

# Alpek's Human Rights Policy

## 1. PURPOSE

This policy expresses Alpek's active and continuous determination to respect and support internationally recognized human rights standards. This policy is supported by the Alpek's Code of Ethics (PO-ALPEK-CH-02). Human Rights are the fundamental rights, freedoms, and treatment standards all people are entitled to. We respect the rights of our employees and all our stakeholders, having as a fundamental principal the respect for human dignity above any other business consideration.

## 2. SCOPE

All Employees, contractors, Board of Directors members, External Related Persons, and any stakeholders who may have or exert influence on the company's and its subsidiaries' decision-making processes are subject to this policy. They are expected to comply with this policy as an essential part of Alpek's regulatory framework.

## 3. GLOSSARY

### Code of Ethics

This internal document establishes the ethical norms and rules of conduct that all Employees and External Related Persons must always observe while performing their duties. These rules shall serve as a guide to achieve transparent decision-making and compliance with the ethical responsibility concept that governs Related Third Parties.

### Employee

Any individual with an employment relationship with Alpek, either through an indefinite-term employment contract or any other form of relationship involving labor subordination.

### Human Rights

The rights inherent to all human beings, regardless of nationality, place of residence, sex, national or ethnic origin, color, religion, language, or any other status, are hereby acknowledged. These rights are interrelated, interdependent, and indivisible.

### External Related Persons

Refers to an individual or legal entity, whether domestic or foreign, with a contractual, professional, or business relationship with Alpek, other than an employment relationship. Including but not limited to, advisors, consultants, auditors, suppliers, distributors, customers, intermediaries, service providers, and contractors, among others.

### Alpek

ALPEK, S.A.B. de C.V., and its subsidiaries as applicable, depending on the relevant context thereof. When "Alpek" is mentioned throughout this policy, it will refer to Alpek, S.A.B. de C.V. and its subsidiaries.

## Stakeholder

A person or organization that can be affected or perceive themselves as affected by Alpek's and/or its subsidiaries' decisions or activities.

## Applicable legal regulations

Refers to any law, regulation, requirement, procedure, decree, or international or national code that applies to a jurisdiction or country in which Alpek operates.

## 4. ALPEK'S COMMITMENT

At Alpek, we seek to align our strategy and operations to the United Nations Guiding Principles on Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. These global standards of expected conduct apply to all our operations.

Alpek is a signatory to the United Nations Global Compact and has undertaken to respect and support human rights and comply with internationally recognized standards and aligns with the Universal Declaration of Human Rights (UDHR).

## 5. GUIDELINES

### A. General

- i. Alpek will not tolerate any behavior that favors, promotes, or allows the violation or infringement of human rights. All Employees and External Related Persons must respect and promote human rights in accordance with Alpek's Code of Ethics and any other related procedure or internationally recognized standard.
- ii. Alpek commits to focusing the compliance of this Policy on protecting all persons, especially those that belong to the following vulnerable groups:
  - a. Children
  - b. Women
  - c. People with disabilities
  - d. Third-party employees
  - e. Local communities
- iii. If there is a conflict between compliance with human rights and operational results, all Employees and External Related Persons are responsible for respecting and preserving human rights above operational results.
- iv. Alpek must implement this policy in accordance with the organization's internal regulatory framework and applicable legal regulations.
- v. If applicable legal regulations are more stringent than what is established in this policy, the applicable legal regulations must prevail. If contradictory, the issue must be escalated through Human Resources, who must consult the corresponding Legal criteria to determine how to proceed. If considered necessary, present a proposal to modify the policy to the Corporate Human Resources Management.

- vi. Alpek must ensure communication, participation, and adherence with Employees and External Related Persons, if applicable, or other stakeholders to ensure the implementation and compliance with this policy.

#### **B. Provisions**

- i. Alpek rejects any action or omission, with intent or without it, that has as a goal or results in obstructing, restricting, preventing, undermining, or nullifying the recognition, enjoyment, or exercise of human rights and freedoms, including, but not limited to:
  - a) Ethnic or national origin
  - b) Skin color
  - c) Culture and idiosyncrasy
  - d) Gender
  - e) Age
  - f) Disabilities of any kind
  - g) Social, economic, or health condition
  - h) Religion
  - i) Physical appearance
  - j) Genetic characteristics
  - k) Immigration status
  - l) Pregnancy
  - m) Opinions
  - n) Sexual preferences
  - o) Political identity or affiliation
  - p) Marital status
  - q) Family situation and/or family responsibilities, or any nature protected by applicable legal regulations.
- ii. Alpek will not tolerate discriminatory conduct, sexual harassment, or any other type of harassment. Therefore, all Employees and External Related Persons, regardless of their gender, must be treated with respect and dignity, avoiding any behavior that may be interpreted or constitute acts of discrimination, sexual harassment, or any harassment. Harassment behaviors might include, but are not limited to, one or more of the following actions:

- a) Verbal harassment:
  - Threats
  - Insults
  - Abusive criticism
  - Mistreatment disguised as jokes
  - Accusing excessively
  - Intimidating
  - Disrespectful comments.
- b) Sexual harassment:
  - Making sexually suggestive comments or jokes
  - Touching, slapping, hugging, or other suggestive physical contact
  - Suggestive statements about a person's body, clothing, or sexual history
  - Make comments, statements or tell stories of an explicit or sexual nature
  - Display sexually suggestive material
  - Make unwanted proposals or advances, or put undue pressure on others
- iii. Alpek is responsible for supporting, respecting, and complying with the protection of internationally recognized fundamental human rights within their sphere of influence.
- iv. Alpek must provide safe and clean working conditions that promote its Employees' safety, hygiene, and well-being.
- v. Alpek must provide fair compensation and social benefits in accordance with its internal policies and the applicable legal regulations of the region.

Alpek is committed to ensuring equal remuneration for all Employees, regardless of their gender, race, ethnicity, age, sexual orientation, or any other personal characteristic. This policy outlines our commitment to fair and equitable pay and the principles guiding our remuneration practices.

- vi. Alpek must guarantee the right of freedom of association and collective bargaining in accordance with applicable legal regulations. Every employee is free to form or join an association or union according to their needs and the provisions established in applicable legal regulations. Alpek will respect these union organizations' autonomy, institutionality, and internal administration.
- vii. Alpek must ensure a dignified work environment by providing equal opportunities in access and employment promotion, complying with applicable legal regulations.
- viii. Alpek must respect Employees', External Related Persons', and stakeholders' religious practices.
- ix. Alpek prohibits forced labor or work performed under any coercion.
- x. Child labor is not permitted under any circumstances. Preventive measures must be taken, including verifying compliance with minimum age requirements established in applicable legal regulations. An exception is made for minors under the scheme of internships, if it is allowed by applicable legal regulations.

- xi. Alpek is committed to preventing and combatting human trafficking in all its operations. Alpek recognizes that human trafficking is a global issue affecting millions worldwide.
- xii. Alpek is committed to promoting the right to protect a clean and healthy environment since it recognizes it is a fundamental human right. Therefore, various administrative and operational controls must be established to prevent or minimize the environmental impacts of operations in favor of a sustainable environment.
- xiii. The safety and health of individuals must always be a priority. No productive activity should be executed if there are risks for which no prevention and mitigation controls exist. Therefore, an occupational health and industrial safety system must be established and maintained to prevent risks to personnel to improve working conditions for all Employees and External Related Persons who, for various circumstances, are within the company's facilities.
- xiv. Alpek will promote a culture of prevention and self-care that allows adopting healthy lifestyles and creating favorable organizational environments, through the identification, analysis, and prevention of psychosocial risk factors and by promoting working conditions that protect the physical and mental health of Employees, through the creation of well-being and quality of life programs, as well as healthy and safe work environments, processes, and facilities.
- xv. Everyone is responsible for conducting business in good faith, with absolute honesty, and in full compliance with applicable legal regulations, promoting fair competition in accordance with Alpek's Code of Ethics.

## 6. REPORTING AND SANCTIONING SYSTEM

- i. Any situation involving a violation of the rights and freedoms of Employees, External Related Persons, and stakeholders must be effectively and timely addressed, registered, and investigated. To this end, Alpek must provide access to complaints reporting mechanisms.
- ii. All Employees and External related Persons are responsible and obligated to participate in human rights training and report any situation, conduct, or action by employees or related external parties that they become aware of, through Alpek's parent company, ALFA, S.A.B. de C.V.'s transparency helpline (<http://www.alfa.com.mx/CONT/transparency.htm>)
- iii. Upon receipt of a report or complaint under this policy, the person who received it must proceed in accordance with the procedure that Alpek may have established to address such matters in a particular country, where applicable. The mentioned transparency helpline administrators will periodically participate in training and updating programs to adequately address and resolve reports or complaints filed under this policy.
- iv. All Employees, External Related Persons, and stakeholders must have free access to tools to report wrongdoing in good faith, without limitations or fear of reprisals. In Alpek, taking any form of reprisal against a person who reports in good faith alleged wrongdoing is prohibited, so any act of reprisal must be reported immediately. If, as a result of a report or complaint under this policy or due to the cooperation of any person during the corresponding investigation, any Employee or External Related Person takes reprisals against the complainant or anyone who has cooperated, the person who took the reprisal may be subject to a sanction or other disciplinary measure, which may range from a warning to dismissal or termination of the relationship between Alpek and the Employee or External Related Person in accordance with the applicable legal regulations and, where applicable, any collective labor agreement.
- v. Any report or complaint made in good faith regarding suspicions or detections of non-compliance with this policy will be thoroughly investigated and resolved as confidentially as possible, in accordance with the Alpek's Whistleblower Protection Policy, including any other procedure that Alpek may have established to address such matters in a particular

