Fair Competition Policy

Updated: May 2026

This document was approved by the Board of Directors of HSL Supply Chain Mexico, S.A. de C.V. and is publicly available on our website. All employees are informed about the contents of this document.

Fair Competition Policy

1. Purpose and Commitment

This Fair Competition Policy (the "Policy") establishes the minimum standards required of HSL Supply Chain Mexico, S.A. de C.V., its branches and subsidiaries (collectively, the "Company" or "HSL Mexico") to compete fairly, lawfully and independently in all markets in which the Company conducts business. HSL Mexico operates primarily as a value-added industrial mineral solutions and supply chain business, including mineral sourcing, local inventory, warehousing, distribution, processing, toll milling/grinding, washing, drying, blending, bagging and related customer support services.

The Company is committed to full compliance with applicable competition, antitrust, trade practices, public procurement and unfair competition laws. The Company will not enter into agreements, arrangements, understandings or coordinated practices that unlawfully restrict competition, divide markets, fix prices, manipulate bids, restrict output, misuse market power or otherwise impair fair competition.

Competition laws are complex and highly fact specific. Employees and other covered persons must seek guidance from the Legal Department before engaging in conduct that may raise competition law concerns, even if the conduct appears customary in the market or has been requested by a customer, supplier, competitor, public authority or trade association.

This Policy should be read together with the Company's Code of Conduct and Ethics, Anti-Corruption Policy, Information Security Policy, contract approval procedures, records retention requirements and any other applicable Company policies or procedures.

2. Scope

This Policy applies to all full time, part-time and temporary employees, officers and directors of the Company, and to agents, representatives, consultants, advisors, contractors, temporary workers, outsourced service providers and other third parties acting for or on behalf of the Company (collectively, "Covered Persons").

This Policy applies to all Company business activities, including sales, procurement, mineral sourcing, product specifications, quality control, local inventory, financing arrangements, warehousing, processing, toll milling/grinding, washing, drying, blending, bagging, distribution, transportation, pricing, customer and supplier relationships, tenders, customer requests for quotations, joint ventures, distribution arrangements, meetings, trade association activities and communications with competitors or market participants.

Where a stricter law, contractual requirement, customer requirement or Company policy applies, the stricter requirement will apply. If local practice appears inconsistent with this Policy or applicable law, Covered Persons must consult the Legal Department before proceeding.

3. Applicable Laws and Reference Framework

This Policy is intended to support compliance with all applicable competition and antitrust laws, including, as applicable:

- Article 28 of the Political Constitution of the United Mexican States;
- the Ley Federal de Competencia Economica, as amended (the "LFCE"), and its regulations, administrative provisions, guidelines and criteria;
- the Federal Criminal Code of Mexico (Codigo Penal Federal), including Article 254 bis and Article 254 bis 1, as applicable;
- competition, antitrust, public procurement, unfair competition and consumer protection laws in any other jurisdiction where the Company conducts business or where Company conduct may have legal effects; and
- orders, requests, guidance and requirements issued by the competent Mexican competition authority, including any successor authority to COFECE, and by any other competent competition or antitrust authority.

For purposes of this Policy, these laws and requirements are collectively referred to as the "Competition Laws". This Policy does not provide a complete legal summary of the Competition Laws and does not replace advice from the Legal Department or outside counsel.

4. Definitions

Competitor: any person or entity that currently competes, may reasonably compete, or may become a potential competitor of the Company in any relevant market. Depending on the circumstances, this may include companies involved in industrial mineral sourcing, sale, distribution, processing, toll milling, bagging, warehousing, transportation, local inventory or related mineral solutions services, including suppliers, customers, distributors, processors, warehouses, transportation providers or logistics providers that also compete with the Company in some respect.

Competitively Sensitive Information: non-public information that could reduce uncertainty about a company's competitive conduct if shared with or received from a Competitor. Examples include current or future pricing, price formulas, margins, costs, capacity, output, sourcing volumes, processing volumes, product specifications, quality data, inventory levels, warehouse capacity, toll milling or bagging capacity, delivery timing, bids, customer requests for quotations, customer lists, supplier lists, territories, market strategy, commercial terms, discounts, rebates, credit terms, contract negotiations and expansion plans.

