



## Comprehensive Health, Safety, and Environment Policy

Code: GR-SAR-POL-011

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### Goal

To develop a model for the management of Hygiene, Health, Safety, and the Environment that will guarantee strict legal compliance with, and adherence to existing regulation, eliminating risk factors and fostering a mindset focused on the prevention of diseases, psychosocial factors, work accidents, and significant environmental impacts related to our activities. In this way, we seek to guarantee safe working conditions for our employees and their environment in a responsible and sustainable manner, ensuring the continuity of the operation in the countries where Grupo Rotoplas is present.

### Scope

Applicable to all Grupo Rotoplas employees, suppliers, contractors, carriers, and visitors who carry out activities related to Grupo Rotoplas inside or outside the Operating Units and the business.

In addition, from Grupo Rotoplas, we promote a social and environmental performance of excellence in our value chain, so we encourage our suppliers (beyond the time they spend in our Operating Units) and distributors to consider the guidelines of this policy as a benchmark in hygiene, health, safety, and environmental management.

### Description

Top Management shall establish the tools to assess HSA management so that the Central HSA Committee can validate the specific compliance with this policy and the performance of each of the persons responsible, mentioned herein.

### Terms and Glossary

Incident: Event arising from the work or during the work that could result or effectively results in injuries or some deterioration of health.



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**Accident:** Incident arising at work where there have been injuries and a deterioration of health. All organic injury or functional perturbation, immediate or subsequent, death or disappearance arising from a criminal act, produced suddenly in the exercise, or as a result of the job, wherever and whenever it may happen.

**Environmental Aspect:** element from the activities, products, or services of the organization that interacts or can interact with the environment.

**Workplace:** The place or places, such as buildings, venues, facilities, and areas, where exploitation, usage, production, marketing, transport, and storage or service-rendering activities are performed, where people who have an employment relation are working.

**Unsafe Conditions:** Conditions resulting from neglect or disregard for the security procedures or measures stated in these Regulations and the Standards, and that could bring about the occurrence of incidents, accidents, and work illnesses or material damages to the Workplace.

**Contractor:** External company that carries out works or offers services through its own employees, on behalf of a contracting party, be it an individual or company, which establishes the tasks of the contractor and supervises the performance of the services or execution of the works contracted.

**Sustainable development:** Based on the LGEEPA definition, “process that can be assessed through environmental, economic, and social criteria and indicators, tending to improve people’s quality of life and productivity, which is based on the appropriate measures for the preservation of the ecologic balance, protection of the environment, and use of natural resources in such a way that the needs of future generations are not compromised”.

**Sustainable development:** According to the United Nations, it is defined as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

**Work-Related Disease:** Any pathological condition derived from ongoing action from a cause whose origin or reason lies in the job or the medium where the worker must render their services.

**Environmental Impact:** Change in the environment, either adverse or beneficial, as a total or partial result of the organization’s environmental aspects.

**Environment:** surroundings in which an organization operates, including air, water, soil, natural resources, flora, fauna, human beings, and their interrelations.

**Hazard:** Source with the potential to cause injuries or deterioration of health.

**Occupational Health and Safety Program:** Document containing the set of Preventive and Corrective Actions to be implemented to avoid Risks at the Workplace, that could affect workers’ life, physical integrity, or health, or cause damages to the facilities.

**Risk:** combination of the likelihood of hazardous events or exposures related to work and the severity of the injury and deterioration of health that could be caused by events or exposures.



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**Psychosocial risk:** Those that may cause anxiety, non-organic sleep-wake cycle disruptions, serious stress, and adaptation disorders, resulting from the nature of the functions of the job, the type of workday, and exposure to severe traumatic events or Job Violence, given the job performed.

**Occupational Health and Safety:** All aspects related to the prevention of Work-Related Accidents and Diseases, and referred to in other regulation as: Safety and hygiene; industrial health and safety; health and safety; occupational safety, health, and environment: occupational safety, hygiene, and environment.

### Roles and responsibilities

Health, Safety, and Environment Draft diagnoses, establish processes, policies and procedures comprising the management model, validating compliance with it, through audits and ensuring its proper communication and execution. Communicate achievements, goals, strategies, and responsibilities. Permanently advise Committees and all Areas of the organization on EHS topics to ensure communication, compliance, and updates to this document. Execution of the following complementary activities:

- Interpret International, Federal, State, and Local standards and regulations to apply them to the operation.
- EHS audits to detect unsafe acts and conditions, developing these skills in the organization.
- Coordinate specialists, consultants, and suppliers to manage EHS topics with the regulatory agencies.
- Together with the EHS Committees, lead the research and statistical control of accidents/incidents
- Generate awareness programs on hygiene, health, safety, and environment among employees, in order to decrease the number of incapacitating accidents
- Perform ongoing analyses on the cultural and technical aspects of safety
- Management or EHS processes and procedures aligned to SGI (ISO/OHSAS) and sustainability (GRI/SRE)
- Draft reports and work plans together with the Committees to monitor progress

**Human capital:** Contribute to the bylaws of the EHS management model. Implementation of progressive discipline based on the sanction matrix and on the progressive motivation scheme pursuant to the Internal Work Regulation and current law. Ensure fulfillment of EHS training sessions and enable personnel attendance. Foster multidisciplinary synergies for the fulfillment of EHS objectives.

