

Hygiene, Safety and Environment (HSE) Policy

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1. Objective

To develop a management model in Hygiene, Safety and Environment that, together with guaranteeing strict legal compliance and adherence to current regulations, contributes to eliminating risk factors and promotes a culture focused on the prevention of occupational diseases and accidents, as well as the environmental impacts related to our activities. In this way, we seek to guarantee safe working conditions for our collaborators and protect the environmental conditions of the environment in which we operate, which is closely related to the operational continuity of the company.

2. Scope

Applies to the group of collaborators of Grupo Rotoplas and those third parties (suppliers, contractors, transporters and visitors) that are within the Operating Units and business; also, the protection of the guidelines of this policy extends to any person working on behalf of Grupo Rotoplas.

Additionally, Grupo Rotoplas promotes social and environmental performance of excellence in our value chain, which is why we encourage our suppliers (beyond the time spent in our Operating Units) and distributors to consider the guidelines of this policy as a reference in hygiene, safety and environmental management.

3. Description

The policy states guidelines aimed at protecting the physical and mental integrity of employees and other personnel involved in the operation of Grupo Rotoplas, in order to prevent possible risks arising from activities related to the company, as well as the protection of environmental conditions.

We assume the following commitments, to be achieved through the guidelines of this policy:

- To provide a safe and healthy working environment, through a culture of integral prevention in all our decisions and operations.
- Promote the active participation of employees in the implementation of the policy and internal communication on the different related aspects.

- Comply with the legal and regulatory requirements applicable in each of our operating units, adhering to the pillars that make up the Rotoplas Way (*Estilo Rotoplas*).
- Consider environmental aspects in operational decision making, promoting the rational use of resources and attention to significant impacts.
- Continuously improve the standards, culture and performance in HSE, through the participation and development of skills of our employees.
- Integrate the values of the policy through process management and the establishment of appropriate objectives.

4. Terms and Glossary

Accident at work: organic injury or functional disturbance of the employee, or death, occurring suddenly in the course of or as a result of work, regardless of the place and time in which this happens;

Occupational Health and Safety Diagnosis: The identification of unsafe or dangerous conditions; of physical, chemical or biological agents or Ergonomic or Psychosocial Risk Factors capable of modifying the conditions of the working environment; of the dangers surrounding the Work Centre, as well as the applicable regulatory requirements in the area of Occupational Health and Safety;

Occupational disease: state derived from the continuous action that has its origin or motive in the workplace or in the environment in which the collaborator is obliged to provide services;

Hygiene: action on the set of environmental factors that may affect health in the workplace.

Environment: set of physical-chemical characteristics of the environment, as well as its biological diversity, including the cycles and/or flows of materials, energy and water.

Risk: the correlation of the dangerousness of one or more factors and the exposure of collaborators with the possibility of causing adverse effects on their life, physical integrity or health, or damaging the Work Centre;

Operating Unit or Work Center: place or places, such as plants, distribution centers, offices or other type of facilities, where Grupo Rotoplas' operation activities are carried out, where company collaborators or third parties (e.g. contractor workers) work at the company's request.

5. Roles and Responsibilities

Hygiene, Safety and Environment: Elaborate diagnoses, establish processes, policies and procedures that make up the management model, validating its compliance through audits and guaranteeing its correct distribution and execution. Transmit achievements, objectives, strategies and responsibilities. Advise Committees and all Areas of the organization on HSE issues on a permanent basis. Ensure the dissemination, compliance and updating of this document. Execution of the following complementary activities:

- Interpreting International, Federal, State and Local rules and regulations to be applied in the operation.
- HSE audits to detect unsafe acts and conditions, developing these skills in the organization
- Coordinate specialists, consultants and suppliers to manage HSE issues with regulators
- To lead, together with the HSE Committees, the investigation and statistical control of accidents/incidents.

- Generate awareness programs on hygiene, health, safety and environment among employees, in order to reduce the number of incapacitating accidents.
- Carry out continuous cultural and technical analysis in relation to security.
- Management of HSE processes and procedures aligned to SGI (ISO/OHSAS) and sustainability (GRI/ESR).
- Make reports and work plans in conjunction with the Committees to monitor progress.

Human Capital: Contribute to the statutes of the HSE management model. Apply progressive discipline in accordance with the penalties' matrix and the progressive motivation scheme included in the Internal Labor Regulations and/or current laws. Ensure compliance with the HSE training plan and facilitate staff attendance. Promote multidisciplinary synergy for the fulfillment of HSE objectives.

Promote, together with the HSE Main Committee and the Plants Committee, activities aimed at living the culture of prevention within the Rotoplas Way (*Estilo Rotoplas*) in all places where Rotoplas operates in accordance with applicable regulations.