Absolute Monopolistic Practices: serious cartel conduct under Mexican law, generally involving agreements, arrangements, combinations or exchanges of information among actual or potential competitors that have the object or effect of fixing or manipulating prices, restricting output or supply, dividing markets, customers or suppliers, coordinating bids or abstentions, or exchanging information for those purposes or effects.

Relative Monopolistic Practices: conduct that may be unlawful where undertaken by one or more economic agents with substantial market power and where the conduct has or may have certain exclusionary, discriminatory or anticompetitive effects. Examples may include exclusivity arrangements, resale price restrictions, tying, refusal to deal, boycotts, predatory pricing, discriminatory pricing or conditions, denial of access to essential inputs and margin squeeze.

Concentration: a merger, acquisition of control, joint venture, acquisition of shares or assets, or other transaction through which companies, associations, shares, equity interests, trusts, assets or rights are combined, transferred or placed under common control, as further defined by applicable law.

5. Core Rules

All Covered Persons must comply with the following core rules:

- Compete independently. The Company must make its own decisions regarding prices, costs, customers, suppliers, product specifications, inventory, processing capacity, warehouse capacity, delivery schedules, bids, strategy and commercial terms.
- Do not agree with Competitors to restrict competition. Written agreements, oral agreements, informal understandings, nods, signals, side conversations and coordinated conduct can all create legal risk.
- Do not share or receive Competitively Sensitive Information with or from Competitors unless the Legal Department has approved a lawful structure for doing so.
- Do not use customers, suppliers, consultants, trade associations or other intermediaries to exchange information or coordinate with Competitors indirectly.
- Do not enter into exclusivity, tying, bundling, rebate, refusal to deal, most favored nation, non-compete, non-solicit, market allocation, joint bidding, distribution or similar arrangements without appropriate business justification and Legal Department review where competition concerns may exist.
- Do not obstruct, delay, conceal, alter or destroy documents or information in connection with a competition law investigation, audit, inquiry or inspection.
- Report suspected violations or concerns promptly.

6. Prohibited Agreements and Conduct with Competitors

Covered Persons must not agree, attempt to agree, discuss or coordinate with any Competitor, directly or indirectly, regarding any of the following matters in connection with industrial minerals, processed mineral products, warehousing, distribution, processing, toll milling/grinding, washing, drying, blending, bagging or related services:

- prices, price increases, price decreases, price ranges, pricing formulas, surcharges, discounts, rebates, margins, credit terms, payment terms or other commercial terms;

- customer allocation, supplier allocation, mineral sources, geographic territories, delivery areas, warehouses, processing facilities, products, services, markets or business opportunities;
- production, output, capacity, sourcing volumes, processing volumes, toll milling/grinding volumes, washing, drying, blending or bagging capacity, purchasing volumes, inventory levels, delivery schedules or timing of supply;
- whether to bid, not bid, withdraw a bid, submit a cover bid, rotate bids, coordinate tender terms, subcontract a bid improperly, or otherwise manipulate a tender, auction, request for proposal or public procurement process;
- boycotts, refusals to deal, pressure campaigns or coordinated action against customers, suppliers, distributors, service providers or other market participants;
- terms on which the Company or any Competitor will deal with a specific customer, supplier, mineral source, processor, warehouse, distributor, trucking company, rail provider, terminal, logistics provider, financing partner or public authority; or
- exchange of Competitively Sensitive Information for any anticompetitive purpose or effect.

Absolute Monopolistic Practices are strictly prohibited. They may be null and void under Mexican law and may expose the Company and individuals to significant administrative, civil and criminal consequences.

7. Contacts with Competitors, Trade Associations and Industry Events

Legitimate industry meetings, trade associations, conferences, mineral industry forums, ceramics, glass, building materials, logistics, supply chain forums and technical working groups may serve lawful purposes. They also present competition law risk when Competitors are present. Covered Persons must exercise particular care in these settings.