Encourage, together with the EHS Central Committee and Plant Committee, activities designed to foster a culture of prevention within the Rotoplas Way everywhere that Rotoplas operates, in adherence to applicable regulation.

**Manufacturing:** Contribute to the bylaws of the EHS management model and enable all supervisors, bosses, coordinators, and all operational personnel to be facilitators in the execution. Ensure full compliance with EHS procedures and forms, as well as the correct application of progressive discipline based on the sanction matrix, and the progressive motivation scheme, pursuant to the Internal Work Regulation and/or current law, in close collaboration with Human Capital. Make it possible for employees to attend EHS training courses. Exercise investments and expenses assigned to legal compliance and preventive aspects, preventing unsafe conditions in buildings and facilities through preventive and corrective maintenance per regulation.



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**Quality:** Contribute to the bylaws of the EHS management model. Internal/external audit program for the legal compliance of the operating unit. Ensure the full compliance with EHS procedures and forms. Establish a standard for 5'S integrating best manufacturing practices Management, document control, and procedure compliance, safety datasheet, and EHS form auditor.

**Logistics:** Contribute to the bylaws of the EHS management model. Ensure compliance with the internal safety guidelines and regulations by suppliers in charge of loading/unloading processes (EHS procedures and forms). Ensure compliance with EHS training sessions, enabling personnel attendance. Analyze and manage risks in loading/unloading maneuvers.

**Maintenance:** Contribute to the bylaws of the EHS management model. Ensure the full compliance with EHS procedures and forms. Deal with and close reports of unsafe conditions on issues related to maintenance of machinery, equipment, and buildings. Make it possible to form, maintain, and train emergency brigades. Execute maintenance routines on SAP based on current regulation and keep evidence. Verify safe execution of works. Maintain emergency equipment in optimal conditions (extinguishers, fire hydrants, exits, lamps, etc.)

**Comptrollership:** Contribute to the bylaws of the EHS management model. Safekeeping and management of legal documents and documents related to properties, powers of attorney, processing fees. Legal representation before administrative procedures in EHS issues. Pay fees for EHS licenses, permits, and processing. Management of obsolete material recycling.

**Procurement:** Contribute to the bylaws of the EHS management model. Inform suppliers/contractors in a timely manner on the EHS guidelines and requirements to perform activities within the company's facilities. Request suppliers of hazardous and chemical materials for the timely delivery of Safety Data Sheets (HDS/SDS/MSDS/PSDS) and to keep them updated.

**Sales and Marketing:** Contribute to the bylaws of the EHS management model. Ensure compliance with the road safety recommendations and the safety guidelines and rules when visiting client facilities. Ensure compliance with EHS training sessions, enabling personnel attendance. Analyze and communicate risks related to employee road safety.

**Top Management:** Support the initiative, encourage their employees' participation, and generate awareness on the impact on the company's results. Ensure availability of human and financial resources to carry out the required activities and/or investments. Comprised by the CEO, Vice-Presidents, and Directors.

**EHS Central Committee:** Ensure that each of the company's plants carries out the corresponding actions and has the minimum required infrastructure to meet the goals established herein, evaluate the active and enthusiastic participation, as well as the performance of all managements regarding EHS.



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Plants and/or Regional EHS Committee: Detect and eliminate risks by approving and evaluating preventive actions, make the necessary corrections, and control progress. Head the inquiries on the causes of accidents and incidents. Collaborate, promote, schedule, and perform communication, information, and training activities. Be familiar with, and have access to the information and results of inspections, incidents, and studies performed. Manage resources destined to prevention and compliance with regulations. Generate monthly reports and indicators for the Central EHS Committee and Management. Anticipate operational/administrative changes that could impact EHS management

All staff (external and internal): Actively participate in the EHS Department's work programs, campaigns, and initiatives, fully complying at all times with the standards and procedures at each workplace.

