

Resilient Growth



Welcome



At American Industries®, social responsibility is one of our main priorities. With this report we share the results of our decisions and activities in this area, which are the result of integrating our values across all areas of the company and in all its interactions.

These achievements are based on over a decade of investment in developing our corporate governance vision.

We have published our corporate social responsibility report every year since 2012 with the goal of reaffirming and sharing our conviction that our company's performance be guided by values that promote the wellbeing of our personnel, our clients, the community, and the environment.

In 2013, American Industries Group® reinforced its social and environmental commitment by joining the UN Global Compact. This movement is aimed at integrating and promoting universal principles relating to human rights, labor, the environment, and fighting corruption.

Sharing our achievements in 2021 in this years' report allows us to reaffirm our ongoing commitment to and compliance with the principles and values of social responsibility.

The information contained in this report corresponds to our operations in Chihuahua, Nuevo León, Coahuila, Querétaro, Guanajuato, San Luis Potosí and Jalisco, Mexico for our Shelter and Real Estate business units. Information regarding the performance of subcontractors and their staff is excluded. Moreover, information relating to personnel hired by American Industries Group and its subsidiaries that are managed directly by our clients under Shelter programs is included to provide context on the size of our operations, and is not considered in our indicators of social, economic, and environmental performance.

We welcome any comments your may have about the content of this report, which can be sent to: esr@aiig.com



Our Performance



=1,000

Each person represents 1,000 employees

13,712

individuals employed by the group

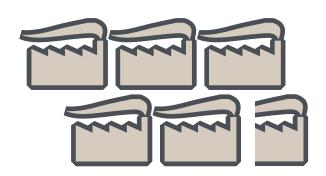
as of Nov. 30, 2021

58
Shelter Clients
in 2021



= 10

Each image Represents 10 clients



New service contracts in 2021







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Letter from the Director



Dear Reader,

Resilience is one of the most important values in these times of uncertainty. At American Industries Group® we are convinced that our country's development depends on a shared commitment between companies and society in working towards sustainable development and the common good despite adverse circumstances.

We are very grateful for the relationships we have with our clients, collaborators, and suppliers that have allowed us to grow together and not only to survive, but to grow and thrive.

Last year taught us that the challenges we faced aren't going away and that we must adopt new paradigms for living and doing business. As such, in 2021 we redoubled our efforts in critical areas, including measures to ensure the health of our collaborators and their families, as well as that of our clients and the general public, as well as on retaining employees and reactivating Mexico's economy.

We have fully adapted our work methods to the requirements imposed on business by the pandemic using a variety of high-impact technologies across the entire value chain with the goal of making American Industries more efficient and highly productive while ensuring the wellbeing of all.

These efforts have allowed us to maintain consistent and reliable service for our clients, as well as renew the certification of our quality management system under ISO 9001:2015 .

We are committed to continue adopting more actions to strengthen our social responsibility program, with a focus on our collaborators' well-being, business ethics, respect for human rights, improving relationships in the communities where we have a presence, preserving the environment, and promoting Mexico's economic stability.

Mr. Luis Lara Armendáriz

President of the Board of Directors

American Industries Group ®



Resilient Growth

Two thousand and twenty-one has taught us that we are stronger together, and that we can face and overcome adversity. It revealed our resilience, our ability to adapt, and allowed us to not only grow, but to improve each day. United, the pandemic cannot stop us.

In this new reality that has emerged, the strength of our institutional values has allowed us to develop strategies and work methods to uphold the quality of service our clients deserve, and at the same time help the communities where we have presence.

This is a year of resilience, where unity and social responsibility continue to play a crucial role, which is why we have redoubled our efforts to contribute to:

- Improving the health of our workers and their families by establishing work from home policies, health care for those who need it, and vaccination schedules.
- The local economy, by maintaining the full salaries of our personnel and making timely payments to suppliers.
- The community, through donations of medical supplies and support for post-COVID research.
- Mexico's economy, by maintaining our clients' operations running and promoting the establishment of more companies in this new context.

The world continues to present us with new challenges, but we are firm in our commitment to continue working along side our collaborators, clients, and suppliers to maintain our well being while contributing to reactivating our economy.





About Us

American Industries Group® is a leading company in the administrative and real estate industrial services industry that helps international manufacturing companies to start up, operate, and consolidate their businesses in Mexico. It belongs to a holding group which, in turn, houses other companies. Our 2021 corporate social responsibility report includes information about all the companies in the group.

Our Shelter services allow manufacturing projects to set up quickly in the country and ensure that all the elements are in place for the proper execution of business plans in the automotive, aerospace, medical, plastic injection, household appliances, and mechanical metal industries, among others.

Throughout our more than 40 years in the market, we have facilitated the successful establishment of more than 200 international companies in Mexico by becoming our clients' strategic business partner for success.

