

SCHUTZ®

INDUSTRIAL LUBRICANTS & SPECIALTIES



**SOCIAL RESPONSIBILITY
POLICY IN PURCHASING**

Introduction

Chemical & Schütz High Performance Lubricants S.A de C.V. aims to contribute to the sustainable growth of society. This policy defines the commitments of the purchasing area in relation to basic purchasing standards, human rights, labor, care and respect for the environment and anti-corruption in its daily actions.

In alignment with that mindset, it seeks to fulfill and live these corporate social responsibilities to the greatest degree possible in its development of suppliers.



1.- Basic Purchasing Standards

These are the standards that we live by in the purchasing area day by day and we also seek that our suppliers and business partners share and comply with those as much as possible.

1.1.- Basic Purchasing Policy

1.1.1.- We offer opportunities in a fair and impartial manner to all business partners and potential business partners.

1.1.2.- We comply with national and foreign laws and regulations and carry out fair business transactions based on corporate ethics.

1.1.3.- We strictly control the information obtained through purchasing activities.

1.1.4.- We work to preserve the environment and reduce the impact on the environment.

1.1.5.- We look for quality, cost/benefit and delivery in order to satisfy the needs of the market.

1.1.6.- We work to foster mutual cooperation and build long-term relationships of trust with our business partners.

1.2.- Basic Purchasing Standards

1.2.1.- Maintenance and Quality Improvement - We and our business partners must implement adequate quality control, establish quality assurance systems, maintain the required level of quality and constantly strive to improve quality.

1.2.2.- Adequate Price - We and our business partners must continually provide finished products and raw materials at competitive and adequate prices.

1.2.3.- Stable Supply- We and our business partners must constantly strive to provide a stable supply of raw materials and implement measures to enable supply even in the event of unforeseen circumstances.

1.2.4.- Product Safety - We and our business partners must comply with laws, regulations and standards related to issues such as product safety and the management of harmful chemicals. We aim to strive to ensure the safety and health of the users and consumers of the products. We must also provide information such as the results of investigations related to product safety.

1.2.5.- Information Management - We and our business partners must adequately manage and protect personal information and confidential information related to business and avoid their unauthorized or improper use or disclosure. We must also establish adequate countermeasures and systems to deal with threats related to computer networks.

1.2.6.- Compliance with Laws and Social Norms - We and our business partners must comply with the laws and regulations of each country or region, international treaties and social norms, and carry out business activities based on corporate ethics.

1.2.7.- Fair Business Activities - We and our business partners must not engage in any activity that inhibits free competition or any unfair competitive activity and we must promote fair business activities.

1.2.8.- Protection and Respect of Intellectual Property Rights - We and our business partners must not break the intellectual property rights of any third party when carrying out commercial activities, such as the development, production or sale of products or services.

1.2.9.- Protection of People Who Report Inappropriate Conduct - We and our business partners must establish an internal reporting system that guarantees confidentiality and protection for people who report inappropriate conduct, and must inform employees of that there will be no retaliation against anyone who makes such a report.

1.2.10.- Disclosure of Information - We and our business partners must disclose in an appropriate and timely manner the information that the law requires to be disclosed, such as information related to the details of business activities, financial situation (financial position, performance, etc.) and risk. Even where not required by law, we and our business partners must provide information promptly if it affects or could affect the continuity of business transactions.

2.- Standards Related to Human Rights, Labor, Care and Respect for the Environment and Anti-Corruption

2.1.1.- Human Rights - We and our business partners must respect the human rights of all people related to their business activities. We must also ensure that their activities do not directly or indirectly violate human rights.

2.1.2.- Labor: Forced Labor prohibition - We and our business partners must not implement any forced labor through the use of threats, intimidation, detention or any other means.

2.1.3.- Labor: Prohibition of Child Labor - We and our business partners must not employ any person considered to be a minor / child, according to the local laws of each country. Special care must be taken to ensure the health and safety of employees under the age of 18 and they should not be required to perform dangerous tasks.

2.1.4.- Labor: Non-Discrimination - We and our business partners must not discriminate on the basis of race, nationality, religion, age, disability, gender, marital status, sexual orientation or any other attribute or characteristic.

2.1.5.- Workforce: Prohibition of Harassment - We and our business partners must not allow any conduct that takes advantage of a professional position, personal relationships or any other position of superiority in the workplace in a way that exceeds the appropriate scope of business activities and causes psychological or physical distress to an employee or employees.

2.1.6.- Manpower: Respect for Worker Rights - In matters such as negotiations between workers and management, we and our business partners must recognize and respect workers' rights. We and our business partners must also create opportunities for effective communication between workers and management.

2.1.7.- Labor: Guaranteeing Safety and Health at Work - We and our business partners must guarantee safe and hygienic conditions, including the work environment and employee accommodation (where such accommodation exists). We and our business partners must implement training and countermeasures to prevent potential accidents and make arrangements to handle any accidents that may occur.

2.1.8.- Labor: Payment of Adequate Wages - We and our business partners must pay wages that are equal to or higher than the minimum wage stipulated by local law, and pay wages for work outside of regular working hours according to the laws and agreements. Information on terms and conditions related to wages and details of wages must be provided to workers.

2.1.9.- Workforce: Management of Adequate Working Hours - We and our business partners must comply with the requirements of local laws related to working hours.

2.1.10.- Environmental Care and Respect - We and our business partners must comply with local laws and regulations related to the environment and work to prevent contamination of the atmosphere, water, and soil. We must also continually measure and evaluate the use and discharge of resources and work to reduce impacts on the environment.

2.1.11.- Anti-Corruption - We and our business partners must prohibit and prevent conduct such as bribery, corruption, improper provision or receipt of profits, extortion and misappropriation.

Supplier Name

Signature of receipt



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