.

### 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.

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 2021, 67 of the group's plants had ISO 9001 quality management certification and 61 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. None of the company's production processes requires the use of machinery with refrigerant gases.

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 Industrias Metalúrgicas SA](#)



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.

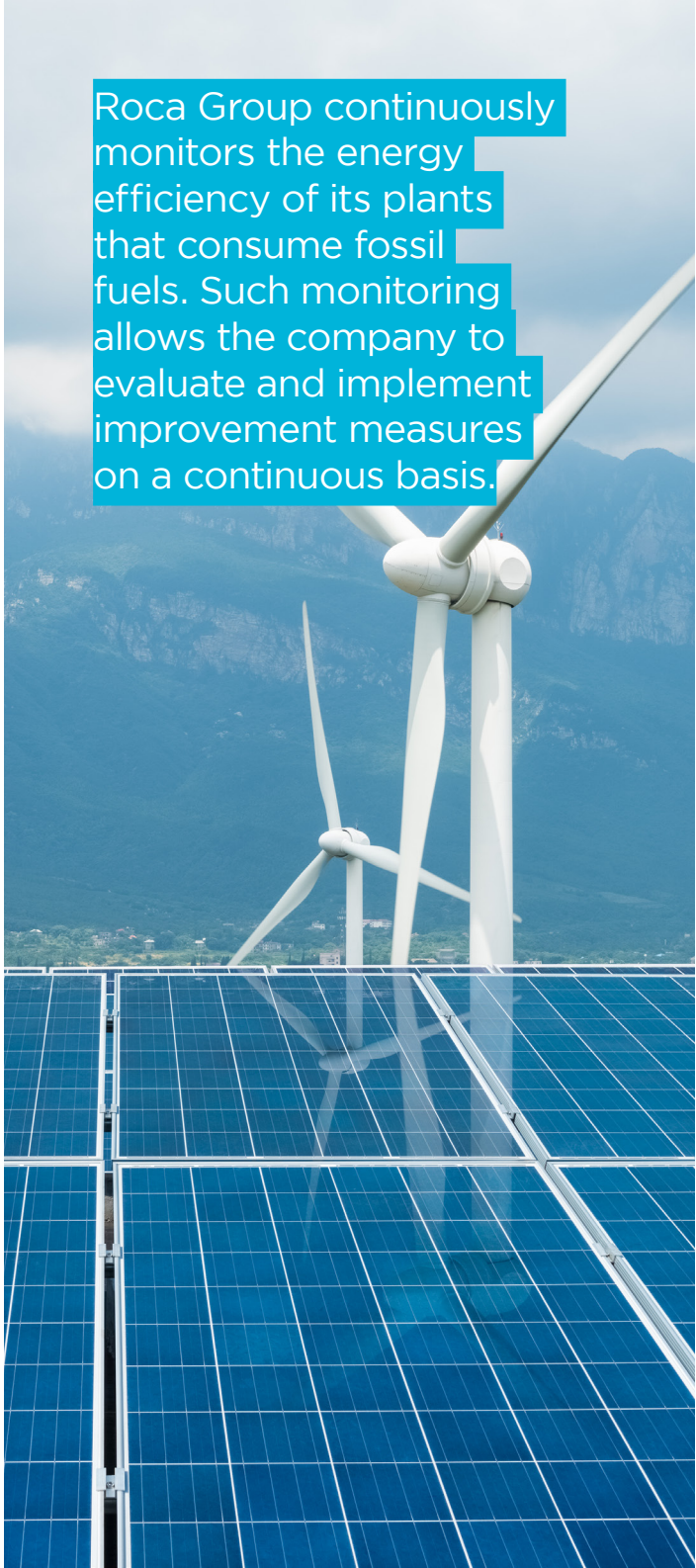
## ENERGY

In 2021, the corporate Sustainability department promoted 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 Target initiative (SBTi).

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

1. Implementing the necessary digital equipment to measure energy consumption at its industrial facilities.
2. Optimising energy consumption in production processes.
3. 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.
4. Offsetting essential emissions via guarantees of origin or other offsetting instruments.
5. Using sustainable vehicle fleets and offsetting emissions from business travel.
6. Engaging suppliers to minimise scope 3 emissions.

The group's 84 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 specific actions required to achieve these targets, taking into account the expected growth of the business.



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.

At its production plants, Roca Group uses heat recovery equipment in accordance with the sector's BREFs (Best Available Techniques Reference Documents), which contain the best available techniques (BATs) for the different industrial sectors in Europe.

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.

At some of its sites, the group has also installed photovoltaic panels to produce renewable electricity. As of today, some of the group's facilities are already supplied with 100% certified renewable energy.

Compared with 2018, the last year in which the group's production activity was not appreciably affected by factors external to market dynamics such as the COVID-19 pandemic, total scope 1 and scope 2 energy consumption has decreased by 17% and derived emissions by 26%. If the increase in sales during this period and the consequent increase in production is taken into account, this decrease, calculated as a share of net sales, would be 29% in energy and 36% in emissions. These figures demonstrate Roca Group's commitment to improving its 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 2021 are detailed below.