We currently manage an industrial portfolio of 104 first-class buildings for PGIM Prudential, 21 in shared investment with PGIM Prudential and/or third parties, as well as five of our own buildings. In addition, American Industries Group continues to implement its regional expansion strategy by concentrating its resources in locations that show potential for industrial growth in Mexico

Our Presence





About Us



American Industries Group®'s operating strategy allows us to quickly identify the requirements for each type of manufacturing project to ensure we can select the ideal location.

We currently provide our Shelter Services in nine cities: Ciudad Juárez, Chihuahua; Chihuahua; Chihuahua; Monterrey, Nuevo León; Querétaro, Querétaro; Silao, Guanajuato; Guadalajara, Jalisco; and San Luis Potosí, San Luis Potosí.

As of November 30, 2021, we manage 13,712 employees.

Location	Employees under Shelter scheme 1	Shelter Clients 2
Cd. Juárez	700	3
Chihuahua + Delicias	8,661	25
Monterrey	3,504	14
Guadalajara	207	3
Querétaro / San Luis Potosí	259	10
Guanajuato	381	3

^{1.} Total number of individuals registered as employees of American Industries Group and its subsidiaries. These employees are managed under our clients' human resources policies.

^{2.} Number of clients as of November 30, 2021.



Corporate Social Responsibility Strategy



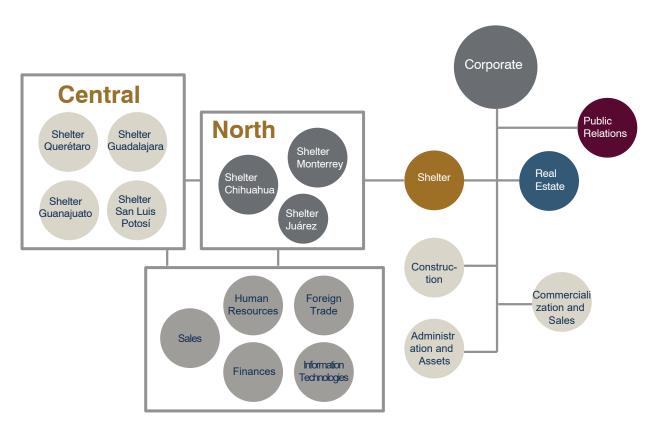


Corporate Social Responsibility Strategy

Being a corporate citizen goes beyond assuming the legal responsibilities that apply to enterprises in terms of labor, tax, and environmental matters. It represents incorporating the results of a complex process into an institution's strategy and guidelines. We are inspired to maximize our engagement in the social, environmental, and economic development of the communities we are a part of.

At American Industries Group®, we start by identifying all applicable legal and regulatory commitments to ensure we are in full compliance. Based on this platform of legality, we take actions to play an active role in Mexico's development. These actions include, among others, those aimed at improving the quality of life of our collaborators and their families, respect for individuals, the environment and the customs and traditions of each community, as well as ethics and fighting corruption in all our transactions and business.

Organizational Structure





Our Foundations

American Industries® bases its social responsibility philosophy on two fundamental pillars:

The principles of social responsibility (according to ISO 26000):

- Accountability
- Transparency
- Ethical behavior
- Respect for the interests of stakeholders
- Respects for the principle of legality
- · Respect for international norms of behavior
- Respect for human rights



And the decalogue of the Socially Responsible Company, which includes:

- 1. Promoting and fostering a culture of responsible competitiveness in pursuit of the business' goals and success, while contributing to the well-being of the community.
- 2. Making its values known to the public, fighting corruption internally and externally, and operating based on a code of ethics.
- 3. Exemplifying models of participative leadership, solidarity, service, and respect for human rights and human dignity.
- 4. Promoting working conditions that improve quality of life and the personal and professional development of the entire community.
- 5. Respecting the environment in all its processes and contributing to its conservation.
- 6. Identifying the social needs of the environment in which it operates and contributing to meeting these by promoting development and an improved quality of life.
- 7. Identifying and supporting social causes as part of its business action strategy.
- 8. Investing time, talent, and resources in developing the communities where we operate.
- 9. Collaborating, through intersectoral alliances with other companies, civil society organizations, chambers, groups and/or governments, in discussing, proposing solutions and responding to social issues affecting the general public.
- 10. Involving staff, shareholders, and suppliers in its investment and social development programs.



Implementing the CSR Strategy and its Principles

To ensure that our corporate social responsibility strategy forms an integral part of our entire operation, we have a committee in charge of spreading awareness among personnel on this topic, as well as designing programs and coordinating the execution and evaluation of the results of these both internally and externally.