country, where applicable, and in compliance with the Applicable legal regulations and, where applicable, any collective labor agreement.

- vi. All communication with the complainant will be carried out in accordance with Alpek's Whistleblower Protection Policy, including any other procedure that Alpek may have established to address such matters in a particular country, where applicable, and always with the involvement of the local legal department.

## **7. CORRECTIVE MEASURES AND SANCTIONS**

- i. Non-compliance with this policy and applicable legal regulations may result in severe penalties and reputational harm for Alpek. Employees or External Third Persons who violate applicable legal regulations may also face penalties. Therefore, non-compliance with applicable legal regulations and this policy will violate Alpek's internal policies, norms, and procedures.
- ii. In case it is determined that there has been a breach of this policy, immediate corrective measures will be taken to prevent the recurrence of such conduct.
- iii. Any employee who is determined to have acted in contravention of this policy will be subject to any of the following sanctions, depending on the severity of the conduct, and in accordance with the administrative sanctions, including any other procedure that Alpek may have established to address such matters in a particular country, if applicable, and in compliance with applicable legal regulations and any applicable collective labor agreement:
  - a. Oral or written warning.
  - b. Disciplinary or corrective action.
  - c. Negative performance evaluation.
  - d. Transfer to another area, shift, or function.
  - e. Demotion.
  - f. Suspension from work.
  - g. Termination of employment without liability for Alpek.
  - h. Any other sanction permitted by Applicable legal regulations or Collective Bargaining Agreement.
- iv. When it is determined that an External Related Person has acted in contravention of this policy, immediate notification will be sent to the corresponding organization requesting that appropriate disciplinary measures be taken, and Alpek will evaluate the suitability of continuing or terminating the relationship and, if applicable, demanding compensation for damages.
- v. These sanctions are independent of any other sanction that may be applicable in accordance with applicable legal regulations, and without prejudice to the right of any person or Alpek to report to the corresponding authorities or take legal action against those who have engaged in such conduct.
- vi. Alpek will not pay any fines imposed on Employees or External Related Persons due to non-compliance with any applicable legal regulations or this policy.

## 8. RESPONSIBILITIES

Alpek, S.A.B. de C.V.'s Human Resources Department and its subsidiaries must:

- i. Ensure compliance with this policy.
- ii. Ensure that the Human Rights training program is integrated into the particular training plans of each subsidiary.
- iii. Monitor compliance with the training program.
- iv. Establish and execute guidelines for sanctioning non-compliance with this policy in accordance with applicable legal regulations.
- v. Ensure that employees, related third parties and other stakeholders:
  1. Know, understand, and comply with this policy.
  2. Participate in the training and education indicated in the policy.
- vi. Integrate the Human Rights policy into the business unit's training plans. Must provide evidence of compliance with this program and keep records for personnel who require it.
- vii. Execute sanctions for non-compliance with this policy, in accordance with established guidelines and Applicable legal regulations.

## 9. CONTACT

Human Rights risks can appear in any context, so remain receptive to new or emerging risks. If you become aware of a possible violation, please report directly through one of the following channels:

- The direct manager or next-level manager
- The Human Resources manager or director
- ALFA, S.A.B. de C.V.'s transparency helpline (<http://www.alfa.com.mx/CONT/transparency.htm>)

## 10. EXCEPTIONS AND/OR MODIFICATIONS

The Corporate Human Resources Department shall analyze any situation not covered by this policy. If it constitutes an exception or modification to the established policies, the authorizers must approve them.

## 11. TRANSPARENCY AND REPORT

Alpek is committed to transparent and integrity-driven communication regarding the integration, compliance, and identification of human rights violations and the mitigation and remediation actions it undertakes.

