

## **ETHICS AND CONDUCT CODE**

Since the beginning of its operations in 2002, our company has been built a reputation based on solid universal principles, and looks forward to generate value for all its different stakeholders: our customers, our associates, our suppliers, our stockholders, and the different communities in which we operate. This is what we call “Continuous Shared Value”, where the achievement of the business objectives and goals is carried out within a framework aligned to the highest standards that support our company’s philosophy and culture.

In Unicar Plastics we are convinced that our past and future success is tightly bound to our reputation as a company, so it is every associate’s responsibility to protect it and ensure that every action, decision, communication and interaction that is carried out in the working and personal environment, is made in accordance to the ethics and the values suitable to a company like ours.

This Ethics and Conduct Code, together with our policies, procedures and every other related document, reflects the commitment of the Board and the Executive Team of Unicar Plastics to protect and continue building our reputation, and to continue to honor the confidence that our customers, associates, suppliers and other interested parties of society have in the success of our company.

Our internal policies set forth the obligation of unrestrictedly comply with all Federal, State and Municipal or local legislations, regulations, rules and codes that apply to our operations and activities, as well as whatever is considered as an ethical and world class business practice. For Unicar Plastics, the compliance to this principle goes beyond maintaining and completing checklists, it requires constant and conscious participation and involvement of all of our employees in our company.

Acting always with integrity is the foundation to build a work environment in which we are proud being part of, because we always do the right thing right, we act with honesty and treat each person we interact with in a fairly and respectful way, in any activity and in all operations in which we engage.

Keep this Code with you and check it out frequently. Every time you have questions or concerns, look up for guidance with your immediate supervisor or with your Human Resources Department, and don’t forget to report immediately any situation that may be in opposition to or conflict with our stated principles.

Jesús Rascón C.  
President & Chief Executive Officer  
August 2017

This Ethics and Conduct Code summarizes the key principles under which we develop and carry out our business and guide our actions, decisions, relationships and communications according to the highest standards in the industry.

It consists of nine principles. Each principle establishes the specific commitment of Unicar Plastics to each element or stakeholder that is a part of the business ecosystem in which we develop our activities.

### **1. To our Costumers**

Our customers are the purpose of our company and their satisfaction is essential to our success. Therefore, compliance of our products with their quality specifications as well as offering them support in a spontaneous way is our commitment.

We strive to establish long term relationships with all of our clients. We ensure our clients receive only the highest level of satisfaction in every interaction we have with them.

We see our clients as strategic allies. Through our business value proposition we strive to contribute to our mutual growth, development and success.

We place a strong emphasis on ethics. Our principles ensure no corruption, bribery, favoritism or any activity contrary to the ethics and values defined by Unicar Plastics are permitted in any situation.

### **2. To our Stockholders**

We strive to establish the best corporate practices to give total transparency and certainty to our stockholders. We are convinced that a good Corporate Governance reinforces the stockholder's mandate, of being a well-managed, world class, continuous and constant value- generation company, being this the reason why we are committed to become a role model company in business administration practices.

Our commitment is to provide our stockholders a reasonable profitability for their investments, in a sustained way, delivering them long-term value.

Our company is committed to comply with all existing legislations in Mexico that apply to our operations, to properly and promptly manage the risks that are inherent to our activities, and to provide complete and timely information to all interested parties in these regard, therefore our stockholders are provided with a consistent, fact-based and correct decision basis. The information we provide is based on a transparent, timely and accurate accounting, bound to the Financial Information Standards (NIFS) existing in Mexico.

We use the resources of the company in a careful and responsible way, obeying to the highest standards in terms of ethical and legal behavior, in all our business practices and transactions.

### **3. To our Associates**

The people that are part of Unicar Plastics, are committed to:

- Constantly contribute to the establishment in the company of a culture of respect, honesty and professionalism. We must be demanding to ourselves, improve our performance, take care of our health and work not only towards our own development, but also in the development and improvement of our families.

- Ensure that our public behavior and our public opinions do not harm our reputation as individuals and the reputation of our company.
- Seek that every associate is being respected and that they achieve their maximum potential based on the development and growth of their talents through work and education.
- Treat all associates based on the golden rules: righteousness, honesty, justice, respect and integrity.

