



**Subject: SESAJAL® Release and submission of the Supplier Ethics Policy**

Dear Supplier:

As you know, from our origins, Grupo Sesajal® has assumed the commitment to maintain the highest levels of quality of our products and commercial integrity in our relationships with customers and suppliers; for this reason, we hope that all suppliers and employees of the companies of Grupo Sesajal® that collaborate with you in this commercial relationship will behave with the highest levels of honesty, equity and personal integrity. It is vital for our companies to maintain high ethical standards complying with all current laws and avoiding at all costs, even the perception of an inappropriate action or a conflict of interest.

In this regards, to ensure that our commercial relationships satisfy and support our standards, we attach our **Supplier Ethics and Compliance Policy** that clearly points out our values and establishes a frame of reference in relation to actions that could question both our performance as that of our business partners, so we invite you to explore and deepen their content in order to ensure that regardless of business requirements, our actions and decisions are made within a framework of ethics and honesty; hoping that they manifest through the attached format of: "**Ethical Commitment**", their willingness to submit with said guidelines.

This document will have the most relevant value in the selection and evaluation of suppliers.

Finally, we consider that if they consider that there is any action within the function of some of our collaborators that is not aligned with what our code or ethical policy indicates, they feel free and confident to approach the **Ethics Committee** to resolve the doubts that may arise, or, in case of detecting any irregularity trust to report this fact to our **ethical line** <http://se-etico.ethicsglobal.com> or to the number 01 800 SE ETICO (73 38426)

I only have to thank as always, your enthusiasm, commitment, support and collaboration, as well as to put at your service for any questions or concerns that may arise in this regard.

Sincerely,

Mónica González Covarrubias  
Chairman of the Ethics Committee Sesajal®

- Appendix: 1. Code of Ethics of Grupo Sesajal®  
2. Ethical Policy for Suppliers  
3. Ethical Commitment

## Supplier Ethics Policy

At Grupo Sesajal® all interactions with our suppliers must meet our high ethical standards. The relationships that Sesajal® Group employees maintain with suppliers must be based on technical and economic selection criteria and must be addressed with independence and integrity in each of the operations carried out.

a) **Selection of suppliers.** The selection of suppliers must be fair, not influenced by personal preferences, and take into account the price, quality, reliability and characteristics of the products or services, as well as the technical capacity of the supplier to meet the necessary response times. This selection must be made in accordance with the established policies and procedures, in order to guarantee the best cost-benefit choice, and in accordance with the group's budgets. The employees involved in the purchase process will not accept any discount or price that has the purpose of conditioning future purchases or influencing other operations to the detriment of the group. Those responsible for making purchasing decisions should ensure that they do not carry out commercial operations with suppliers with a bad business record or of doubtful origin.

b) **Quotes, prices and purchase decisions.** By inviting suppliers to submit quotes, technical, commercial and other requirements will be given to them in a complete and equal manner. Any change to the original specifications should be informed, as soon as it is known, to all participating providers.

c) **Favors and gratifications.** It is prohibited for suppliers, their representatives or employees to offer, favors, gratuities, social activities or any object of value to employees of Sesajal® companies, in order to obtain favorable treatment. In the same way, it is forbidden for company employees to request this type of favors. This prohibition extends to the direct relatives of the suppliers and employees of the Sesajal® companies.

d) **Gifts and invitations.** Gifts and invitations to entertainment events by customers, suppliers, or consultants can not be accepted regardless of their monetary value. If the gifts are not intended to obtain favorable treatment that benefits the providers and do not create the impression that it is a bribe, special commission, gratuity or an irregular type of payment, Sesajal® employees may accept the gifts. and delivering the gift to the Human Development Directorate who will allocate said resource to where it is most convenient, for the benefit of Sesajal®.

e) **Conflict of interests.** No supplier will engage in financial or other relationships with a Sesajal® employee who creates a conflict of interest. There will be a conflict of interest when the substantial personal interests of the Sesajal® employee are incompatible with the responsibilities of their position in the company. All these types of conflicts must be known and solved. Even the appearance of a conflict of interest can be detrimental to the Sesajal® company and the supplier. For this reason, the provider has the obligation to make it known so that it is valued by the ethics committee.

f) **Comments on suppliers.** The employees of Sesajal® will not comment on the problems or weaknesses of a supplier with another provider, or with outsiders. The prices, conditions and other data received from current or potential suppliers are considered confidential information.

