

INTEGRITY & ANTI-CORRUPTION HANDBOOK

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INTEGRITY & ANTI-CORRUPTION HANDBOOK

HANDBOOK STATEMENT

Mexichem rejects and prohibits bribery and any form of corruption of any kind (private or public). This is the position adopted by the Board of Directors and cascaded and enforced across the organization.

Mexichem policy is to comply with the Mexican *Ley General de Responsabilidades Administrativas and Ley General del Sistema Nacional Anticorrupción*, the U.S Foreign Corrupt Practices Act (FCPA), the UK Bribery Act and all other anti-corruption legislations applicable in those jurisdictions where Mexichem conducts businesses. This Handbook provides guidance for compliance with anti-corruption law principles applicable around the world and to give you direction in business situations that you may encounter.

Compliance with Anti-Corruption and Anti-Bribery regulations is a serious issue both for you and Mexichem.

Mexichem prohibits the offering, promising, giving, receiving or soliciting an “Improper Payment” to anyone. An Improper Payment may consist of anything of value including any money, goods, property, privilege, compensation, object of value, advantage or any promise or undertaking to induce or influence any action, vote or other undertaking of the recipient.

Mexichem can suffer devastating consequences to its reputation and its shareholder value simply by being the subject of a bribery or corruption investigation even if it is not convicted.

Companies may be fined millions of dollars for violations of Anti-Corruption statutes.

Other potential consequences for the company would include:

- Charges for money laundering;
- Charges for mail and wire fraud;
- Charges for conspiracy;
- Charges for false books and records;
- Material litigation and regulatory investigations;
- Temporary debarment from participating in public procurement;
- Temporary suspension of activities; and
- Winding-up of companies.

By violating Anti-Corruption laws you could face severe consequences including loss of employment with Mexichem, substantial fines, and even prison, whether or not Mexichem is prosecuted.

Despite your best efforts, it is always possible that you are confronted with bribery or other forms of corruption. In such cases, it is important to understand how to behave as a Mexichem officer, employee or third party such as agents, distributors, consultants, contractors, or any other third party acting on behalf of Mexichem. Although these Policies have been drafted as much as possible from a business and practical perspective and are intended to educate you about anti-corruption, you should not try to solve any anti-corruption problems on your own. In case of doubt, please consult immediately with the Legal Department.

Mexichem has a zero-tolerance approach to bribery and corruption.

AMENDMENTS

Deviations or changes to these Policies require the approval of Mexichem Vice President & General Counsel.

REPORTING A CONCERN

Because we all have a stake in Mexichem's success, it is in all of our interest to help ensure that our business are conducted to the highest ethical standards, and that our reputation remains untarnished. For this reason, we strongly encourage you to report any situation you know or suspect about that may involve illegal, unethical or otherwise improper business activity, as well as all instances of employee violations of this or any other of the Mexichem's policies. Doing so will allow the company to address the issue and take appropriate corrective action.

If you have a good-faith belief or concern related to improper or illegal conduct, you should immediately bring it to the attention of Mexichem:

- Logging onto <http://www.mexichem.ethicspoint.com> from any computer with an Internet connection and clicking on the Mexichem Whistleblower Line link to file a web report.

Mexichem will not tolerate retaliation against you due to your report or participation in any internal investigations, as long as you have acted in good faith and believe what you reported to be true.

Retaliation may be grounds for discipline up to and including dismissal, subject to applicable local laws. The company will treat any good-faith reports or discussions in confidence consistent with legal requirements and subject to the need to conduct a thorough investigation where appropriate. In certain cases, and consistent with applicable laws, information may be shared with local law enforcement or other authorities.

CONFLICT OF INTERESTS

GLOBAL POLICY

PURPOSE

Conflicts of interests might represent a form of corruption if not addressed properly and might have a negative effect on the transparency, equity, and good faith that should characterize Mexichem's relations

Most conflicts of interests can either be avoided entirely or resolved easily if they are properly disclosed to the Company. If you are ever in doubt about whether an activity may create a conflict of interest, please contact the Legal Department. The company will work with you to determine the appropriate course of action.

Mexichem prohibits its officers, executives, employees, and third parties from engaging in any activity, practice, or conduct which conflicts with, or appears to conflict with, the interest of the Company, its customers or its suppliers unless it has been previously disclosed and approved by the Company in accordance with the provisions set out in this policy. Officers, employees and third parties are expected to represent the Company in a positive and ethical manner.

SCOPE

This Policy applies to all individuals working for, or on behalf of Mexichem worldwide, regardless of the place where Mexichem operates or maintain business. Ignorance or misunderstanding of the rules is no excuse for violations.

DEFINITIONS

1. **Conflict of interests:** A conflict of interests is any situation that has the potential to undermine the impartiality of a person because of the possibility of a clash between the person's self-interest and professional or business interests. The conflict might arise from the position you hold within the company and could imply the omission of your legal, contractual, or ethical obligations to which you are subject to.
2. **Relatives:** A Conflict of Interest might arise in any professional situation that involve relatives, including in- laws, up to fourth degree. In this regard, please be aware of the following degrees of kinship:
 - **First degree:** includes your spouse, your parents and your children and their spouses;
 - **Second degree:** includes your siblings and their spouses, your grandparents and your grandchildren and their spouses;
 - **Third degree:** includes your nephews, nieces, aunts and uncles and their spouses;
 - **Fourth degree:** includes your cousins and their spouses.

PROVISIONS

1. The following is a list of examples of conflict of interests:
 - a. **Employment and compensation outside Mexichem:** Employees may not engage, directly or indirectly, in any conduct which is disloyal, disruptive, competitive or damaging to Mexichem. Although in some cases it may be acceptable to work outside Mexichem, such employment must never interfere with your responsibilities to the company.

Throughout the duration of your employment with Mexichem, you may not accept any employment relationship with any organization that does business with or competes with Mexichem. This prohibition on employment

includes serving as an advisor or consultant to any organization of that type, unless the activity is conducted as a representative of Mexichem.

- b. **Personal investment:** Employees may not hold any financial interests in Mexichem's competitors, customers, distributors, or suppliers either directly or indirectly through family, friends, or related parties that place them in a conflict of interest position. For purposes of this policy there is material financial interest when an officer, an executive or any employee or his or her relatives have more than 5% interest in the company that Mexichem is conducting business with or is able to exert significant control over that Company. Mexichem may require divestiture of the interest if it considers there is a conflict.

If you or a family member have any significant financial interest in a Mexichem competitor, customer, distributor or supplier you must notify the Legal Department and disclose the information through the **Conflict of Interests Disclosure Form (see Annex I: Conflict of Interests Disclosure Form)**

- c. **Use of company time and assets for personal gain:** Employees may not utilize company time or resources (equipment, materials, securities, or information) in outside work for personal gain.
- d. **Employment relationships with family members:** Relatives of Mexichem's employees may work within the Company provided that this relationship does not affect the performance of the work or the employment relationship between the employee and the Company.

All direct/indirect subordinate relationships between family members are prohibited. In case of an employment relationship in which there is an interaction of processes between family members, the situation must be disclosed.

- e. **Prospective Businesses:** In the event that an officer, an executive or any employee of Mexichem should become aware of the fact that a family member or friend is (i) an employee or the owner of a company wishing to become a supplier or customer of Mexichem, or (ii) a public officer of a government entity with which Mexichem intends to enter into a transaction, the Mexichem's officer, executive, or employee shall not participate in or influence the negotiations or the making of the decision to enter into any transactions in connection therewith. If the duties of said Mexichem's officer, executive, or employee are directly related to the negotiations, he or she must excuse themselves from participating in the same, and notify the appropriate Mexichem's departments.

- 2. Any conflict or potential Conflict of Interests must be disclosed to **Mexichem HR or Legal Department** by submission of the **Conflict of Interests Disclosure Form (Please see Annex I)**.

GIFTS

GLOBAL POLICY

PURPOSE

Anticorruption laws prohibit offering or providing anything of value, including gifts, to anyone to induce, obtain or reward an improper advantage or to unjustly influence official action, regardless whether the benefit, reward or advantage was obtained. Offering and accepting such benefits is a criminal offense in most countries.

We expect business decisions to be taken based only on the legitimate and lawful benefit of Mexichem. Personal favours may influence business relationships negatively and should not be asked for or given under any circumstances. It is important to avoid situations that could affect your or anyone else's ability to make a professional business decision or which could seem inappropriate.

SCOPE

This Policy applies to all gifts offered or received by individuals working for, or on behalf of Mexichem worldwide and their families regardless of the place where Mexichem operates or maintain business. Ignorance or misunderstanding of the rules is no excuse for violations.

DEFINITIONS

1. **Gift:** shall mean any tangible object of any kind, or any intangibles such as favours, gratuities and courtesies regardless of its value.
2. **Public Officials:** Public officials are defined broadly to include:
 - Any officer or employee of a government or instrumentality thereof or any person acting in an official capacity for or on behalf of any such government or instrumentality (whether in the executive, legislative or judicial branches of government and whether at national or local level);
 - Officers and employees of state-owned enterprises (whether partially or wholly owned);
 - Royal family members;
 - Family members of Public Officials;
 - Officers or employees of public international organizations, such as the World Bank or International Monetary Fund;
 - Public political parties and their officials and political candidates;
 - Any other person where the offeror knows that all or a portion of what is given will directly or indirectly reach any of the recipients listed above.

PROVISIONS

1. **General Requirements for Gifts:**
 - a. You may under no circumstance offer, promise, give, receive, solicit or accept, directly or indirectly, any gifts with the intention to obtain improper advantages.
 - b. Gifts can be given or accepted as a business or social courtesy **only** if such practices are accepted locally and in the industry as a token of appreciation.

- c. Gifts have to comply with all applicable laws.
2. **Branded Gifts:** Mexichem has a selection of reasonable, nominal value Mexichem branded items such as pens, USB sticks, etc. You are encouraged to select a Mexichem branded gift in case you wish to offer a gift to anyone.
3. **Prohibited Gifts:** You may, under no circumstances, offer, promise, give, receive, solicit or accept, directly or indirectly, the following gifts:
 - a. Cash or cash equivalents;
 - b. Gifts provided during periods when important business decisions are being made and such gifts might influence or appear to influence the decision-making process;
 - c. Gifts provided by a party in a tendering process during the course of an on-going tender or competitive bidding process;
 - d. Gifts that are inappropriate in nature or in an inappropriate venue;
 - e. Gifts that have been paid with personal funds to avoid having to report or seek approval;
 - f. Gifts where you would be uncomfortable if publicized to your colleagues, supervisor and/or customers;
 - g. Gifts that have a value that could improperly influence a business decision or create the appearance of an impropriety;
 - h. Gifts leading to any type of personal financial assistance to or from a customer, supplier or other business contact;
 - i. Lavish Gifts. Any gift must be reasonable and customary under the circumstances;
 - j. Gifts provided so frequently as to create an appearance of impropriety; and
 - k. Tickets for sport or cultural events such as museum openings, sporting events, theatre productions, cruises airline tickets among others with face value over 50 USD.
4. **Gifts to Public Officials:** Gifts to Public Officials may be considered an infringement to anti-bribery and anticorruption laws. Particular caution should be exercised when considering giving or receiving gifts to/from any public official. You must obtain **prior** written permission from your **direct Manager, the Chief Compliance Officer and the VP General Counsel** through submission of the Gift Form (**Annex II: Gift Form**) if you wish to give a gift to a Public Official, **regardless of its value**. Where there is any doubt as to whether a person is a Public Official, they should be treated as such unless the Chief Compliance Officer has confirmed otherwise.
5. Giving or offering tickets to sports or cultural events where the recipient or giver will attend the event with a Mexichem employee, is considered Entertainment and therefore subject to the requirements set out in **Meals and Entertainment with non-Mexichem Employees Policy**. Costs should remain modest under local standards.
6. Mexichem employees should at all times use good and sound judgement and return any improper gifts received. If this is not possible the employee shall send the gift to the HR Department for proper handling. The HR Department shall dispose the gift through a raffle among all employees in that location or giving the gift to charity.
7. The above-mentioned rules apply to any gifts you give or receive in the course of your work, including during any festive season or any other gift-giving occasions.
8. If any employee wishes to give gifts on behalf of Mexichem which **exceed 50 USD**, that person must file a gift form and obtain prior written permission from his/ her **direct Manager, HR and the Legal Department**. Same requirement applies if the employee wishes to give the gift personally to anyone that is doing business with Mexichem. If an employee have received a gift which **exceed 50 USD**, that person must immediately report and surrender the gift to HR Department by submission of the Gift Form. (**Please see Annex II: Gift Form**).
9. **Account and Records:** All Gifts must always be recorded in writing and documented with suitable evidences.

GIFT MEALS AND ENTERTAINMENT WITH NON-MEXICHEM EMPLOYEES

GLOBAL POLICY

PURPOSE

We expect business decisions to be taken based only on the legitimate and lawful benefit of Mexichem. Personal favours may influence business relationships negatively and should not be asked for or given in any circumstances. It is important to avoid circumstances that could affect your (or anyone else's) ability to make a professional business decision or which could seem inappropriate.

However, anticorruption laws prohibit offering or providing anything of value, including the above mentioned, to anyone to induce, obtain or reward an improper advantage or to unjustly influence official action, regardless whether the benefit, reward or advantage was obtained. Offering and accepting such benefits is a criminal offense in most countries.

SCOPE

This Policy applies to meals and/or entertainment provided or received by all individuals working for, or on behalf of Mexichem worldwide and their families, regardless of the place where Mexichem operates or maintain business. Ignorance or misunderstanding of the rules is no excuse for violations.

DEFINITIONS

1. **Meals and Entertainment:** shall mean any food or drink, or any event or form of entertainment, including breakfast, lunch, dinner, snacks, refreshments, drinks, and similar activities (whether hosted at a Mexichem facility or elsewhere) and social or cultural events, such as sporting events, parties, golf outings, plays, receptions and similar activities.
2. **Public Officials:** Public officials are defined broadly to include:
 - Any officer or employee of a government or instrumentality thereof or any person acting in an official capacity for or on behalf of any such government or instrumentality (whether in the executive, legislative or judicial branches of government and whether at national or local level);
 - Officers and employees of state-owned enterprises (whether partially or wholly owned);
 - Royal family members;
 - Family members of Public Officials;
 - Officers or employees of public international organizations, such as the World Bank or International Monetary Fund;
 - Public political parties and their officials and political candidates;
 - Any other person where the offeror knows that all or a portion of what is given will directly or indirectly reach any of the recipients listed above.

PROVISIONS

1. When considering whether to offer or accept Meals or Entertainment, or the type of Entertainment to provide, you should avoid any appearance of impropriety.

2. **General Requirements for Meals and Entertainments:**
 - a. You may under no circumstance offer, promise, give, receive, solicit or accept, directly or indirectly, any Meal and/or Entertainment with the intention to obtain improper advantages.
 - b. All Meals and/or Entertainment expenses must be provided in the normal course of business, in connection with a legitimate business purpose and paid directly to the restaurant or event organization whenever possible.
 - c. Meals and/or Entertainments can be given or accepted as a business/social courtesy **only** if such practices are accepted locally and in the industry as a token of appreciation.
 - d. Meals and/or Entertainments have to comply with all applicable laws.
3. **Prohibitions:** You may, under no circumstances, offer or accept, directly or indirectly, the following Meals and/or Entertainments:
 - a. Meals and/or Entertainments provided during periods when important business decisions are being made and they might influence or appear to influence the decision-making process;
 - b. Meals and/or Entertainments provided by a party in a tendering process during the course of an on-going tender or competitive bidding process;
 - c. Meals and/or Entertainments that are inappropriate in nature or in an inappropriate venue;
 - d. Meals and/or Entertainments that have been paid with personal funds to avoid having to report or seek approval;
 - e. Meals and/or Entertainments where you would be uncomfortable if publicized to your colleagues, supervisor and/or customers;
 - f. Meals and/or Entertainments that have a value that could improperly influence a business decision or create the appearance of an impropriety;
 - g. Meals and/or Entertainments leading to any type of personal financial assistance to or from a customer, supplier or other business contact;
 - h. Lavish or extravagant Meals and/or Entertainments. They all must be reasonable and customary under the circumstances; and
 - i. Meals and/or Entertainments provided so frequently as to create an appearance of impropriety.
4. In addition to the above criteria, you must use your good judgement when offering or accepting Meals and/or Entertainment.
5. Offering entertainment, such as tickets to sports events, without any accompanying Mexichem employee, is considered to be a gift and is therefore subject to the requirements set out in Gifts Policy. Costs should remain modest under local standards.
6. **Spouses and civil partners:** Spouses and civil partner of business associates (non-Public Officials) should only be invited in exceptional cases, in which case prior written approval from the Legal Department is required.

Where there is any doubt as to whether a person is a Public Official, they should be treated as such unless the Legal Department confirmed otherwise.
7. **Spouses and civil partners of Public Officials** should be treated as Public Officials themselves and be subject to the restrictions contemplated for Public Officials under this Policy.
8. If any employee wishes to offer or accept Meals and/or Entertainment which **exceeds 250 USD** to a non- Public Official, that person must justify the reason for that and obtain prior written approval from their **direct Manager and**

the Finance Controller through the submission of a **Meals, Travel, Hospitality, & Entertainment Form (Please see Annex III)**.

9. If any employee wishes to offer Meals and/or Entertainment to a **Public Official**, that person must justify the reason for that and obtain prior written approval from their **direct Manager, the Chief Compliance Officer and the VP General Counsel** through the submission of a **Meal, Travel, Hospitality & Entertainment Form, regardless of the value** of the Meal and/ or Entertainment being offered. Where there is any doubt as to whether a person is a Public Official, they should be treated as such unless the Legal Department has confirmed otherwise.
10. The above-mentioned rules apply to any Meals and/or Entertainment you give or receive in the course of your work, including during any festive season, holidays or any other special event occasions.
11. In the case that the Meal and/or Entertainment with Public or non public officials is offered within the Company facilities (e.g. offices canteen, catering offered during a business meeting...etc), the local business may not need to obtain from the **Chief Compliance Officer** provided the expenses are within the regular course of business, reasonable, and not lavish. However all travel expenses to and from the facility require approval as per the Travel and Hospitality Policy.
12. **Account and Records:** All Meals and/ or Entertainments mentioned in this policy including those in the company facilities must always be recorded in writing and documented with suitable evidences.

TRAVEL AND HOSPITALITY WITH NON-MEXICHEM EMPLOYEES

GLOBAL POLICY

PURPOSE

We expect business decisions to be taken based only on the legitimate and lawful benefit of Mexichem. Personal favours may influence business relationships negatively and should not be asked for or given in any circumstances. It is important to avoid circumstances that could affect your (or anyone else's) ability to make a professional business decision or which could seem inappropriate.

In many countries, providing clients, suppliers, and business contacts with travel and hospitality is often seen as a business courtesy and is common practice.

However, anticorruption laws prohibit offering or providing anything of value, including the above mentioned, to anyone to induce, obtain or reward an improper advantage or to unjustly influence official action, regardless whether the benefit, reward or advantage was obtained. Offering and accepting such benefits is a criminal offense in most countries.

SCOPE

This Policy applies to all travel and hospitality provided or received by all individuals working for, or on behalf of Mexichem worldwide and their families, regardless of the place where Mexichem operates or maintain business. Ignorance or misunderstanding of the rules is no excuse for violations.

DEFINITIONS

1. **Travel:** shall mean all form of transportation necessary for clients, suppliers, and business contacts or Public Official to travel to and from his or her home jurisdiction, including ground transportation and air travel.
2. **Hospitality:** shall mean hotel accommodations or other arrangements for sleeping.
3. **Public Officials:** Public officials are defined broadly to include:
 - Any officer or employee of a government or instrumentality thereof or any person acting in an official capacity for or on behalf of any such government or instrumentality (whether in the executive, legislative or judicial branches of government and whether at national o local level);
 - Officers and employees of state-owned enterprises (whether partially or wholly owned);
 - Royal family members;
 - Family members of Public Officials;
 - Officers or employees of public international organizations, such as the World Bank or International Monetary Fund;
 - Public political parties and their officials and political candidates;
 - Any other person where the offeror knows that all or a portion of what is given will directly or indirectly reach any of the recipients listed above.

PROVISIONS

1. When considering whether to offer or accept Travel and Hospitality, or the type of Hospitality to provide, you should avoid any appearance of impropriety.

2. **General Requirements for Travel and Hospitality:**
 - a. You may under no circumstance offer, promise, give, receive, solicit or accept, directly or indirectly, any Travel and Hospitality with the intention to obtain improper advantages.
 - b. All Travel and Hospitality expenses must be provided in the normal course of business, in connection with a legitimate business purpose and paid directly to the hotel, airline, travel agency or other service provider whenever possible.
 - c. Hospitality expenses paid by Mexichem should include only accommodation costs incurred in or incidental to lodging in business class hotels and only during the period of particular meeting, facility, visit, seminar or event, or en-route to those activities.
 - d. Travel and Hospitality have to comply with all applicable laws.
3. **Prohibitions:** You may, under no circumstances, offer or accept, directly or indirectly, the following Travel and/or Hospitality:
 - a. Per diem payments;
 - b. Travel and/or Hospitality provided during periods when important business decisions are being made and they might influence or appear to influence the decision-making process;
 - c. Travel and/or Hospitality provided by a party in a tendering process during the course of an on-going tender or competitive bidding process;
 - d. Travel and/or Hospitality that are inappropriate in nature or in an inappropriate venue;
 - e. Travel and/or Hospitality that have been paid with personal funds to avoid having to report or seek approval;
 - f. Travel and/or Hospitality where you would be uncomfortable if publicized to your colleagues, supervisor and/or customers;
 - g. Travel and/or Hospitality that have a value that could improperly influence a business decision or create the appearance of an impropriety;
 - h. Travel and/or Hospitality leading to any type of personal financial assistance to or from a customer, supplier or other business contact;
 - i. Lavish or extravagant Travel and/or Hospitality. They must be reasonable and customary under the circumstances; and
 - j. Travel and/or Hospitality provided so frequently as to create an appearance of impropriety.
4. In addition to the above criteria, you must use your good judgement when offering or accepting Travel and/or Hospitality.
5. **Spouses and civil partners:** Spouses and civil partner of business associates (non-Public Officials) should only be invited in exceptional cases, in which case prior written approval from the Legal Department is required.
6. Particular caution should be exercised when arranging Travel and Hospitality for any Public Official. Please bear in mind the following special rules:
 - a. Airfare expenses for Public Official paid by Mexichem should be no more generous than Mexichem's travel policies permit for Mexichem's employees. Mexichem should pay only for incidental and local transportation associated with the Public Official participation in the relevant Mexichem activities. Air travel should only be to Mexichem's headquarters or sites of operations.
 - b. Payments to cover expenses should be paid directly to vendors and not to the Public Official. Where direct payment is not possible, reimbursement is contingent upon the Public Official's provision of receipts for the

expenses for which reimbursement is requested, and, wherever possible, should be paid to the Public Official's government rather than to the individual Official. Payment in cash to a Public Official is prohibited.

- c. The payment of travel and travel-related expenses for family members and other accompanying persons of the Public Official is prohibited.
 - d. Mexichem employees must also exercise caution when inviting Public Official to attend Mexichem's sponsored events, such as conferences and seminars. These special events frequently involve more elaborated Hospitality than the routine business meetings. They may extend over several days, and often involve a significant expense. Public Official participation in these events requires careful planning and analysis to ensure consistency with all applicable laws and Mexichem's policies. Many countries impose restrictions on their Public Official's participation in these events. These local law restrictions must be examined prior to any invitation being extended, and must be strictly followed. The goodwill engendered by Mexichem's sponsorship of such events can be quickly eliminated by one action that appears inappropriate.
 - e. Where there is any doubt as to whether a person is a Public Official, they should be treated as such unless the Chief Compliance Officer confirmed otherwise.
7. **Spouses and civil partners of Public Officials** should be treated as Public Officials themselves and be subject to the restrictions contemplated for Public Officials under this Policy.
 8. If any employee wishes to offer or accept Travels or Hospitality which **exceeds 250 USD** to a non- Public Official, that person must justify the reason for that and obtain prior written approval from their **direct Manager and the Finance Controller** through the submission of a **Meals, Travel, Hospitality, & Entertainment Form (Please see Annex III)**.
 9. If any employee wishes to offer Travel or Hospitality to a **Public Official**, that person must justify the reason for that and obtain prior written approval from his/her **direct Manager, the Chief Compliance Officer and the VP General Counsel** through the submission of a **Meal, Travel, Hospitality & Entertainment Form (Please see Annex III)**, **regardless of the value** of the Meal and/ or Entertainment being offered. Where there is any doubt as to whether a person is a Public Official, they should be treated as such unless the Legal Department has confirmed otherwise.
 10. The above-mentioned rules apply to any Meals and/or Entertainment you give or receive in the course of your work, including during any festive season, holidays or any other special event occasions.
 11. **Account and Records:** All Travels and Hospitalities must always be recorded in writing and documented with suitable evidences.

POLITICAL CONTRIBUTIONS AND CHARITABLE DONATIONS

GLOBAL POLICY

PURPOSE

Political contributions are contributions of anything of value to support a political goal. Examples include local, regional or national political fund-raising events, providing free of charge goods or services for use at such events or by political parties' representatives, paying employees during working hours to work at a political function, or paying for campaign expenses.

Political contributions by companies are illegal in many countries.

Charitable donations can also pose risks for Mexichem and its employees. Charitable donations can create the appearance of impropriety such as when the charity is run or connected to a Public Official. Furthermore, there is a risk that seemingly legitimate charitable organizations could be created for the sole purpose of concealing corrupt payments.

The purpose of this Global Policy is to establish basic guidelines regarding the participation of Mexichem employees in political or charitable activities.

SCOPE

This Policy applies to all political or charitable contributions made by individuals working for, or on behalf of Mexichem worldwide, regardless of the place where Mexichem operates or maintain business. Ignorance or misunderstanding of the rules is no excuse for violations.

PROVISIONS

1. Mexichem expressly prohibits charitable donations if they are in any way intended to improperly influence an official action, obtain or attempt to attain an improper competitive advantage.
2. Contributions to political parties and candidates and charitable donations may never be offered, promised or made on behalf of Mexichem without the prior written approval of Mexichem's CEO, General Counsel and CFO.
3. Political contributions and charitable donations may never be offered, promised or made to an individual's bank account or in cash.
4. Contributions to industry associations or fees for memberships in organizations that serve business interest are not considered to be political contributions.
5. This policy does not prohibit employees from contributing with their personal funds, property or services to a political party or candidate for political office, either directly or indirectly or through an employee organization that complies with all applicable laws and regulations.
6. This policy does not prohibit employees from making charitable donations with their own funds (not on behalf or for the benefit of Mexichem) that are legal and ethical under local laws and practices.

FACILITATION PAYMENTS

GLOBAL POLICY

PURPOSE

Facilitation Payments are considered a form of bribery and are illegal in most of the countries where Mexichem conducts business.

Mexichem prohibits Facilitation Payments whether they are permitted by local or other laws. Providing Facilitation Payments could cause serious harm to Mexichem.

SCOPE

This Policy applies to all individuals working for, or on behalf of Mexichem worldwide, including employees, officers, third-parties and other associated persons and their families, regardless of the place where Mexichem operates or maintain business. Ignorance or misunderstanding of the rules is no excuse for violations.

DEFINITIONS

1. **Public Officials:** Public officials are defined broadly to include:
 - Any officer or employee of a government or instrumentality thereof or any person acting in an official capacity for or on behalf of any such government or instrumentality (whether in the executive, legislative or judicial branches of government and whether at national or local level);
 - Officers and employees of state-owned enterprises (whether partially or wholly owned);
 - Royal family members;
 - Family members of Public Officials;
 - Officers or employees of public international organizations, such as the World Bank or International Monetary Fund;
 - Public political parties and their officials and political candidates;
 - Any other person where the offeror knows that all or a portion of what is given will directly or indirectly reach any of the recipients listed above.
2. **Third- Party:** any individual or entity acting on behalf of Mexichem such as agents, suppliers, distributors, consultants, Law Firms, accountants, brokers (insurance, customs, real estate, etc.), subcontractors, contractors, joint- ventures, lobbyists or any other individual or entity intermediary acting on behalf of Mexichem.
3. **Facilitation payments:** Payments made to Public Officials to expedite or facilitate routine governmental action that involve non-discretionary acts.
 - Examples of “routine governmental action”:
 - Obtaining permits, licenses, or other official documents to qualify a person to do business;
 - Processing governmental papers, such as visas and work orders;
 - Providing police protection, mail pickup and delivery, or scheduling inspections associated with contract performance or inspections related to transit of goods across country;

- Providing phone service, power and water supply, loading and unloading cargo, or protecting perishable products or commodities from deterioration; or
- Acts of a similar nature.