Before attending a meeting or event involving Competitors, Covered Persons should consider whether there is a legitimate business purpose, whether an agenda is available, whether minutes will be kept and whether any Competitively Sensitive Information could be discussed. Technical discussions concerning product specifications, quality, safety, packaging, logistics or processing must not become discussions about current or future prices, customer-specific plans, sourcing volumes, capacity, margins or other competitively sensitive matters.

If a Competitor raises an improper topic, the Covered Person must immediately object, stop participating in the discussion, leave the meeting if the discussion continues, request that the objection and departure be recorded in the minutes if applicable, and promptly report the incident to the Legal Department.

Social conversations, meals, messaging groups and informal calls with Competitors are subject to the same rules as formal meetings. A casual setting does not reduce legal risk.

8. Competitive Information

The Company may gather competitive intelligence only through lawful and ethical means. Acceptable sources may include public websites, public filings, public specifications, published price lists, publicly available tariffs, trade publications, lawful customer feedback, non-confidential market reports, public tender results and information independently developed by the Company.

Covered Persons must not solicit, accept, use or forward Competitively Sensitive Information from a Competitor or from a third party where it appears the information was obtained improperly, remains confidential to a Competitor or is being provided to influence the Company's competitive conduct.

Benchmarking, market surveys and industry statistics may be used only if structured to avoid disclosure of current or future Competitively Sensitive Information. Where Competitors are involved, information should generally be historical, aggregated, anonymized and collected by an independent third party, and Legal Department review should be obtained before participation in any higher risk benchmarking or information exchange process.

If a Covered Person receives Competitively Sensitive Information inadvertently or from an unclear source, the Covered Person must not use or further circulate it and must promptly contact the Legal Department for instructions.

9. Customers, Suppliers, Distributors, Processing Partners and Vertical Arrangements

The Company may negotiate vigorously and independently with customers, suppliers, distributors, processors, mills, warehouses, trucking companies, rail providers, terminal operators, agents, contractors and logistics providers. Certain arrangements may nevertheless raise competition law concerns, particularly when they restrict how a party may compete, deal with others or access a market.

Legal Department review should be obtained before entering into or materially changing arrangements that include any of the following, especially where the Company or another party may have significant market share or bargaining power:

- exclusivity, requirements commitments, non-compete obligations or restrictions on dealing with third parties;
- resale price restrictions or attempts to control downstream prices or margins;
- tying or bundling of separate products or services;
- most favored nation clauses, price parity obligations, loyalty rebates or retroactive discount structures;
- refusals to deal, termination of access to inputs, discriminatory pricing or discriminatory conditions among similarly situated parties;
- long-term commitments, take-or-pay structures or capacity reservations that may foreclose market access; or
- arrangements involving a customer, supplier or distributor that also competes with the Company.

The existence of market power is a legal and economic question. Covered Persons must not assume that a practice is lawful merely because it is common, profitable, requested by a counterparty or used by other companies.

10. Bids, Tenders and Government Procurement

The Company must submit bids, tenders, customer requests for quotations and commercial proposals independently and honestly. Covered Persons must not coordinate bids, pricing, proposal terms, bid timing, bid withdrawals or bid abstentions with Competitors.

Covered Persons must not engage in bid rotation, cover bidding, complementary bidding, market allocation, customer allocation, subcontracting arrangements designed to conceal coordination, or any other conduct intended to manipulate a tender, auction, request for proposal, public procurement process or private procurement process.

Joint bids, customer-requested joint proposals, teaming arrangements, consortium arrangements, joint sourcing arrangements, joint processing or toll milling arrangements and subcontracting arrangements involving a Competitor must have a legitimate business rationale and must be reviewed by the Legal Department before competitively sensitive discussions occur. Only information reasonably necessary for the lawful collaboration may be exchanged, and safeguards should be used where appropriate.

11. Joint Ventures, Collaborations and Transactions

Joint ventures, collaborations, agency arrangements, strategic alliances, supply arrangements, processing or toll milling arrangements, warehousing and distribution arrangements, acquisitions, asset transfers, minority investments, distribution arrangements and other transactions may raise competition law issues, especially when involving Competitors, potential Competitors, important customers or important suppliers.