Our primary objective is to create a work environment that promotes productivity and the well-being of our staff, presents psychological and social risks, improves their quality of life, and lays the foundations for ethical performance. This strategy involves promoting not only their professional growth, but also helping them to adopt healthy habits and achieve a work-life balance, thereby contributing to their integral development as humans and their participation in a positive organizational environment.

We learned in 2021 to be more resilient and to not allow adversities to hinder our growth. We remained focused on protecting the physical health of our collaborators, first through prevention, by implementing work from home and COVID-19 policies, and later through the application of vaccines, among other activities.

We redoubled our efforts to maintain and improve their emotional well-being as a key aspect of changing our ways of reacting to circumstances and become stronger by facing the challenges the pandemic represents to our mental health as well.

We are continuing to promote the economic reactivation in the communities we are a part of through the economic spillover resulting from conserving existing employment and generating new jobs, hiring, timely payment of our suppliers, and helping our clients maintain or expand their operations in the country.





Our Stakeholders

This year, more than ever, we understood that unity is the foundation for our strength. As the pandemic continues to affect our way of life, we realize that resilience is a core value. Relationships with our stakeholders continue to strengthen as we face the challenges that arise with the health emergency together. In 2021 we are grateful for what we have achieved by working together as individuals, organizations, and communities. Thank you for reaffirming our commitment to making a difference in people's lives and for accompanying us in whatever the future may hold.

Our Stakeholders	Type of Relationship	Communication Methods	Main Expectations
Shelter Clients	Service contracts	Account executive in charge Periodic meetings Corporate contract reviews Service satisfaction survey	Quality of service Finding & retaining talent Savings on operating costs Effective processes with that are continually improving Consolidation and growth in the country
Real Estate Clients	Service contracts	Monthly visits Monitoring system (customer service)	Follow-up to service clauses Characteristics of buildings
Collaborators	Employment contract	Internal communication Work climate survey Performance evaluation Internal meetings and conferences	Fair compensation Personal and professional development Empowerment and recognition Stable work environment Quality of life
Suppliers and subcontractors	Service contracts	Purchase orders Service feedback	Fair and timely payment Transparency in bidding processes
Industrial Associations	Membership	Indirect messages and invitations through employees	Promoting and consolidating industries
Government and public institutions	Institutional	Official letters and communications Official websites	Compliance with laws and regulations Payment of obligations
Communities	Institutional	Relationships with organized groups	Participation and outreach Environmental conservation
Civil Society Organizations	Collaboration, volunteering and / or sponsorship	Messages and meetings	Leadership and participation in activities promoting social



CSR: Our Priority Commitments

Our approach to integrating Corporate Social Responsibility into our business model is based on the belief that by working together—employees, customers, partners and the community—we become more profitable and build a more balanced society.

Committed Human Capital

Meeting our objectives is based on having qualified, fulfilled, and committed collaborators. Therefore, we maintain an organizational climate that encourages the adoption of healthy habits, work-family balance, and professional development, which reinforces their commitment and loyalty.

Business Ethics

Our actions and interactions in business reflect our organizational culture that is based on respect for the law, integrity, transparency and full compliance with our commitments.

Operational Excellence

Our customers deserve the best service. To maintain the highest quality standards and ensure the uniformity and consistency of our operations, we standardize, monitor, and constantly improve our service processes, guaranteeing these through certifications such as ISO 9001: 2015.

Community Outreach and Ties

As part of our commitment to society in the regions where we operate, we identify the community's needs where we can contribute and actively participate, serving as agents of change.

Respect for The Environment

We seek to develop and implement practices that allow us to mitigate the environmental impacts generated by our operation, such as promoting a green culture, implementing clean technologies, and complying with applicable regulations.

Sustainability

Sustainability is a priority for American Industries when making business decisions. We work to conserve the environment and culture in all the communities where we operate through a careful site selection process, implementing sustainable building practices, and offering dignified working conditions. This ensures that our consumption of resources and impact on local development will contribute to sustainable growth for generations to come.





Motivated and Engaged Human Capital

The talent and commitment of the individuals at American Industries is the driving force that allows us to provide a service that transforms ideas and consolidates projects.

By making developing their skills and improving their quality of life a priority, we have a more motivated and engaged workforce.

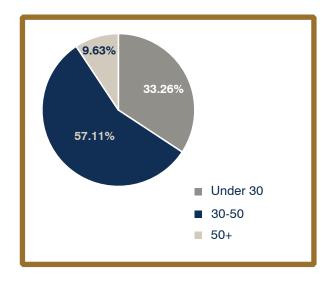
Talent Attraction and Retention

Our staff plays a pivotal role in providing the world-class service our customers deserve. To achieve this, we must find the right talent for each of our business' key functions.

Throughout all stages of our personnel selection processes for our clients, from contract negotiation with suppliers to making ties with educational institutions, our team is committed to achieving results that create positive impacts.

Our strategy for attracting and retaining talented individuals includes offering a dynamic and challenging work environment that allows for both professional and personal development.

Distribution by Age Range as of 2021



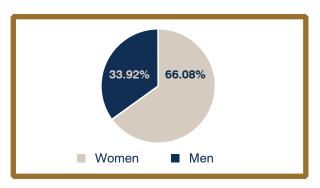


Recruitment

The search for talent begins by identifying the skills necessary to achieve our vision and that of our clients. In our search, we consider candidates from different backgrounds, applying criteria for inclusion and non-discrimination.

We actively contribute to generate opportunities for young people, working together with public and private universities in developing and updating study plans that reflect the needs of industry. We then invite them to participate as interns who may subsequently be hired, helping them to develop workplace skills.

Distribution by Gender as of 2021





Motivated and Engaged Human Capital

American Industries' employees by region

Location	Employees
Chihuahua-Delicias	230
Juárez	27
Monterrey	103
Guadalajara	33
Querétaro	37
Guanajuato	27
Total	457

New Hires 2020

Localidad	Hombres	Mujeres	Total
Chihuahua-Delicias	26	7	33
Juárez	14	13	27
Monterrey	26	20	46
Guadalajara	8	5	13
Querétaro	6	2	8
Guanajuato	1	0	1
Total	81	47	128

New Hires 2021

Localidad	Hombres	Mujeres	Total
Chihuahua-Delicias	175	77	252
Juárez	25	14	39
Monterrey	43	39	82
Guadalajara	1	4	5
Querétaro	6	2	8
Guanajuato	1	1	2
Total	251	137	388

Employee attrition

By gender	Men	Women	Total
2020	38	63	101
2021	127	240	367

By age	<30	30-50	50>
2020	49.5%	44.5%	6%
2021	36.2%	52%	11.8%

Development

Our world-class service requires our personnel have the most up-to-date skills in their fields. We identify training and development opportunities that allow our collaborators to provide our clients with the level of service they deserve.

Our work methods and tools now include technology as an integral part of the remote work that allows our collaborators to meet our clients' needs with the same level of quality as working in the office.

We also stay updated on the latest changes in tax regulations, foreign trade matters, and in HR topics, including recent labor reforms.

We have developed and constantly update our online training platform using Moodle.

Our labor units are accessible online, allowing us to make the most efficient use of our personnel's time and resources.

Our collaborators have access to online training opportunities, scholarships, and benefit from our agreements with institutions and universities. We also have scholarships available for them to learn English and participate in educational activities to help further their professional development.



Motivated and Engaged Human Capital

Feedback and Performance

It is essential that our team reaches the required levels of competency and excellence necessary to provide our clients with the level of service they deserve.

To ensure this, we have implemented an evaluation process based on competency profiles whereby each of the team leaders reviews the individual performance of the members of their group once a year.

We identify areas of opportunity for interaction among personnel in different areas through our internal client evaluation process.

Based on the results obtained, a work plan is prepared to provide feedback to staff about their strengths and areas of opportunity.

This plan contains specific actions to be carried out by the evaluated employee and their area leader to raise the level of performance through internal or external training, project assignment or coaching.

The training needs identified in this process are evaluated and integrated into the company's training plans and programs.

Continuous Improvement

Despite restrictions on in-person meetings and working in the office, our personnel continued to do their jobs with unwavering motivation, creating and implementing projects to ensure the continuous improvement of our services processes and activities to provide added value to our clients. American Industries® acknowledges and values these achievements.

	Improvement Projects Carried Out	
	2020	2021
Projects	13	21

Climate and Work Culture

We continuously monitor our work climate and culture.

This allows us to identify and take timely actions to ensure that our institutional values form part of our collaborators' work life and that their level of well-being meets the expectations we have set as a company.





Motivated and Engaged Human Capital

Respect for Individuals

We believe that the basis for our interactions must be a profound respect for the dignity and physical and mental integrity of all individuals.

We guarantee a work environment that is free of bullying and sexual harassment. To ensure this, we distribute information and train all personnel on these issues. In addition, we have implemented procedure PRO41002 (Procedure for reporting harassment and bullying), our policy for preventing psychological and social risks, and PRO03098 (Procedure for receiving internal complaints and suggestions).

New Regulations

We adapted our work structure and methods to meet new regulations issued by Mexican authorities in 2020 and 2021 in a timely manner.

To comply with labor law reforms regarding the right to freely join trade unions, we engaged in activities to facilitate union relations and provided training to achieve optimal results.

In addition, over the past two years we have modified our hiring processes for employees and suppliers to ensure compliance with the changes required by labor law reform regarding working with specialized subcontractors.