g) **Contracts or purchase agreements.** All relations with suppliers must be duly documented under contract or agreement, in order to guarantee what is established therein.

h) **Compliance with Laws.** Suppliers of Sesajal® companies will comply with all laws, regulations and policies applicable to their organizations and transactions with our companies, as well as all applicable government contract requirements, which are applicable to the supplier under their contracts with Sesajal®.

i) **Freedom of association.** The Supplier must respect the right of workers to choose, form and / or join, in a lawful and peaceful manner, the trade union of their choice and must respect their right to collective bargaining, in accordance with the laws, applicable regulations and the agreement 98 on the right to organize and collective bargaining and 154 on collective bargaining of the ILO

j) **Volunteer work.** The Provider must not allow:

- a) the work of children under 15 years of age, except for the exceptions allowed by the ILO or the applicable national laws, provided that the work does not expose them to unnecessary physical risks that could harm their physical, mental or emotional development according to the agreement of the ILO Convention 138 on Minimum Age and 182 of the ILO on the Elimination of the Worst Forms of Child Labor, and
- b) forced labor, understood as the latter any form of work or service required of an employee under threat of punishment (use of physical punishment, imprisonment or threats of violence as a disciplinary or control method, as well as the retention of IDs, passports, work permits or employee deposits as a condition of employment), in

accordance with ILO Convention 29 on forced labor and ILO Convention 105 concerning the abolition of forced labor.

Suppliers must not participate in or support human trafficking and must certify in writing that they have implemented necessary and sufficient procedures for labor-related processes to ensure that they comply with the laws against human trafficking and slavery.

k) **Labor equality and gender equity.** The Provider must act with dignity, respect and integrity in dealing with its employees: providing equal opportunities (treatment in employment and occupation), as well as prohibiting discrimination, any distinction, exclusion or preference based on race, religion, nationality, color, gender, sexual orientation, age, different abilities, political opinion, union membership, social origin and national ancestry in accordance with Convention 111 on discrimination of the ILO. No form of harassment, threat, intimidation or verbal, sexual, physical or psychological abuse should be allowed.

l) **Working hours and compensation.** The Provider must provide rest days for their workers, vacations, maternity and paternity leave and ensure that working hours are adequate in accordance with applicable laws. The Provider must have sufficient salaries and in accordance with the laws established to cover the basic needs of employees and their dependents and compensate for overtime and other benefits that comply with the provisions of the law.

m) **Health and safety.** The Provider must provide its workers with a healthy and safe work environment and must take all appropriate measures to avoid accidents in the workplace, have procedures for emergency evacuations, drills, as well as having fire detection and extinguishing equipment. and adequate emergency exits. The Provider must provide its staff with safety equipment according to the risks to which it is exposed, during the development of its activities within the facilities of the Supplier.

n) **Natural Environment.** The Supplier must guarantee that its facilities comply with current environmental regulations, including those related to the elimination of waste, emission of gases and thermal discharges into the environment, toxic substances, storage, handling and disposal of hazardous waste; all applicable laws and regulations related to substances, chemical products and hazardous materials, which must be followed strictly. The Supplier must validate that all the inputs and / or components used in its processes were obtained in a lawful manner and in accordance with international treaties and protocols, in addition to applicable local and / or federal laws and / or regulations.

o) **Product safety and quality.** All products and services provided by the Supplier must meet the safety, innocuousness and quality standards required by applicable law and the standards required by Sesajal®.

p) **Bribery and corruption.** Under no circumstances is bribery and corruption permitted. If your company or a related third party is subject to bribery and corruption in your business or work relationships, inside or outside the organization, you must report it immediately through the designated channels. We understand that a bribe can damage our reputation, but it implies much more than that. We know that acts of bribery and corruption can lead to unfair competition, as well as unsafe products in the global market and in the communities where we work and live.