- **Respect of Individuality**

Each person has a unique value and we cherish that his/her contribution is essential for good teamwork. Thus, we do not allow any type of discrimination due to age, religion, sex, race, sexual preference or any other condition that is protected by the law in Mexico and in the communities we operate. This provision applies to all aspects of employment, including recruitment, selection, promotion, transfer and termination of the labor relationship, salary, education or training.

- **Development and Values**

We are committed to foster the development of our associates and to encourage the observance of the highest moral values and standards. We acknowledge that we primarily communicate and exemplify our values and principles through our behavior.

We are convinced that trust is the basis of any close and lasting relationship, and that it relies on the integrity by which people conduct themselves. At Unicar Plastics we believe that things are always done in good faith, unless proven wrong.

We do not tolerate any type of personal harassment, neither that the progress or promotion of anyone be dependent upon any kind of favoritism or bribery. Our commitment is to maintain a pleasant work environment, against any kind of verbal harassment or through intimidating, discriminatory or offensive actions. This attitude of respect will provide our associates job security, allowing them to trust in the company and to focus on their activities with dedication.

We provide our associates with all the necessary facilities for them to develop their talent and competences, so that they can assume more responsibilities through the growth opportunities they may have within the company.

We encourage a culture of a permanent dialogue and a positive management of conflicts, which respects the right of every person involved in any conflict to speak out and to be heard.

- **Safety**

We deeply appreciate and respect the life, health, physical and mental integrity, safety and social wellbeing of all our associates.

The physical integrity of our associates has priority above the efficiency of our operations and the business results of the company. Thus, we commit to create a safe work environment and constantly build a culture that preserves the safety and health of our associates and visitors in our facilities. To achieve this, we prevent accidents and report, analyze and handle every incident that occurs in our facilities.

We ensure compliance with the quality and safety specifications of all the products we produce and deliver, and as a result, we are caring also for the safety of our clients and consumers.

It is the responsibility of all our associates to maintain an orderly and clean environment in all the facilities and work areas, contributing to the implementation of safe practices and to the elimination and proper management of all work risk conditions.

- **Personal Protection Equipment**

Unicar Plastics provides to all associates the necessary personal protection equipment for the safe execution of each activity in the company. We also train all associates in the correct use and the maintenance of the protection equipment. All associates must wear, use and take proper care the protection equipment. Any person that provides services as a contractor or through external personnel must ensure that they are bound to the same regulations that apply to associates of Unicar Plastics, in terms of working regulations, safety and health.

- **Use of drugs and alcohol**

The company will not tolerate in any case the consumption, distribution, sale or possession of any drug or any other controlled substance. The associates that are suspected to be under the effect or influence of drugs or alcohol will not be allowed to remain inside Unicar Plastics' premises and the company could take actions in accordance to the labor regulations in Mexico and our own Internal Work and Labor Policies.

- **Conflict of interest**

In Unicar Plastics the decisions and actions that contribute to the success of our company could only been made in an independent framework, in which interests of individuals do not compromise the interests of the company. That means that as an associate we do not:

- Participate in any business or activity that directly or indirectly competes or interferes with the company.
- Take advantage of any position in the company to obtain personal favors.
- Receive benefits or gifts of any kind from suppliers, competitors or customers.
- Accept or give gifts or personal benefits that could compromise the professional relationship of the people that receive them.

The following statements are of strict observance by those associates who are involved in the acquisition of goods and services for Unicar Plastics, and must be reported immediately to the Human Resources Department and the supervisor of the person that could find itself in any of these situations:

- When a relative or close acquaintance of any associate, has direct or indirect financial interest or obligation with or to actual or potential clients or suppliers.
- When an associate handles any business operation with a customer or supplier of Unicar Plastics, on his/her behalf or on behalf of his/her own company and for his/her benefit of the benefit of his/her own company.
- When a relative or close acquaintance of any associate, directly or indirectly accepts gifts or personal benefits from an actual or potential client or supplier.
- When an associate is also employee of his/her own company, and that company is also an actual or potential customer or supplier of Unicar Plastics.

We must understand that close acquaintance refers to any person whose relationship is close and intimate with any associate, therefore decreasing our associate's ability to issue a clear, fair and objective judgment or decision that he/she has to make.