Good Habits at Home

Our collaborators are the core of American Industries, and their health and safety is our top priority.

This year we continued to issue communications and give talks and trainings aimed at marinating their physical and emotional health at optimal levels, including:

- Home office: how to use available technology in accordance with applicable policies.
- Simple exercises to do at home: cardio, strength and muscle-building.
- · Handling stress and emotions.
- · Mental health, among others.

We also ensure they have the latest information regarding safety protocols to prevent the spread of COVID-19, and updates issued by health authorities, including:

- · Mask wearing.
- Handwashing.
- · Disinfecting with hand sanitizer.
- Maintaining social distance.

We actively encourage all our collaborators and their families to receive the COVID-19 vaccine, helping to facilitate their access to this in a number of ways.



Our Principles and Corporate Values

Business Ethics

conduct way relationships with stakeholders should reflect our corporate values and principles. **Ensuring** integrity decision-making and behaviors is a critical aspect of maintaining highest standards the performance. Through communication and training we awareness the spread of company's principles and its commitments to stakeholders.



Human Rights

Our values and culture are the basis for establishing the expected behaviors, policies, and general guidelines.

One of our main objectives is to act with integrity in our relationships with all stakeholders. These principles are outlined in our Code of Ethics.

As part of our induction training, we review our organization's policies and procedures, including topics related to harassment, bullying, and preventing corruption.

We ensure that all our employees receive training on social responsibility, ethics and respect for human rights.

Social Responsibility Training*

	2020	2021
No. of employees trained	49	58

^{*} Includes human rights, anti-corruption, and code of ethics

Fight Against Corruption

At *American Industries Group*®, we respect the principles of legality, making sure to continuously identify and comply with the laws and regulations of all jurisdictions where we operate.

The nature of the services we provide to our clients in the area of purchases of non-productive goods and services exposes us to the possibility of conflicts of interest regarding the choice of a supplier or product.

We have controls in place to prevent corruption and money laundering, as well as procedure which sets out guidelines for reporting and handling acts of corruption. This information is incorporated into training on our code of ethics that is already in place for all collaborators.

In 2021, we went one step further in our commitment to legality. Two of our industrial parks were designated as Safe Industrial Parks by AMPIP.: San Jorge (Guadalajara), and Apodaca (Monterrey). Our Aerotech Park (Querétaro) will also be receiving this designation soon.



Our Principles and Corporate Values

Business Ethics



Sales Practices

At *American Industries*® we are committed to engaging in ethical and legal sales practices backed by the drafting of contracts, both for our Shelter Services and in our lease and purchase agreements for Real Estate.

We engage in honest and collaborative market practices when interacting with other companies in the sector.

Responsible Decision Making

When making business decisions, we consider the impact these may have on our collaborators, their families, organizations and society in general, in the places where we have a presence.

We seek to contribute to social, environmental, and economic development through the generation of employment, development of local suppliers, and respect for communities' needs and culture.

Our site selection process for choosing where to set up operations, as well as the technologies and methods that will be used, consider how these will promote development in the community.

Ethical Standards of Our Personnel

Our culture of following the law is strengthened through the development of our ethical standards and training on how to act in accordance with these. We foster an awareness of ethics in our employees through our commitment to acting with integrity and providing them with the skills necessary to apply and share these beliefs and behaviors in life, work and society.





Commitment to Our Clients

Operational Excellence

We work as our clients' partners to help them set up and expand their operations in Mexico, so the level of service we offer must meet their needs and expectations.

To do this, we establish processes, objectives, and goals that allow us to achieve the expected results.

In the Shelter Area we have ISO 9001:2015 certification.



Creation of Value for Our Clients

We develop all our services based on our clients' needs and designing and implementing processes to support them by focusing on creating value. All our efforts are aimed at developing a support structure to facilitate the start up and maintenance of a successful operation.

In our Shelter division, we ensure that all processes are carried out in a consistent manner and achieve optimal results for our clients using a quality management system based on ISO Standard 9001:2015. In 2021, our recertification audit for this version of the standard was submitted and approved.

The work this entailed helped us to further understand the requirements and expectations of our clients, as their full satisfaction is our top priority.

In order to see how we measure up, we carry out an annual customer satisfaction survey. Depending on the results of this, we carry out the actions necessary to meet their needs.

Results of Customer Satisfaction Surveys



For this reason, we also monitor the performance of our activities through the customer complaints indicator. This allows us to solve them and prevent them from happening again.

	Number of Customer Complaints	
	2020	2021
Complaints	2	2



Commitment to Our Clients

Operational Excellence

Client Mentoring

To achieve optimal results, we must have a thorough understanding of the national and global panorama. To this effect, we mentor our clients to ensure that they are ready to handle issues like:

- Optimizing operations in terms of fiscal matters by ensuring compliance with new regulations for companies operating under the Shelter system.
- Transitioning to the new USMCA agreement.
- Bill of lading applications.
- Determining the best possible labor benefits for the market conditions in each area allowing them to remain competitive.
- · Adapting to labor law reform.