The Legal Department must be consulted before discussions progress beyond preliminary non-confidential matters if a proposed transaction or collaboration may involve:

- a Competitor or potential Competitor;
- sharing Competitively Sensitive Information;
- joint pricing, joint purchasing, joint selling, joint bidding or customer allocation;
- exclusivity, market allocation, non-compete obligations or restrictions on independent activity;
- the acquisition of shares, assets, control or influence over another business;
- a transaction that may require merger control notification, approval or waiting period compliance in Mexico or any other jurisdiction.

Where needed, the Legal Department may require non-disclosure agreements, clean team procedures, information barriers, restricted access, written protocols, board approvals or outside counsel review.

12. Pricing, Commercial Strategy and Internal Decisions

The Company must determine its pricing, discounts, margins, costs, customer targets, supplier targets, inventory, sourcing volumes, processing capacity, warehouse capacity, delivery schedules, strategic plans and commercial terms independently. Covered Persons may consider lawful market intelligence and legitimate business factors, but must not base decisions on coordination with Competitors or improper information exchanges.

Internal discussions about pricing and strategy should be accurate, professional and based on legitimate business considerations. Covered Persons should avoid careless language that could be misinterpreted as suggesting unlawful coordination, market division or exclusionary intent. Examples of language to avoid include statements that the Company will "fix" market prices, "divide" customers, "discipline" a competitor, "control" a market or "agree" with Competitors on pricing or bids unless accurately describing conduct being rejected, reported or reviewed by counsel.

Nothing in this section prevents legitimate competitive analysis, lawful commercial strategy or robust negotiation. It requires that Company decisions remain independent and that communications accurately reflect lawful business purposes.

13. Records, Communications and Document Creation

Company records must be accurate, complete and maintained in accordance with applicable records retention requirements. Covered Persons must not create false, misleading or incomplete records concerning pricing, bids, meetings, competitor contacts, business justifications or compliance matters.

Emails, text messages, chat messages, notes, presentations and other communications may be reviewed by regulators, courts, auditors, customers, counterparties or investigators. Covered Persons should communicate professionally and avoid exaggeration, sarcasm or ambiguous language that could create a false impression of improper conduct.

Covered Persons must preserve documents and information when instructed by the Legal Department, including in connection with litigation holds, investigations, audits or regulatory inquiries.

14. Investigations, Inspections and Government Inquiries

Competition authorities may have authority to request documents and information, summon individuals, conduct interviews or perform inspection visits. The Company will cooperate with lawful government inquiries while preserving its rights and privileges.

If any competition authority, prosecutor, police officer, court officer or other government representative contacts a Covered Person or arrives at a Company facility in connection with a competition law matter, the Covered Person must immediately notify the Legal Department and local management. Covered Persons should request official identification, obtain a copy of any order or request and remain professional and respectful.

Covered Persons must not obstruct, delay, conceal, destroy, alter, delete, remove or falsify documents, images, files, devices, communications or other information. Covered Persons must not coach witnesses, make unauthorized statements, speculate, provide incomplete answers or sign documents without Legal Department guidance, except where immediate action is legally required.

Requests from regulators, law enforcement, customers, suppliers, Competitors, trade associations or the media concerning a competition matter must be referred promptly to the Legal Department.

15. Reporting and Non-Retaliation

Covered Persons must promptly report actual or suspected violations of this Policy or the Competition Laws. Reports may be made to a supervisor, local management, Human Resources, the General Counsel, the Legal Department or an executive officer. Reports may also be submitted by email to etica@hsl-logistics.com, where permitted by law and practicable.

The Company prohibits retaliation against any person who, in good faith, reports a concern, seeks guidance or cooperates in an investigation. Retaliation or discouraging another person from making a good faith report is itself a serious violation of Company policy.