- **Information and Confidentiality**

Every associate in Unicar Plastics is committed to give a responsible and legitimate use of the information to which they have access, keeping at all times its confidentiality and protecting the intellectual property and industrial secrets of the company, clients and suppliers.

When an associate for any motive, stops working at Unicar Plastics, he/she must maintain this obligation to the company and in compliance to the Mexican laws and regulations.

In compliance to the current Personal Data Protection Law in Mexico, we guarantee the confidentiality and the protection of the personal data of all our associates, clients and suppliers, as well as the correct, legal and transparent use of it.

- **Integrity and Corruption**

At Unicar Plastics any kind of bribery, favors or money to provide benefits to anyone is tolerated. We understand that to avoid these acts we need to remove any anomaly so there is not a motive to be corrupt or to be corrupted. Bribing to obtain any kind of benefit, compromises the company and could lead into critical situations that could affect our relationships to our customer, suppliers and others. Receiving money, gifts or favors, deeply affects the impartiality of the decisions and compromises the reputation of the company and everyone that works for Unicar Plastics. These actions are illegal and may be considered as a crime, consequently they will be not tolerated by any circumstance.

It is unacceptable to use any position within the company to obtain favors or personal benefits, either of sexual, economic or of any other nature or form of abuse. These conducts must be informed immediately to the Human Resources Department or to the immediate supervisor of the person in violation of this disposition. In case someone incurs in any of these conducts, we must inform the Ethics Committee of Unicar Plastics through the Human Capital and Compliance Director and the means provided by the company at "Tips Anónimos" ([www.tipsanonimos.com/unicar](http://www.tipsanonimos.com/unicar)).

- **Relatives and Potential Conflicts of Interest**

Unicar Plastics encourages the full development of our associate's families, so a relative of our associates may work in the company providing that their relation does not affect their work, neither the relationship between the associate and the company. Therefore, the following are some of the situation in which conflict of interest may arise and thus must be avoided:

- Working relationships in which two relatives are involved in inter-related business processes where a direct supervision of one business process over another business processes exist and one of the relatives has decision making responsibilities
- Direct supervisor-employee working relationship between relatives
- If one of them has an executive, directive, managerial or supervisory level, any relative must work in the same department and preferably must work in a different functional area or different business unit or facility

To ensure all of the above, before any hiring, associates are required to disclose their family relations within the company, if any exists, during the interviews conducted by the Human

Resources Department. The Human Resources Department must take the corresponding actions in order to anticipate and avoid potential conflicts of interest by acting promptly.

#### **4. To our suppliers**

Unicar Plastics works to choose upstanding respected companies and people with whom establish commercial relations. They must be committed to the highest ethical standards and commercial practices suitable with those stated and supported by Unicar Plastics.

Our company expects that every commercial relation that involves the development, manufacture and provisioning of any product, raw material, component or service that our company buys or acquires from our business partners, is carried out in full compliance to the standards and practices set forth in this Ethics and Conduct Code. In that way they contribute to maintain and build the reputation of Unicar Plastics, our associates, our clients and their brands.

It is mandatory for all Unicar Plastics suppliers to comply with the Code of Conduct for Business Partners and Suppliers, and also to develop, declare and maintain corporative practices and values, similar to the ones stated in this Code.

This Code applies to all suppliers and business partners of Unicar Plastics, in all of their manufacturing plants and locations who develop, manufacture and supply services, parts, components and materials to any Unicar Plastics' facility.

All business partners and suppliers of Unicar Plastics are required to comply with all requirements and provisions as established in this document, given that any of them conflict with any local, state, provincial or federal law in the particular locations where they have operations, in order to continue the commercial relationship with our company.

#### **5. To our competitors**

In Unicar Plastics we are committed to:

- Compete in the market in a framework of integrity, equity and respect to all of our competitors in all senses.
- Participate with the associations and representative groups of the automotive, home appliances and any other relevant industry along with our clients, suppliers and competitors in initiatives that seek to develop advantages for all the sector, the consumers and society in general.
- Avoid the misuse of any information received from our competitors, and to not engage in any form of industrial espionage practices to obtain any direct or indirect benefit from those.
- Avoid the promotion or dissemination of false or biased comparisons with our competitors' products or their capabilities, or to carry out discredit campaigns against our competitors.
- Share with our competition information of common interest regarding critical situations that may impinge against the physical integrity of the consumers or may cause environmental damage.
- Ensure full respect, support and application of all anti-trust and free trade laws in Mexico and/or any other country where our company operates.

#### **6. To the Government**

- **Respect and Rule of Law**

We are committed to comply with all the contractual laws, regulations, codes and obligations applicable to our operations in the different regions, states and countries in which we operate. We

will keep updated about any changes and modifications in those laws and we will make the necessary improvements to avoid any violation.

We contribute to the transparency and the ethical development of society, avoiding and reporting any illegal acts and providing correct and complete information to the governmental institutions, when needed or required.

These principles apply to all areas in the company, without any exception. The infringement of the law is a crime that may carry out severe economic damages for the company and the deterioration of the company's image and reputation, and could result in fines and other legal consequences for the associates that perpetrate such conducts in violation of the laws or incur in punishable offences as per the applicable legislation.

- **Participation in political activities**

In Unicar Plastics we do not favor or declare any ideological or party affiliation. We encourage the civic duty fulfillment and participation, and the free and responsible practice of the political rights of our associates as individuals. The participation of associates in political or election processes is entirely a personal act and must not include time contributions, financial or resources of any kind that belong to or could be related to Unicar Plastics.

When an associate chooses to participate in politics and provides or gives an opinion, he/she shall do it as an individual and must abstain to act on behalf of the company, the stockholders, their executives, clients, suppliers or any other associate.

## **7. To Society**

We recognize that one of the reasons of being a company is to contribute to the development, improvement and sustainability of the society in which we are immersed. Therefore we are committed and we support through our work and daily behaviors the principles, values and aims that are shared with the communities in which we live.

- **Generation and preservation of the employment**

We are committed to the economic and social growth of the communities in which the company establishes operations. We make this possible through the creation and maintenance of safe, clean and productive employment, the productive investment made and the economic activity of our company.

We educate and help the development of our associates, investing in the training of all our personnel. And we make everything we can to maintain the jobs of those who properly perform their functions and keep a positive attitude within our company.

As a contribution to the development of the communities in which Unicar Plastics operates, we seek to hire primarily people who live in those areas. The employment opportunity is framed in precise principles of technical skills and knowledge, quality, competitiveness, verifiable experience, and alignment between personal and our company's values.

- **Prohibition of child labor**

Unicar Plastics complies with all the national and international laws and regulations related to child labor. In any circumstance it is strictly prohibited for children under 16 years to work and at all times the ILO (International Labor Organization) provisions, conventions and recommendation related to health,

safety and integrity of individuals between 15 and 18 years old are observed. Unicar Plastics will ensure that their suppliers and business partners observe and adhere themselves to the same legal requirements.

- **Elimination of forced labor**

Unicar Plastics is committed to the right of free election of the employment, therefore we oppose to any form of forced labor.

- **Environment**

We understand that our operations have an impact to the environment; therefore we are committed permanently to search for and implement measures to reduce such impact, through continuous improvement, adequate waste handling, waste reduction, energy consumption reduction, use of renewable sources and technologies, and any element that potentially may contribute to this end.

We promote in all our associates a conscious care of the environment and the biodiversity, and look for sustainable ways to reward the responsible practices in their daily activities. We participate in initiatives that protect the environment in our surroundings, beyond the legal requirements that are imposed to our operations.

- Anti-smoking facilities

The company will not tolerate the consumption of cigarettes, chewable tobacco, pipes or electronic cigarettes inside or outside the facilities and premises of Unicar Plastics. For this reason all associates, visitors and contractors will not be permitted to use any tobacco or nicotine products during breaks, lunch hours or inside the automobiles parked in the designated areas and premises of the company.

## **8. To the Productivity and the Preservation of our Resources**

We desire to build a company highly productive and fully human. We understand that to comply with all of our responsibilities we must give a productive and sustainable use to all of our resources.

- **Austerity**

We are convinced that the business activities and the daily operation of Unicar Plastics must be held in a framework of simplicity and efficiency. We are committed to carry out all our business processes and channel our decisions under an austerity principle.

We use efficiently the available resources, avoiding any waste and maintaining our assets in perfect conditions. We try to maximize the capacity of our resources and assets, and extend its useful life.