PROVISION

1. Mexichem prohibits Facilitation Payments.
2. Mexichem will only interact with government agencies and their lawful representatives and not with individual Public Officials or companies owned or co-owned, directly or indirectly, by Public Officials.

ANNEX I: CONFLICT OF INTERESTS DISCLOSURE FORM

EMPLOYEE	
Employee Name:	Department:
Submission Date:	Contact Details:
DD/MM/YYYY	Address: Telephone: Email:
DESCRIPTION	
SIGNATURES & APPROVALS	
Employee Signature:	Date:
<i>I hereby certify that the information set forth above is true and complete to the best of my knowledge:</i>	DD/MM/YYYY
Human Resources:	Date:
Name	DD/MM/YYYY
Signature	
Legal Department	Date:
Name	DD/MM/YYYY
Signature	

ANNEX II: GIFT FORM

EMPLOYEE			
Employee Name:	Department:		
Submission Date:	Contact Details:		
DD/MM/YYYY	Address: Telephone: Email:		
GIVER/RECEIVER:			
The Gift:			
<table border="1"> <tr> <td>Offer</td> <td>Received</td> </tr> </table>		Offer	Received
Offer	Received		
Giver/Receiver:	Is the giver/receiver a Public Official?		
<ul style="list-style-type: none"> Name: Position: Organization: Country: 	<table border="1"> <tr> <td>YES*</td> <td>NO</td> </tr> </table> <p>Chief Compliance Officer and VP General Counsel approval required.</p>	YES*	NO
YES*	NO		
Business Justification:			
Is the giver/receiver currently involved in negotiation/tendering process with Mexichem and the gift might influence or appear to influence the decision-making process?			
GIFT DESCRIPTION			
Description & Value: <i>(Please provide description on the type of gift and value)</i>			
<ul style="list-style-type: none"> Is it a Branded Gift? 	<table border="1"> <tr> <td>YES</td> <td>NO</td> </tr> </table>	YES	NO
YES	NO		
<ul style="list-style-type: none"> Value: Description: 			
Date of offer/reception:			
DD/Month/YYYY			
SIGNATURES & APPROVALS			
Employee Signature:	Date:		
	DD/MM/YYYY		
Direct Manager:	Date:		

Name	DD/MM/YYYY
Signature	
Human Resources:	Date:
Name	DD/MM/YYYY
Signature	
Chief Compliance Officer	Date:
Name	DD/MM/YYYY
Signature	
VP General Counsel	Date
Name	DD/MM/YYYY
Signature	

ANNEX III: MEALS, TRAVEL, HOSPITALITY & ENTERTAINMENT FORM

EMPLOYEE							
Employee Name:			Department:				
Submission Date:			Contact Details:				
DD/MM/YYYY			Address: Telephone: Email:				
GIVER/RECEIVER							
Guests:			Is the counterpart a Public Official?				
<ul style="list-style-type: none"> Name: Position: Organization: Country: 			<table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">YES*</td> <td style="text-align: center;">NO</td> </tr> </table> <p>Chief Compliance Officer and VP General Counsel approval required.</p>			YES*	NO
YES*	NO						
Business Justification:							
Is the counterpart currently involved in negotiation/tendering process with Mexichem and the gift might influence or appear to influence the decision-making process?							
DESCRIPTION & DETAILS							
Concept	Dates	Place	Location	Number of Guests	Value		
SIGNATURES & APPROVALS							
Employee Signature:			Date:				
			DD/Month/YYYY				
Direct Manager:			Date:				
Name			DD/Month/YYYY				
Signature							

Finance Department	Date
Name	DD/Month/YYYY
Signature	
Chief Compliance Officer	Date:
Name	DD/Month/YYYY
Signature	
VP General Counsel	Date
Name	DD/Month/YYYY
Signature	