*General Premise: All Alpek subsidiaries must be aligned with the regulatory framework established in the Alpek Policies. The policies of each subsidiary may have different conditions, but never less restrictive than the framework established by the Alpek Policy.*

## APPROVALS

Name	Position	Date of Approval
Jorge Pedro Young Cerecedo	Chief Executive Officer	June 12 <sup>th</sup> 2023
Teresa Quintero Mármol Véliz	Vice President Human Capital	June 12 <sup>th</sup> 2023



## ANNEX I

This Annex reinforces Alpek's commitment to protecting and respecting children's human rights.

Alpek, based on the Declaration of the Rights of the Child and Business Principles of the United Nations Global Compact and UNICEF, commits to:

- i. Fulfill its responsibility to respect and promote children's rights recognized in the Convention on the Rights of the Child. These are:
  - Act in the best interests of the child.
  - Ensure the non-discrimination of the child.
  - Contribute to the child's participation in activities that promote their integral well-being. Contribute to the survival and development of the child within its scope and possibilities.
- ii. To achieve this, Alpek commits to developing a continuous process in which a company evaluates its potential and actual impact on human rights, including children's rights. The following elements are considered:
  - Identify and assess any actual or potential negative impact on children's rights.
  - Integrate the findings of impact assessments into relevant internal processes and functions and take necessary measures to mitigate them.
  - Monitor and track the effectiveness of the company's responses.
  - Communicate externally the measures implemented to mitigate identified negative impacts.
  - Promote and participate in activities that promote children's rights.
- iii. Contribute to eradicating child labor in all its business activities and commercial relationships. This includes:
  - Not employing or using children in any form of child labor and establishing strict age verification mechanisms as part of the hiring process and ensuring that such mechanisms are also used in the value chain.
  - Prevent, identify, and mitigate the harm caused to young workers and protect them from work prohibited for workers under 18 years of age or beyond their physical and psychological capacities.
  - Work with governments, social agents, and other stakeholders to promote education and seek sustainable solutions to the root causes of child labor.
- iv. Provide decent work for parents and caregivers, and guardians of children. This includes:
  - Respect the rights of young workers who exceed the minimum working age and promote social dialogue and labor rights.
  - Beyond compliance with legislation, Alpek is committed to paying attention to working conditions, such as minimum wage payment, duration and flexibility of working hours, benefits for pregnant and breastfeeding women, and the need for paternity leave or maternity leave.
- v. Ensure the protection and safety of children in all business activities and facilities.

- vi. Ensure that products and services are safe and that they promote children's rights. This includes:
  - Ensure that product and service testing and research that may be used or consumed by children are carried out in accordance with relevant national and international regulations.
  - Ensure that products and services intended for children or to which children may be exposed are safe and do not cause psychological, moral, or physical harm.
  - Take steps to eliminate discrimination against any child or group of children in the supply of products and services.
  - Seek to prevent and eliminate the risk of certain products and services being used for abuse, exploitation, or any harm to children.
  
- vii. Use marketing and advertising that respects and supports children's rights. This includes:
  - Alpek does not have an intensive marketing strategy and ensures that product information and labeling are clear, accurate, and complete.
  
- viii. Respect and promote the rights of the child in relation to the environment and the acquisition and use of land. This includes:
  - When planning and implementing environmental and resource use strategies, the company must ensure that commercial operations do not have negative effects on the rights of the child with regard to environmental damage or the reduction of access to natural resources.
  - Ensure that the rights of children, their families, and their communities are addressed by contingency plans for environmental and health damage, including damage caused by accidents.
  - Whenever possible, avoid and minimize the displacement of communities affected by land acquisition or its use for commercial purposes.
  
- ix. Respect and promote the rights of the child in security provisions. This includes:
  - Conducting human rights due diligence, paying particular attention to any negative impact on the child's rights when organizing and implementing security provisions, whether with public or private security service providers.
  
- x. Help protect children affected by emergency situations. This includes:
  - Helping to protect the rights of children affected by emergency situations by raising awareness among workers and community members about the increased risk of violence, abuse, and exploitation of children in such contexts.
  - Support authorities and humanitarian organizations in emergency responses using current good practices when required and demanded. Support must be based on an urgent assessment within a responsibility framework towards the affected population.
  - Make a positive contribution to peace and sustainable development.
  
- xi. Strengthen community and government efforts to protect and fulfill the rights of the child.
  - Contribute to existing programs or plan and implement new social investment programs in cooperation with governments, civil society, and children.