Supply Management

American Industries® offers purchasing processes for non-productive goods as part of our portfolio of services. During 2021, we handled purchasing transactions totaling more than \$940 million pesos.

	Percentage of Spending on Suppliers	
	2020	2021
National	95%	94%
International	5%	6%

As part of these processes, and to the extent possible, we seek to develop suppliers, preferably local, for the benefit of the communities.

We participate in savings initiatives and economies of scale in national and international purchases.

We certify suppliers to ensure they comply with all legal, fiscal and social responsibility requirements.

Adapting to a New Normal

We have integrated the latest technology into our work methods, allowing us to interact efficiently with our clients and suppliers both remotely and/or partially in-person without affecting the quality of our activities. This ensures the safety of our collaborators and guarantees the level of services our clients deserve. Depending on their duties, our collaborators can work form home.

Focus on Services in Property Management and Real Estate

In 2013 we entered into an agreement with Terrafina (BMV:TERR A13) for portfolio management services. This agreement is still in effect today, and the number of buildings managed has increased to 119 units as the result of the high-quality service provided.

To date, we own nine buildings across Mexico, which are adapted to the specific needs of each client and region. Our territorial reserve has also expanded to 398 acres, which will allow us to better serve our clients and create alliances with strategic partners.

Upgrades to Internal Real Estate Processes

In 2021 we continued to improve our internal processes for our Real Estate business area and adapted them to meet the requirements of the operating standards we have adopted, including AMPIP's Safe Park standards. This helps us to guarantee consistency and uniformity in the quality of our customer service for our portfolio clients for properties managed under the guidelines of certifying entities, Terrafina properties, and those owned by American Industries, and ensures that our administration and maintenance policies and processes provide services of the same quality to all lessees.

Specialized Industrial Parks

We work hand in hand with municipal development and urban planning departments to define the guidelines that allow for the development of industrial spaces according to international needs and requirements in terms of urban infrastructure, sustainability and the regulatory framework applicable in Mexico. In this way we can develop industrial parks designed to facilitate interconnection and provide industry specific services.



Commitment to the Community

Community Outreach and Ties

At American Industries®, we contribute to improving the quality life in communities where We generate operate. employment by facilitating the establishment of international companies in Mexico and supporting the training of potential candidates for these positions. This represents increased economic activity that has a positive impact on many sectors of society.



Social Investment

We contribute economically by financing social projects that have a positive impact on the community. These projects comply with legal requirements and have programs that meet basic needs. We currently support 28 civil society organizations (CSOs) and public institutions.

9.7%

11.2%

11.2%

1.6%

Promotion of entrepreneurship and education

Support to vulnerable communities

Care for children in vulnerable situations

Support for people with disabilities

Health Support

The objectives of the organizations we work with include:

- Providing education and support to low-income children and youth.
- Forming future leaders.
- · Promoting entrepreneurship.
- Providing shelter and care for children and the elderly individuals in vulnerable situations.
- Supporting individuals with special needs.
- Helping individuals who have served prison sentences reintegrate into society.
- Supporting pregnant women in vulnerable situations so that they can have or adopt their children.
- Providing medical attention to individuals with COVID-19 through donations of medical supplies and respirator equipment, among others.

We also changed our corporate gift purchase policies to give priority to suppliers that give back to society, such as Fundación Dibujando un Mañana A.C.



Commitment to the Community

Community outreach and engagement



Corporate Volunteerism

We encourage our collaborators to participate in activities to improve our community. Some of these include:

- Participating in environmental organizations to collect recyclable materials.
- Sponsoring children through the Lazos Foundation and Guardian Angel Children's Home.
- Following-up with benefitting institutions that help people with special needs or those in vulnerable situations.
- Donations made by our collaborators to cover therapies for children with Down syndrome through Gigi's House, as well as toys from several institutions.
- Activities to collect donations for covering medical treatment for employees and/or their families affected by COVID-19.
- Collecting and delivering food baskets and in-kind donations for brigade workers and volunteers fighting the wildfires in the Tarahumara Mountains in Chihuahua.
- Collecting dog food for animals in vulnerable situations cared for by the association Asociación Protectora de Animales de la Calle A.C.

Opportunities for Youth

We understand our future lies in the hands of youth. As such, we support their education and integration into the labor force.

