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IMPACT OF THE CORONAVIRUS PANDEMIC (COVID-19) ON THE WORK ENVIRONMENT

TECHNICAL GUIDELINES FOR HEALTH SAFETY IN THE WORK ENVIRONMENT PRELIMINARY PROVISIONS

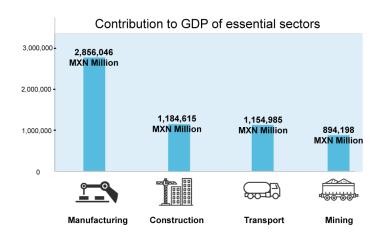
Faced with the expectation of recovery, the authorities will have to anticipate rules that allow the development of the population's activities without putting the health of the workers at risk. In this sense, the Technical Guidelines for Health Safety in the Work Environment (the "Guidelines") is the first document issued by the Federal Government



that includes specific conditions to regulate the resumption of social, educational and economic activities, which are available on the website of the Ministry of Labor and Social Welfare. For their part, local health authorities must publish in their official Gazettes the guidelines issued on the resumption of activities, so that these can be enforced.

The actions and plans established in the Guidelines serve as support for companies in the preparation of the "Health Safety Protocol" (the "Protocol") that will govern each establishment; they are initially mandatory for companies considered essential in the construction, mining and transportation, and equipment manufacturing industry, and for those companies engaged in other essential activities they will constitute only a reference.

On the other hand, those companies whose activity is suspended in terms of the Agreements issued by the health authorities, may be required to observe such guidelines, once the health alerts allow the resumption of work.



The Guidelines are part of the strategy for the reopening of social, educational and economic activities, and incorporate an annex where the conditions of manner, form and time in which the activities will be reactivated are described in general terms.

These conditions are contained in the Annex to the Guidelines, which includes the following:

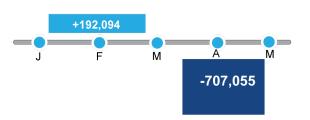
1. PHASES OR STAGES OF THE "NEW NORMAL"

The New Normal is a process that aims to reactivate socioeconomic activities by avoiding the transmission of SARS-CoV-2, seeking (i) to privilege health and life, (ii) solidarity

-1.5

Jan 2020

Job Creation in 2020



Source: data IMSS and Infonavit

and non-discrimination; (iii) the economy and efficient means of production; and (iv) shared responsibility (public, private and social).

The plan comprises three stages, namely:

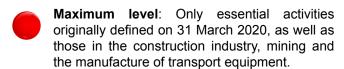
First stage. The New Normal began on 18 May, when all work activity in the "Municipios de la Esperanza" will be opened.

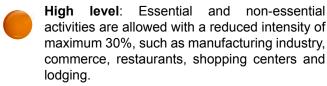
Second stage. Takes place between 18 and 31 May and consists of preparation for the reopening. In this stage:

- Companies with essential activities will be able to restart activities
- ii. All companies will prepare the process of implementing their protocols.

Third stage. On 1 June 2020, the reopening stage will begin, subject to the implementation of a weekly "Health Alert" traffic light system by region.

The traffic light alert levels are maximum, high, medium and low:





Medium Level: All activities with a maximum capacity of 60% are allowed, including corporate activities, professional and technical services, aesthetics and barber shops and maintenance and repair companies.

Low level: Normal economic and work activity, including cultural and sport spaces, cinemas, gyms, bars, massive events, etc.

Gross domestic product Mexico 0.5 0.3

Jan 2019 Source: Tradingeconomics.com and INEGI

Jul 2019

2. CONTROL STRATEGIES

Jul 2018

Jul 2017

Jan 2018

The Health Authorities established control measures to be implemented in all workplaces, by

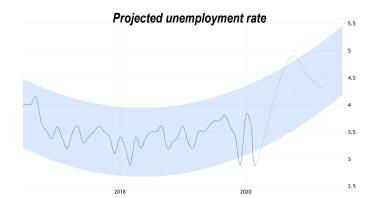
- A) The promotion of information that seeks to maintain health standards, and
- B) The implementation of health protection measures which, among others, can be
 - healthy distance measures,
 - the dissemination of information,
 - iii. ensuring the availability of medical devices in the workplace; and
 - iv. establishing conditions and policies for health protection, asepsis, hygiene and ventilation.

Companies should implement guidelines that allow them to reduce exposure to the virus for people in vulnerable situations, according to the level of risk they are in, in accordance with the "Health Alert System" and the Guidelines themselves. With respect to people in this group, employers should try to prioritize distance work and establish, through the corresponding committee, measures that ensure the identification, care, protection and non-discrimination of these workers.

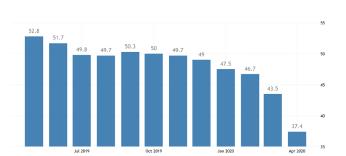
PLAN FOR RETURN THE **WORKPLACE IN LIGHT OF COVID-19**

The health authorities have established a sequence of actions that the workplaces will have to follow for the elaboration of the Protocol and that they will have to implement before and during the return to the activities, which comprises seven stages:

1. Planning.- Necessary actions to achieve a correct implementation of the sanitary measures; it is mandatory to appoint a committee or responsible for the implementation, follow-up, surveillance and supervision of the measures for the New Normal. They will determine the actions and determine the company's position in the contingency traffic light system.



Business Confidence Indicator for the Manufacturing Sector



Source: Tradingeconomics.com and INEGI

- 2. Definition of health promotion measures.- The activities by which health care will be disseminated are established.
- Choice of health protection measures.- This is the designation of the activities aimed at protecting health.
- Information and training: Actions that are carried out with the objective of informing and teaching the personnel about safety, hygiene, cleanliness, care and in general the indications of the authorities throughout all the stages of the New Normal.
- 5. Temporary policies: These are measures that are established during the New Normal for the use of spaces and establishment of specific schedules and measures for the prevention of outbreaks in the company. These measures will depend on the Health Alert System; the guidelines provide a table with policies that are recommended according to the level of alert.
- Advice and support.- The Mexican Social Security Institute (IMSS) acts as an advisor in the implementation of the "Guidelines". If applicable, the IMSS must, within 72 hours, issue a qualification of the self-evaluation: i) approving, ii) requesting its extension or clarification (with respect to various aspects or the entire "protocol"), and iii) denying the origin of the protocol, with the possibility to reattempt the procedure. IMSS approval is required to restart activities
- 7. Completion of the self-evaluation document: The companies will comlete, for each work centre, the document called "Self-evaluation of the Health Safety Protocol", on the digital platform established for this purpose, following the dates and guidelines established in the "New Normal" stages.

All companies in "Municipios de la Esperanza" can reactivate their functions, without having to validate the protocol, from 18 May 2020 onwards. During the period from May 18 to 31, companies or industries dedicated to essential activities, including those recently approved, which adopt and validate their protocols, will be able to continue their activities. During this period, companies with non-core activities will only be in a period of preparation for the implementation of the protocol.

As of June 1, 2020, the reopening phase will begin for other non-essential activities. The return to activities in the workplaces will depend on their geographical location, and the particular conditions of each municipality, in accordance with the "Health Alert System".

Micro, small, medium and large enterprises must comply with various obligations, depending on the magnitude of their activities, the number of personnel and the characteristics of the property where they carry out their activities.

The Guidelines provide checklists of measures that synthesize the Health Safety Protocol developed by the Companies and Industries for a safe return to work, prioritizing those related to: i) structural engineering measures; ii) administrative or organizational measures; iii) protection equipment; iv) training; and v) health promotion; planning and management.

At MGGL we are working with our clients so that they can a) determine their situation within the "New Normal" program, b) design the necessary measures to establish their protocols in accordance with the Guidelines and c) begin the implementation of the same, having integral plans for the resumption of work within a legal framework that protects the health of their employees and allows for an orderly reactivation of operations.