Natural gas	1,904,257 MWh	348,768 t CO <sub>2</sub>
Propane	120,877 MWh	25,881 t CO <sub>2</sub>
Butane	65 MWh	14 t CO <sub>2</sub>
Diesel	3,746 MWh	962 t CO <sub>2</sub>
LPG	32,049 MWh	6,874 t CO <sub>2</sub>
Carbon	18,120 MWh	5,864 t CO <sub>2</sub>
<b>Subtotal scope 1</b>	<b>2,079,114 MWh</b>	<b>388,364 t CO<sub>2</sub></b>
Electricity	272,005 MWh	106,031 t CO <sub>2</sub>
Renewables	188,839 MWh	-
<b>Subtotal scope 2</b>	<b>460,843 MWh</b>	<b>106,031 t CO<sub>2</sub></b>
<b>Total</b>	<b>2,539,957 MWh</b>	<b>494,395 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 2021) have been used to calculate scope 2 emissions.



## WATER

As with energy, the corporate Sustainability department is promoting the definition of a plan to minimise water consumption and optimise its circular use. To this end, an integrated water cycle audit process has been implemented at the group's factories in conjunction with Veolia Water Technologies. Pilot studies will be carried out in 2022 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 2021 was 3,068,476 m<sup>3</sup>, down by 5% from the previous year and 26% lower than in 2018.

If the increase in sales during this period and the consequent increase in production is taken into account, this decrease, calculated as the share of net sales, would be 36%, proof of the company's efforts to preserve this vital resource.

Roca Group has ten production sites in Morocco and India 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.



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 cardboard, paper and plastic (used in packaging and accessories).

Regarding the use of wood, it should be noted that, in 2021, 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.



The group's various units keep a close eye on the condition of storage areas, both for raw materials and finished products, to prevent deterioration.

The group's employees receive continuous training in order to minimise the number of products discarded due to defects during manufacturing.

Space optimisation factors are taken into account in distribution operations, promoting a reduction in the use of materials such as cardboard and plastic, employed in packaging.

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 2021.



971,890 t

GEOLOGICAL MATERIALS



25,879 t

METALS



34,484 t

CARDBOARD & PAPER



39,464 t

WOOD



2,730 t

PLASTIC

1,074,448 t

TOTAL



## 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 2021 amounts to 214,605 tonnes, 33% less than 2018, the last year in which production activity was not affected by external factors.

If the increase in sales during this period and the consequent increase in production is taken into account, this decrease, calculated as the share of net sales, would be 42%

The percentage of waste reintroduced into production processes during 2021 was 70% and only 0.7% of the total was in the category of hazardous waste.

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



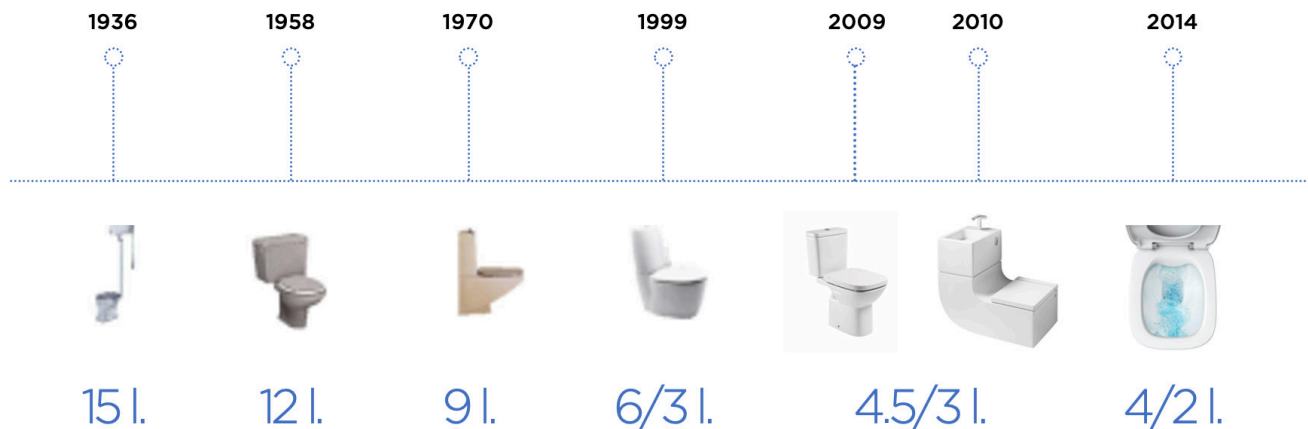
The percentage of waste reintroduced into production processes during 2021 was 70%.



## EFFICIENT PRODUCTS

Roca Group works on developing and implementing technologies to minimise water and energy consumption in bathroom spaces. On the one hand, the aim is to improve the efficiency of the existing and most commonly used products, such as toilet flushing mechanisms (whose water consumption has been reduced from 15 litres to the 4.5/3 or 4/2

litres of the current dual flush) and aerators incorporated into washbasin faucets (with most products consuming around 5 litres per minute, which is less than half the consumption of other solutions currently on the market). At the same time, work is also being carried out on developing innovations that will determine future trends in bathroom solutions.





### 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.



### Touchless solutions

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



### 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.



### 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.



# 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 2021 totalled 62,593 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 2021 totals 2,422 thousand euros.



JUNE 2022

ROCA GROUP