Sesajal® is subject to the United States Corrupt Practices Act Abroad, so our suppliers are subject to the prohibition of offering or receiving bribes, or pay, promise, receive gifts, dues or securities to obtain unduly a commercial advantage, which includes obtaining or retaining business, inducing the person to perform any undue function or activity, or rewarding for it; or to influence in a corrupt manner, directly or indirectly, acts or decisions of government officials, employees, candidates for public office or political parties.

q) **Communication and Complaints.** The practice of listening to the Supplier allows us to know their concerns and doubts and allows us to maintain sustainable relationships based on mutual respect; which is fundamental in our negotiations because in this way we will achieve conditions that benefit us mutually. In the event of identifying any violation of the Sesajal® Code of Ethics and / or the Supplier Ethics Policy described herein or identifying any inappropriate behavior, the suppliers will immediately notify the Ethics Committee through their website [seethico.ethicsglobal.com](http://seethico.ethicsglobal.com), by calling 01 800-SE ETICO (73-38426) or by contacting the Ethics Committee directly; [comite\\_etica@sesajal.com](mailto:comite_etica@sesajal.com)

r) **Protection against reprisals.** It is forbidden for all people working in Sesajal® to take any kind of reprisal against a person who denounces in good faith alleged wrongdoing or who cooperates with an investigation or an audit. The contractors, customers, suppliers and collaborators who report in good faith alleged wrongdoing involving people working at Sesajal® or who cooperate in an investigation or audit will also be protected, as far as possible, from reprisals.

Acts of retaliation constitute misconduct that will lead to actions for the application of disciplinary measures that may include rescission of the contract or other appropriate measure, in accordance with the regulations, rules and policies of Sesajal®.

s) **Confidentiality.** Sesajal® and Ethics Global give a high priority to maintaining the confidentiality of the information handled. Therefore, it protects this information through physical, electronic and procedural safeguards.

t) **Incorrect use of the ethical line.** The Ethics Line cannot be used improperly, as a tool to generate slander, report actions with fraud, or with the intention of generating some benefit of its own.

The use of the Ethics Line must comply with the unethical behaviors that have been indicated throughout the Code of Ethics and that are reported in good faith.

u) **Faults to this code.** The observance of this code is strictly obligatory. The directors, managers and other executives and collaborators of Sesajal®, at any level, will be an example of its compliance, of constantly disseminating it and of taking the corresponding disciplinary measures when one of its collaborators fails to comply with it.

Any Supplier that conducts business practices in terms different from those established in this code will be subject to evaluation by the committee who may establish disciplinary measures that may go as far as disqualification to carry out future transactions with our group and / or a possible legal action. The suppliers of Sesajal® companies will always have the freedom to consult with our collaborators and / or our Ethics Committee about the situations where doubts are generated.

Finally, it should be noted that the Internal Audit area will include in its reviews compliance with this Code, so adherence to the marked guidelines will be of vital importance. Any conduct that is incurred and that is not allowed in Sesajal®, will be subject to sanctions in accordance with the policies. This code will be administered by the group's Ethics Committee. Those who violate the rules of this code will be subject to disciplinary actions that may even lead to the justified termination of their employment or business relationship with the Group, regardless of whether they are subject to other legal actions to which they give rise.



## Ethical Commitment

As (position in charge) of (company's corporate name), I certify that we receive and adhere to the responsibilities of the Sesajal® Code of Ethics and applicable ethical policies as follows:

1. At all times we will conduct business ethically, in compliance with all applicable laws and regulations, avoiding real or apparent conflicts of interest.
2. We understand that SESAJAL® and its companies are subject to the American Law on Corrupt Practices Abroad and many laws in several countries that prohibit a SESAJAL® company, or those who do business with SESAJAL®, from offering or receiving a bribe. Consequently, the business partner has not offered, paid, promised or received gifts, money or any object of value nor will it, either directly or indirectly through a third party, for SESAJAL® or on behalf of SESAJAL®, to any person:
  - to improperly obtain a business advantage, which includes having or retaining business;
  - to induce the person to perform any function or activity inappropriately, or to provide a reward for it; or
  - to influence in a corrupt way, directly or indirectly, acts or decisions of government officials, employees, candidates for public office or political parties.
3. We will order and monitor that our employees and agents, who work in the commercial activities of SESAJAL®, adhere to these requirements and the established policies, acting in good faith with responsibility, care, competence and professional diligence, without falsifying information.
4. At the request of SESAJAL®, we accept to certify or, where appropriate, update this certification and complete the training related to the laws and related policies.
5. We are informed of the existence of the ethical line, for which we commit ourselves in good faith to express and immediately denounce any violation of the established ethical principles and cooperate fully in the consultations, audits or investigations of the suspected violations carried out by SESAJAL®

Sincerely,

(            Sign            )

Name:

Date: