
INCORPORATION TO THE LIST OF NON-ESSENTIAL ACTIVITIES AND REINSTATEMENT STRATEGY SARS-CoV2 (COVID-19)

As we have previously informed, derived from the pandemic provoked by the virus SARS-CoV2 (COVID-19), the Federal Government of the United Mexican States ("Mexico") declared the immediate suspension of non-essential activities from March 31st to May 30, 2020, in order to mitigate the dispersion and transmission of the virus.

To that effect, today, May 15, 2020, the Ministry of Health issued a Statement revealing the strategy for the reinstatement of activities through stages and informed, among others, the following:

1.- Construction, mining, and manufacturing of transport equipment are included in the list of essential activities in order to start operating, previous authorization, from June 1, 2020.

2.- From May 18 to May 31, 2020, the period of preparation for reinstatement of essential and non-essential activities is started. During such period, the **sanitary safety guidelines within the work environment** published by the corresponding authorities must be implemented. Said guidelines include the following actions:

- a) incorporation of sanitary protocols for the reinstatement of activities;
- b) training of personnel for security in the work environment;
- c) readjustment of spaces and productive processes; and
- d) implementation of admission filters, sanitization and hygiene of the work environment.

3.- Construction, mining, and manufacturing of transport equipment activities are obliged to **present a safety protocol** in accordance with the general guidelines established by the Ministry of Health, in coordination with the Secretary of Economy and Labor, as well

as the Mexican Institute of Social Security. The abovementioned in order to be allowed to initiate operations if the safety protocol is approved. However, if the process is concluded and the safety protocol is approved before June 1, 2020, the corresponding company or industry may start its operations, provided that the lack of approval or the non-compliance with the referred protocol will derive on the closure of the establishment.

It is important to mention that the period of presentation, application and approval of the safety protocol may take place at the same time in which the preparation measures for reinstatement are carried out.

4.- Automotive and automotive parts exportation companies must additionally apply the protocols required by the corresponding origin countries.

5.- The activities permitted from June 1, 2020 are defined through the **Weekly Traffic Light System by Regions**¹ which will be updated by the Federal Government every week.

On the other hand, from May 18, 2020 both essential and non-essential activities will be reestablished within the municipalities with no infections that are surrounded by municipalities that are also infection-free.

It is important to keep in mind that, even if their labor activity is considered essential, domiciliary safeguard for the vulnerable groups referred in previous communications shall continue until (i) at least May 18, 2020 for the cases of infection-free municipalities; and (ii) until the Federal Government instructs so for the rest of them.

It is also important to point out that, from May 13 to May 15 of this year, the referred Statement has been modified in three occasions, omitting essential aspects, such as

¹ Attached to this newsletter.

the authority before which the safety protocol must be filed; and leaving several other aspects open to interpretation, such as the content of the sanitary safety guidelines.

For that matter, while the aspects referred in the previous paragraph are not clarified either by federal or state authorities, in our opinion:

- (1) Considering that the Statement allows so, from May 18, 2020 it is feasible to initiate the pre-operative and preparation period for reinstatement;
- (2) In order to do so, companies must: (A) verify that they comply with the elements contained in the self-testing checklist issued by Social Security authorities; and (B) consider the recommendations issued through the new normality plan issued by the Federal Government;²
- (3) At all moments, companies must comply with the safety and hygiene measures that to this date the Federal Government has published and that we have communicated in previous newsletters.

We will continue monitoring new publications issued by the authorities in order to keep you informed. In case of a particular question, we suggest you contact us.

May 15, 2020.

² Attached as reference are the Self-Testing Checklist issued by Social Security Authorities and the New Normality Plan issued by the Mexican Government (spanish version only).