Manufacturing: Contribute to the statutes of the HSE management model and empower supervisors, bosses, coordinators and all operational staff to be facilitators of its execution. Ensure full compliance with HSE procedures and formats, as well as the correct application of progressive discipline according to the matrix of sanctions and the progressive motivation scheme according to the Internal Labor Regulations and/or laws in force, in close collaboration with Human Capital. Facilitate the attendance of collaborators to HSE trainings. Exercise investments and expenses assigned to legal compliance and preventive aspects, avoiding unsafe conditions in buildings and facilities with preventive and corrective maintenance according to standards.

Quality: Contribute to the statutes of the HSE management model. Program of internal/external audits for the legal compliance of the operating unit. Ensure full compliance with HSE procedures and formats. Establish a standard for 5'S integrating good manufacturing practices. Administration, document control and auditor of compliance with procedures, work instructions and HSE formats.

Logistics: Contribute to the statutes of the HSE management model. Ensure compliance with safety guidelines and internal regulations by suppliers in charge of loading/unloading processes (HSE procedures and formats). Ensure compliance with HSE training by facilitating staff assistance. Analyze, communicate and manage risks in loading/unloading maneuvers.

Maintenance: Contribute to the statutes of the HSE management model. Ensure full compliance with HSE procedures and formats. Attend and close reports of unsafe conditions in matters related to the maintenance of machines, equipment and buildings. Provide facilities to form, maintain and train emergency brigades. Execute maintenance routines according to current standards and maintain evidence. Verify the safe execution of works. Maintain emergency equipment in optimum condition (fire extinguishers, hydrants, sprinklers, doors, lamps, detectors, alarms, control panels, pumps, etc.).

Comptroller's Office: Contribute to the statutes of the HSE management model. Safeguarding and administration of legal and property-related documents, powers of attorney, payment of paperwork fees. Legal representation before administrative procedures in HSE matters in conjunction with the Legal Area. Make payments for licenses, permits and HSE procedures. Management of the recycling of obsolete materials.

Purchases: Contribute to the statutes of the HSE management model. Inform suppliers/contractors of HSE guidelines and requirements to develop activities within the company's facilities. Request suppliers of hazardous

materials and chemicals to provide Safety Data Sheets (HDS/SDS/MSDS/PSDS) in a timely manner and maintain them in force.

Sales and Marketing: Contribute to the statutes of the HSE management model. Ensure compliance with road safety recommendations and safety guidelines and regulations when visiting customers' facilities. Ensure compliance with HSE training facilitating staff assistance. Analyze and communicate risks related to the road safety of collaborators.

Senior Management: Support initiatives, encourage the participation of its collaborators and raise awareness of the impact on the company's strategic results. Ensure the availability of human and financial resources to carry out required activities and/or investments. Composed of the Chairman, Vice-Chairmen and Directors.

HSE Central Committee: Ensure that each of the company's branches carries out the actions of the management model and has the necessary infrastructure to meet the objectives of this Policy. Evaluate the active and enthusiastic participation, as well as the performance of all managers and chiefs in HSE matters.

Plants and/or Regional HSE Committee: Detect and eliminate risks by approving and evaluating prevention actions, making the necessary corrections and controlling progress. To lead investigations of causes of accidents and incidents. Collaborate, promote, program and carry out dissemination, information and training activities. Know and have access to information and results of inspections, incidents or studies carried out. Manage resources for prevention and compliance with regulations. Generate monthly reports and indicators for the HSE Central Committee and Management. Anticipate operational/administrative changes that impact HSE management.

All personnel (external and internal): Actively participate in the work programs, campaigns and initiatives of the HSE department, always complying with the rules and procedures of each work center.

At Rotoplas we contribute to improve life quality of people; we work every day to create solutions to store, conduct, purify and treat water in homes and workplaces. We develop our activities within a comprehensive management system that includes Hygiene and Health, occupational security, and respect to the environment with the main goal of satisfying the needs of the customer generating value for the business and ensuring the integrity of the people and the environmental.

The commitments of Grupo Rotoplas are:

- Foster a work environment that is safe and healthy through a culture of comprehensive risk prevention in all the decisions of our operations.
- Comply with legal and normative requirements that apply in each one of our operational units, sticking with the pillars that make up the Rotoplas Way (*Estilo Rotoplas*)
- Hygiene, health, safety and the protection of the environment are as important as the quality, productivity and cost, representing a great priority for the company, and being everyone's compromise and responsibility.
- Continuously improve standards, culture and the performance in HSE through the participation and development of skills of our employees.

6. Guidelines

Risk assessment and management

We prioritize the identification and coverage of risks over the attention of those impacts in which the lack of action would result.

In the planning of any new activity in the operation or changes in existing activities, it is necessary to identify and dimension the associated risks, with the participation of internal specialists in these processes and/or activities.

In order to authorize the evaluated activity, the consent of the specialists and the report to the relevant management are required.