To achieve this we:

- Are in periodic contact with institutions such as the CONALEP, ULSA and Tecnologico de Monterrey, among others, to give them feedback on the topics to be included in their curriculum to meet the needs of industry.
- Work together with universities and technical schools to recruit interns, whom we subsequently hire depending on their skills.
- Make financial and in-kind donations to schools, churches, universities. Donations for universities consist mainly of furniture and computer equipment.
- Create opportunities for students to receive scholarships to study undergraduate programs related to the maquila industry at the Technological University of Arkansas, ULSA, and Tecnológico de Monterrey, among other institutions

Support During the COVID-19 Pandemic

- At **American Industries**®, we continued to engage in variety of social initiatives to support the community during the pandemic through our alliances with public and private institutions and civil society organizations. These included:
- Donations of medical supplies for front-line healthcare workers.
- Donations for post-COVID research to the Centro de Investigación en Bioingeniería A.C.
- Encouraging our collaborators and their families to get vaccinated, helping to facilitate their access to this in a number of ways.

Our client, Xylem, also contributed to these efforts through the donation of masks, gloves, and face shields to Mexico's Social Security Institute.

Corporate Social Responsability Promotion

We promote and support obtaining the ESR Distinction in other companies and clients.



Respect for Our Environment

We are aware of the affect our operations have on the environment. For this reason, we plan our activities in a way that minimizes their environmental impact.

We strive to efficiently use our resources, both in our Shelter Services and in our portfolio of buildings, ensuring we comply with applicable environmental regulations and with our clients' requirements.

We know that everyone must do their part in conserving the environment, so we encourage our staff to participate activities earth-friendly both at work and in their personal lives.



Energy

One of the main inputs to required in our daily activities is electricity.

We have two locations for headquarters in Chihuahua. One is our Operational Building where we host all Shelter activities, and the other is the Business Center Building, where our Real Estate area is located.

In both buildings the energy consumption is directly related to the amount of equipment in operation, heating and cooling systems, and lighting in the work areas.

At the end of 2016, solar panels were installed in the Business Center building, reducing energy consumption by 94%, level which we have maintained to date.

We have an electric power plant located in the Operational Building which provides electricity in the event of power outages to the building itself, as well as the nearby facilities inside the Las Américas Industrial Park.

Since 2010 all our facilities are designed to have at least 6% of their roof space covered with skylights that allow for natural illumination.

Water

The water used in the Operational and Business Center buildings is mainly used for restrooms, dining rooms and cooling systems.

We have carried out awareness campaigns to reduce water waste and have implemented sensors and other devices on faucets and toilets to minimize consumption.

We use treated water to irrigate green areas, avoiding the use of potable water.

We also support the Fundación Vida Digna in building rainwater harvesting systems for communities in the Tarahumara Mountains.



Respect for Our Environment

Best Environmental Practices in Shelter Services

Our Shelter Division earned the Environmental Compliance and Environmental Best Practices for Waste Certification in 2019. This certification is issued by the Chihuahua municipal government through the Department of Urban Development and Ecology.

Part of the program to obtain this certification includes reusing toner cartridges to ensure they don't end up in a landfill.

These types of practices have been shared with our other regions and clients, and have even been acknowledged by our suppliers, such as HP, Inc.



Environmental Management in Real Estate

As part of the responsibility inherent to our position in the industrial real estate sector in Mexico, we consider key environmental issues when defining our business strategies, including climate change and sustainability.

In order to measure our environmental impact, this year we implemented the new Resilience Risk Assessment together with PGIM Prudential.

This is used to assess the impacts of each property depending on its location, energy consumption, relationship with the environment/biodiversity, and the community where it is located, among other factors.

There are currently 31 participating properties from the shared portfolio between Al and Prudential, plus the Shelter operations in Chihuahua.





Respect for Our Environment



Energy Committee

With the goal of fulfilling our commitment to legality and the environment, we established an energy committee to understand the legislative changes regarding energy and the Mexican electricity market. This committee is dedicated to studying the Mexican government's regulatory and internal policy changes in the energy sector and the technologies relating to this (including renewable and thermic energies that could be implemented).

The committee engages in the following activities:

- Evaluating the energy capacity needs in the areas we are located.
- Proposing possible electricity supply strategies both with the Federal Electricity Commission, as well as other private market participants (qualified suppliers and generators), seeking the most efficient way of doing this for each of American Industries' developments or industrial parks.

Likewise, as the result of the energy reforms implemented by the Mexican government, the best courses of action are analyzed for their proper management.

Shared Commitment with our Clients

We encourage our clients' use of sustainable technologies and initiatives.

Our new buildings already incorporate these, and we support their implementation in those that do not have them yet.

Our contracts with clients include an annual amount allocated for building improvements. We promote the incorporation of clean technologies in order to reduce the environmental footprint and guide them in their implementation to achieve optimal results.

Some of the actions carried out by our clients and backed by **American Industries**® to support sustainability include:

Replacing standard interior light fixtures with LED fixtures.