### Internal Control Objectives

This Policy fulfills the three objectives of Internal Control, based on the COSO model:

- Financial Reporting—the policy will assist the teams for their best performance, which will result in greater reliability in the reporting of financial information.
- Operations—the policy directs the areas involved towards greater efficacy and efficiency, given that it aims to ensure employee's holistic wellbeing.
- Fulfillment—this policy enables us to ensure compliance with the fundamental requirements of the guidelines in the Comprehensive Management System, international covenants, laws, and applicable regulation with regard to Health, Safety, and the Environment.

### Comprehensive EHS Policy

At Rotoplas, we are a team where top management and employees commit on a daily basis to:

- Implement control measures to contain and reduce pollution, control the consumption of natural resources, make sustainable use of water, and improve the care of the environment.
- Ensure that internal personnel, visitors, and suppliers comply with the legal and other requirements applicable related to health, safety, and the environment within the Organization.
- Provide safe and healthy conditions to prevent occupational injuries and illnesses among our staff, visitors, and suppliers within the Organization.
- Mitigate psychosocial risk factors, eliminate hazards, and reduce risks to occupational health and safety.
- Committed to the ongoing improvement, the application of our Comprehensive Management System, and employee consultation and participation.

### EHS Commitments

In this sense, the Policy defines the following fundamental principles regarding Occupational Health, Hygiene, Safety and Environmental Management:



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- We comply with the corporate goals established in the Board Meeting with regard to issues concerning EHS and ensure compliance with the legal and other requirements applicable to the organization related to occupational health, safety, hygiene and the environment.

- We are an organization concerned with the wellbeing of its employees, suppliers, and contractors, encouraging self-care and maintaining an optimal level of safety in all our activities, including facilities, equipment, and our processes, through operational excellence practices.

- We safeguard all our employees' health holistically, managing occupational and psychosocial risk factors, by encouraging healthy lifestyles focused on nutrition, physical activity, smoke-free spaces, and medical and/or psychological testing upon hiring, periodically, or when changing to a different position, seeking to maintain their health.

- We identify, evaluate, and control environmental risks, aspects, and impacts, optimizing natural resource utilization, as a result of the activities, processes, and services performed by the Group, through the implementation of environmental management and sustainable development programs.

- We promote the ongoing improvement of our processes and constant updates to our Comprehensive Management System, in order to support the corporate EHS strategy to ensure business continuity and contribute to excellence in the Company's performance.

- We prevent and actively manage emergencies to respond effectively to any incidents.

- We deal with all cases related to mockery, mistreatment, discrimination, etc., and handle them based on our code of ethics and conduct; and we foster kind an equal coexistence among coworkers, bosses, subordinates, visitors, suppliers, contractors, and clients in observance of the framework for human rights.

. Fostering respect for the environment. At Grupo Rotoplas we are narrowly connected to the environment, in a business model based on meeting the need for water and encouraging efficiency in how it is used. At our facilities, we foster a culture of resource utilization and effluent and waste management to reduce our footprint on the environment. This is linked to the Social and Environmental Responsibility that we have established as one of our values, mentioned in the Code of Ethics and Conduct.

We further encourage environmental awareness to be spread by employees to the whole of their daily activities.

- We are constantly assessing opportunities for efficiency in the use of materials and energy in our operations, as well as for the use and reutilization of waste, as also stated in our Climate Change Policy.

In the research and development of services, we consider the environmental implications of the solution delivered, both in terms of manufacturing it and throughout the stages of its life cycle.

In both the above aspects, we seek to intervene through impactful initiatives, as our Innovation Policy states.



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. We expand our focus on prevention regarding hygiene, health, safety, and respect for the environment to our value chain; we do this through the invitation to consider the guidelines of this policy and of our Code of Ethics and Conduct.

Moreover, in the case of our suppliers, we establish a series of criteria regarding socioenvironmental performance, which we assess at various times since before and until after the contract and/or purchase order has been signed. This is included in our Sustainable Procurement Program.

### Sources of Information and References

Federal Labor Law  
Federal Occupational Health and Safety Regulation  
General Law on Ecological Balance and Environmental Protection  
General Law on Climate Change  
NOM-035-STPS-2018 Factors of psychosocial risk at work  
ISO 45001:2018 Occupational Health and Safety Management System  
ISO 14001:2015 Environmental Management System  
Forms/Appendices  
EHS indicator manual



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### RECORD OF CHANGES

Revision Number	Revision Date	Description of the Change
01	18/09/2018	Format unification.
02	7/11/2018	Change in the document structure.
03	09/04/2019	Notes were added and the Flow Chart section was eliminated.
04	May 2020	Guideline update. The EHS Management Model is separated in Appendix 1. Reference to standards ISO 45001 and 14001 added.
05	04/06/2020	Policy to be communicated and definitions per ISO 45001 and Federal Labor Law updated