Promotion of the culture of prevention

Together with the evaluation of risks in the activities and the response to them, we promote the prevention on the part of each collaborator in the exercise of their responsibilities and tasks, with the due protection with respect to the incursion in risk situations.

In addition to the instructions and tools provided by the company, the employee is required to take care of himself or herself in an integrated exercise of his or her own responsibility and that of Grupo Rotoplas. All this is formulated with awareness through activities, campaigns and awareness aligned with our values and the Sustainability Policy.

Foster respect for the environment

In Grupo Rotoplas we are strongly linked to the environment, with a business model based on meeting the needs of water and promoting efficiency in its use.

At our facilities, we promote a culture of resource use and management of effluents and waste in order to reduce our footprint on the environment. This is accompanied by the Social and Environmental Responsibility that we have established as one of our values, referenced in the Code of Ethics and Conduct.

We also promote that the environmental sensitivity is extended by the collaborators to the whole of their daily activities.

Operational efficiency and innovation with environmental criteria

We continuously evaluate the possibilities of efficiency in the use of materials and energy in our operations, as well as the use and reuse of waste, as also indicated in our Climate Change Policy.

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

In the two previous aspects we seek to intervene through initiatives with impact, as specified in our Innovation Policy.

Training

We promote technical and leadership competencies in the different HSE subjects, so that our collaborators operate with the due protection of health and safety conditions, and the use of the tools that the company places

at their disposal, as well as the environmental guidelines pertinent to their areas of activity. Through training, we also seek their knowledge of current regulations and adherence to them.

3.1 HSE Training Plan

Relationship to value chain

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

Additionally, in the case of our suppliers, we establish a series of criteria on socioenvironmental performance, which we evaluate in the same, at different moments that include before and after the signing of the contract and/or purchase order. This is included in our Sustainable Purchasing Policy.

Focus on results through goals

The commitments that we propose in this policy, which we seek to materialize through the guidelines that accompany them, are complemented with concrete goals for the main indicators of associated activity.

We therefore have goals in terms of hygiene, health and safety, as well as in terms of environmental performance, set under a focus of continuous improvement in the successive reviews that are made to them. These goals are reported externally through our communications, such as the integrated annual report, as well as internally in the communication instances established by the HSE management system.

The indicators on which the goals are set are established as part of the HSE management system.

Application and safeguarding of the HSE management system

Complementing the preceding guidelines, the following bases have been defined to support the Hygiene, Safety and Environment Policy, forming an administration and management system:

3.2 1) HSE Committees

They are made up of different operational and administrative areas represented by managers and coordinators at the corporate and regional levels and by each operating unit in which Rotoplas has a presence; executing and following up on preventive and corrective action plans through the management of resources aimed at an accident-free, sustainable and wellness operation for all employees (see point 4).

HSE Central Committee: Made up of Group Managers and National Managers. Instituted to guarantee the monitoring and compliance with the HSE management model in the company at a global level and the performance of those involved. Coordinated by the Hygiene, Safety and Environment Management.

Regional HSE Committee: Integrated by the Country Managers, Managers and Regional Coordinators of the countries where Grupo Rotoplas has presence. Instituted to closely monitor HSE management and ensure the elimination and / or control of risk factors and compliance with current applicable regulations. Coordinated by the Coordinator or responsible for regional HSE and/or the Manager of regional or country CH.

HSE Plant Committee: Integrated by Managers, Coordinators and Area Heads of each operating unit of the company. It is responsible for closely monitoring the management of HSE and ensure the elimination and / or control of risk factors and compliance with current applicable regulations. Coordinated by the regional or local HSE Coordinator.

3.3 2) Legal and Regulatory Compliance HSE

It is essential to identify the regulations and standards that apply to the operation of Grupo Rotoplas in its different geographical locations, and in turn, ensure proper compliance with these obligations to ensure the continuity of the operation in a correct and transparent manner. They are fundamental requirements to comply with the guidelines of the Integral Management System.

3.4 3) Standardization and control of processes, procedures, documents and formats

We establish that information and documentation related to legal and regulatory compliance in HSE, as well as internal self-regulation, including the guidelines of this policy, are homologated, disseminated, managed and updated in order to promote the good practices of the HSE Management Model in the operation of the company..

3.5 4) HSE Indicators

They work to measure performance in the areas of Hygiene, Security and Environment in order to establish references, know progress and define strategies (see HSE Indicator Manual).

Principales Fuentes de Información y Referencias

Federal Labour Act (<i>Ley Federal del Trabajo</i>)
Federal Regulations on Safety and Health at Work. (<i>Reglamento Federal de Seguridad y Salud en el Trabajo</i>)
ISO 14001:2015
OHSAS 18001

APPENDIX

5. HSE COMMITTEES STRUCTURE