Replacing cooling and heating systems with more energy efficient equipment.



Respect for Our Environment



Green Industrial Park Certification

As part of our search for ways to reduce our environmental impact, we have extended our reach to the industrial parks we manage. Our American Industries park in Apodaca, Nuevo Leon is certified as a green industrial park by the Mexican Association pf Private Industrial Parks, A.C.

To obtain this certification the following actions were taken, among others:

- Assessment of the engines used in the park (for example, those in the water treatment plant) to determine their age and efficiency and assess the technical feasibility of upgrading them when they fail. Five of the 23 installed engines were replaced.
- Tracking the gasoline consumption of utility vehicles in the park and their CO2 emissions
 Capacitor bank project in the fire control system room and treatment plant to improve the quality of energy (power factor).
- Installation of photocontrols in the exterior lighting of buildings, roads and exterior common areas to have better lighting and optimize energy consumption.

- Installation of sensors in office restrooms of the park to improve energy use.
- Processing wastewater from the park in the treatment plant.
- Installation of water saving faucets and ecological toilets in the restrooms of the security booths.
- · Water conservation campaign.
- Sending emails regarding water conservation to clients, external personnel and park employees.
- Training for the operation and treatment of wastewater.
- Analysis of water discharged from treatment plant every 3 months by a certified laboratory.
- Implementation of remediation procedure for soil contamination.
- The park's waste management plan is currently being processed.

Environmental Quality Certification

We are constantly striving to broaden our commitment to the environment. We are currently working on obtaining the environmental quality certification granted by PROFEPA for our industrial park in Apodaca.





Our Contribution to The Future

Sustainability

As a company and as individuals, we are committed to responsibly using existing resources in a way that will benefit future generations and meet their needs.

Therefore, American Industries® includes the following elements of sustainability in its business model and decision-making process.



Our Commitments

Economic Sustainability: To ensure that we have the resources to ensure business continuity.

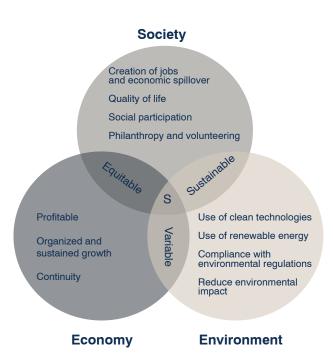
Environmental Sustainability: To optimize the use of natural resources to preserve the ecosystems in the areas where we operate.

Energy Sustainability: To promote the use of clean technologies that consume an amount of energy that is equal to or less than what they produce, both in our internal operations and in those of our customers.

Social Sustainability: To generate equitable employment and development opportunities in the communities we are a part of.

Cultural Sustainability: To respect and promote local, regional, national and international cultural events to enrich community life.

Our Sustainability Model (S)





Awards and Certifications

SRC Badge 2021



This year we obtained the distinction of socially responsible company for fourteen consecutive years. To do this, the Mexican Center for Philanthropy (CEMEFI) analyzes and acknowledges the actions we have implemented to support our stakeholders in the areas of quality of life, business ethics, and community outreach.



UN Global Compact



In 2021, American Industries celebrated eight years of adherence to the UN Global Compact and aligning our operations to their principles in the areas of human rights, labor rights, the environment, and the fight against corruption.

Badge for Responsible Family Business by the Ministry of Labor (STPS)



In 2017 we again obtained the distinction for being a Responsible Family Business from the Secretariat of Labor and Social Welfare.

In 2021 we continued to uphold all these guidelines and are prepared to renew this in 2022 though the program's new Distinction for Labor Responsibility.

SAT'S AAA IVA-IEPS **IVA-IEPS**Certification for Exporting Companies

We reaffirm our commitment to legality and accountability by having this certification aimed at companies that introduce goods to the temporary import customs regimes for processing, or repair in maquila programs, or export, among others, which requires being up to date on tax and customs obligations.

OAS (Authorized Economic Operator)



We hold this certification established by the SAT that includes measure to help in our fight against insecurity and corruption, principles we also share with our clients.

Company Committed to Human Rights Badge



We obtained this distinction granted by the Chihuahua State Human Rights Commission in 2019.

We again received this distinction in 2021, reaffirming our commitment to protect and respect human rights by meeting all the requirements and passing an audit of our facilities by the Commission.

AMPIP Safe Industrial Park

Currently, two of our industrial parks were designated as Safe Industrial Parks by AMPIP: San Jorge (Guadalajara) and Apodaca (Monterrey)

Our Aerotech Park (Querétaro) is in the final stages of being granted this certification.

ISO 9001:2015



This year we submitted and passed our recertification audit to maintain our quality management system in compliance with ISO 9001:2015 standards.

These systems ensure that our processes are consistent and standard across all our locations.