Competition law leniency, immunity or cooperation programs may be time sensitive and may require immediate legal action. No Covered Person may contact a competition authority to seek leniency or make a Company statement on behalf of the Company unless authorized by the Legal Department. Nothing in this Policy restricts a person from reporting possible legal violations to government authorities or engaging in legally protected activity.

16. Training, Monitoring and Audits

The Company will provide competition law training appropriate to the roles and risks of Covered Persons. Employees involved in sales, procurement, pricing, customer requests for quotations, processing, toll milling, warehousing, distribution, local inventory, financing arrangements, commercial negotiations, trade associations, joint ventures, transactions or competitor-facing activities may be required to complete additional training or certifications.

The Company may conduct periodic risk assessments, audits, communications reviews, third-party reviews, contract reviews, training assessments or other monitoring activities to evaluate compliance with this Policy and the Competition Laws, to the extent permitted by applicable law.

Covered Persons must cooperate with training, audits, investigations and remediation activities and must provide complete and truthful information.

17. Discipline and Consequences

Violations of this Policy may result in disciplinary action, up to and including termination of employment or engagement, termination of system access, termination of contracts, civil action, referral to law enforcement or other remedial measures. The appropriate response will depend on the facts and circumstances, applicable law, contractual rights and Company policy.

Competition law violations can expose the Company and individuals to severe consequences, including fines, damages claims, contract invalidity, debarment or exclusion from tenders, criminal penalties, inspection orders, business disruption and reputational harm.

The Company will not reimburse personal fines, penalties or criminal sanctions except where legally permissible and expressly approved in accordance with applicable Company policy and law.

18. Practical Guidance

The following practical guidance is intended to help Covered Persons identify common issues. It does not replace legal review.

Do	Do Not
Make pricing, customer, supplier, sourcing, processing, inventory, bid and strategic decisions independently.	Do not agree or coordinate with Competitors on prices, customers, suppliers, mineral sources, territories, volumes, capacity, inventory, processing services or strategy.
Use public, lawful and ethical sources for market intelligence, including public specifications and published price lists.	Do not solicit, receive, forward or use a Competitor's confidential pricing, customer, supplier, inventory, processing, bid or strategy information.
Attend industry meetings for legitimate purposes with agendas and minutes when appropriate.	Do not remain in a meeting, call or chat where Competitors discuss improper topics, including pricing, customers, sourcing volumes, capacity or allocation of business.
Consult Legal before joint bids, joint sourcing, joint processing, teaming arrangements or collaborations with Competitors.	Do not use a joint bid, subcontract, consortium, shared facility or processing arrangement to conceal bid rigging, market allocation or improper information sharing.
Document legitimate business reasons for higher risk commercial terms, including exclusivity, bundled offerings, rebates, capacity commitments or long-term arrangements.	Do not impose exclusivity, tying, resale price restrictions, discriminatory terms or capacity restrictions without legal review where concerns may exist.
Preserve documents when requested and cooperate through Legal with lawful inquiries.	Do not delete, alter, destroy, hide or remove documents or information in connection with an investigation, inspection or inquiry.

19. Questions and Guidance

Questions about this Policy, the Competition Laws or any proposed conduct that may raise competition law issues should be directed to the Legal Department before action is taken.

Contact information:

By mail:
HSL Supply Chain México, S.A. de C.V.
Attention: Departamento Juridico
Domicilio: Calle Distrito B5, número 105, Colonia Leones, Monterrey, Nuevo León, C.P. 64600
Email: etica@hsl-logistics.com

20. Policy Review

This Policy shall be reviewed by the Company's Board of Directors and Corporate Social Responsibility team in full on an annual basis. More frequent reviews will take place in response to organizational, operational, commercial, legal or regulatory changes, material compliance concerns, enforcement developments or changes in the Company's risk profile. Management will communicate approved material changes as appropriate after implementation.

Next scheduled review: May 2027

21. Acknowledgements

Read and approved by:

Board of Directors
HSL Supply Chain Mexico, S.A. de C.V.
May 2026

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[Date:]

Read and Approved

Employee [Name:]

This Policy may be amended from time to time with or without notice by the Company.