Our aim is the functionality of the expenses, the respect of the dignity and safety of our associates. That is to say, that every expense made in the company must contribute to our goals, those of our customers and promote the well-being and safety of our associates.

- **Asset Protection**

Our commitment is to protect and optimize the value of the investments made in the company, mainly through the careful, responsible and profitable use of the resources and assets, monitoring that safety regulations are being observed at all times.

The custody and preservation of the assets of Unicar Plastics is responsibility of everyone that works for the company. It should be understood that assets are not only machinery, facilities, transportation and material handling equipment, materials and inventory, but also the engineering,

blueprints, designs, processes, systems, drawings, technology, products, business strategies, etc. that are developed inside the company.

In this context, we are committed with the intellectual protection, essentially represented by the manufacturing processes, the information systems and the trading schemes, which includes financial, product and our associates', customers' and suppliers' information.

The use of assets will be allocated to business purposes only and it is strictly prohibited to misuse them or use them for any other ends. Every associate of Unicar Plastics has the obligation to report any deviation to this rule.

## 9. Responsibility of Compliance

Unicar Plastics is committed with supporting their associates to comply with the obligations set forth in this document. All of the associates of Unicar Plastics must observe this code in every conduct related to their work and daily activities.

- Every associate has the responsibility of keep himself/herself informed, and abide to the laws and regulations of their work environment, as well as the internal regulations that guide their actions in accordance to the company's values and the provisions of our Ethics and Conduct Code.
- The company commits to avoid any disadvantage that may arise for any associate, as a result of the observation of this Code and to attend and solve them in an expeditious way, if unfortunately it occurs.
- Any associate found to be not in full observance and compliance of the regulations set forth in this Code, could face legal and labor consequences that may be applicable to the case. These consequences could lead to the termination of the labor relationship or legal procedures including those resulted from the damages produced to the company as a result of his/her behavior.
- Each leader and supervisor is a living example to their associates, and thus has the obligation to align his/her actions to the ethical principles contained in this Code. Every leader must ensure the full understanding and compliance to this Code in their department, anticipating to any unacceptable behavior and solving doubts that their associates may bring to him.
- All associates may turn to the following instances in order to solve any question or situation, or to seek for support in issues related to the content, application and compliance of this Code:

"Tips Anónimos" System (Services provided by Deloitte)

- ✓ Hotline: 01 800 910 00 14
- ✓ Web Page: [www.tipsanonimos.com/unicar](http://www.tipsanonimos.com/unicar)
- ✓ Email: [unicar@tipsanonimos.com](mailto:unicar@tipsanonimos.com)
- ✓ P.O. Box: Galaz, Yamasaki, Ruíz Urquiza, S.C., A.P. (CON-080) Ciudad de México, México C.P. 06401
- ✓ Fax Number: 01 55 53 55 13 22

The Ethics Committee and the Human Capital and Compliance Director, will verify the observance of the conduct rules in specific cases, or randomly as part of a review program, and will receive any complaint in case of corruption or fraud.

- If you know of any violation to this Code or to the applicable laws, or have doubts about the meaning/application of it, it is your responsibility to report those situations or to look for support immediately.
- Unicar Plastics will not tolerate any retaliation against any person, which in good faith, reports a known or suspicious violation to this Code or the applicable laws.

- You could report or ask any doubts contacting to:

“Tips Anónimos” System (Services provided by Deloitte)

- ✓ Hotline: 01 800 910 00 14
- ✓ Web Page: [www.tipsanonimos.com/unicar](http://www.tipsanonimos.com/unicar)
- ✓ Email: [unicar@tipsanonimos.com](mailto:unicar@tipsanonimos.com)
- ✓ P.O. Box: Galaz, Yamasaki, Ruíz Urquiza, S.C., A.P. (CON-080) Mexico City, México C.P. 06401
- ✓ Fax Number: 01 55 53 55 13 22

This Code does not provide rules or regulations that apply for each and every situation. Its content should to be considered together with all policies, practices, instructions and procedures of the company and the legal requirements and its proper interpretation. Although in any situation lacking of any specific guideline, we hope that our associates apply to that circumstance their good judgement and the highest ethical principles.

**This Ethics and Conduct Code was reviewed and approved on August 1<sup>st</sup>, 2017**

**Jesús Rascón C.**  
**President & Chief Executive Officer**