



Honoring the Legacy

**Corporate Social Responsibility Report
2022**

Welcome

This year, we face a new challenge as American Industries® Group and the big family we are. Upon the passing of our founder, it is now up to us to follow his example and teachings. We are prepared to take the reins of this company, with a continued focus on social responsibility as one of our core values.

We remain firm in our commitment to accountability in our decisions and activities.

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 from 2022 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® 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

17,009 individuals employed by the group
as of Nov, 30 2022



Each figure  = 1.000 employees



57 Shelter Clients
in 2022



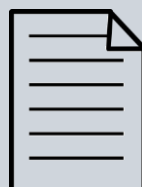
Each figure
represents



= 10



11 New service
contracts
in 2022



14 Contracts renewed
in 2022

Index

In Memory of Our Founder

5

Honoring the Legacy

6

About Us

7

CSR Strategy

9

Our Foundations

11

Implementing the CSR Strategy

12

Our Stakeholders

13

CSR: Our Priority Commitments

14

Commitment to Our People

15

Our Corporate Principles and Values

19

Commitment to Our Clients

21

Commitment to the Community

23

Commitment to the Environment

25

Our Contribution to the Future

29

Awards and Certifications

30

In Memory of Our Founder



Innovation is the driving force of development. At American Industries® we are convinced that Mexico's development must be based 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 survive, but to grow and thrive.

In 2022 we learned that resilience and creativity are what allow us to adopt new paradigms based on a changing environment so that we are ready to face new challenges and continue growing. This is why we have redoubled our efforts in critical areas, including the health of our collaborators and their families, as well as that of our clients and the general public, and on retaining employees and reactivating Mexico's economy.

The work methods are constantly evolving in response to the impacts of the pandemic on the business world. We have adopted 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 everyone's wellbeing.

These efforts have allowed us to maintain a 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.

Honoring the Legacy

In 2022, strength combined with innovation have bolstered our ability to meet and overcome the constantly-changing challenges we are presented with. These challenges allow us not only to grow, but to continue to improve each day.

Our deeply rooted institutional values have allowed us to develop strategies and work methods that maintain the quality of service our clients deserve, and at the same time help the communities where we have a presence.

In 2023, we suffered the loss of our founder, Don Luis Lara Armendáriz. His vision of and commitment to social responsibility have made these central to American Industries'® operations. Now it is up to all of us who are part of this great company to ensure that his legacy upheld, grows over time, and continues to drive the country's development.

This is a year of change, where adapting and creativity play a key role in our development. The world continues to put new challenges in our path, but we remain firm in our commitment. We continue to work as a team—collaborators, clients, and suppliers—to ensure the well-being of all and boot economic reactivation.

Mr. Lara will always be in our hearts, and we are ready to uphold the level of excellence and quality of service he passed on through us throughout his career.



About Us

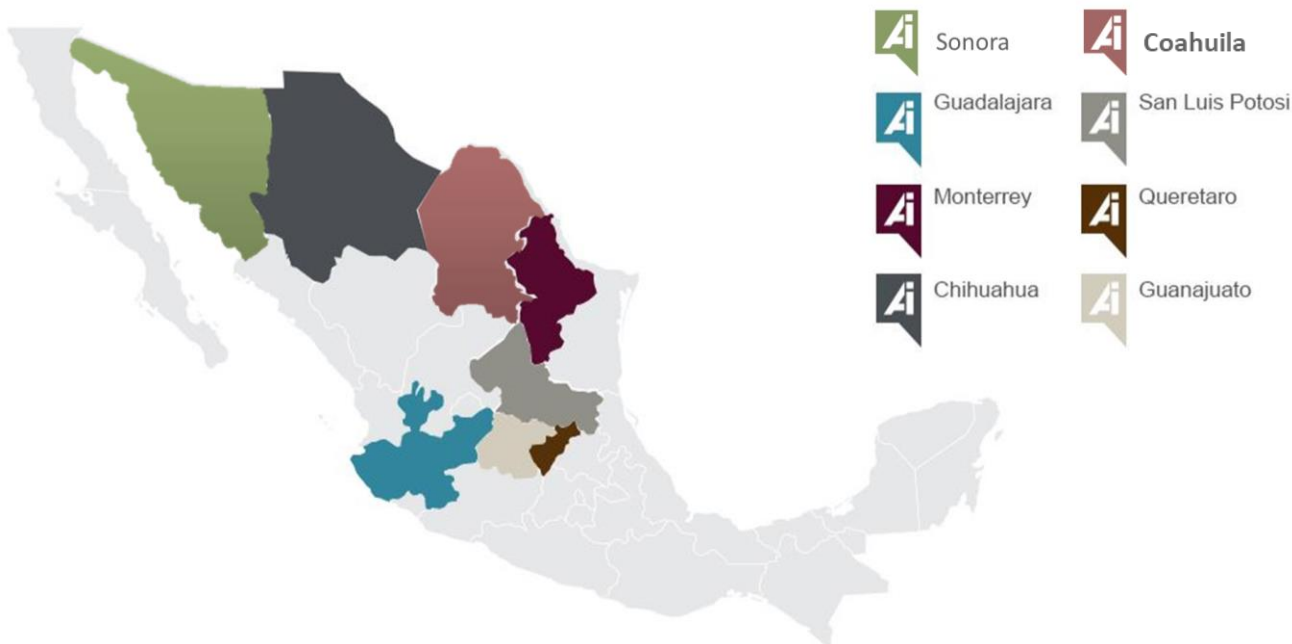
American Industries Group is a leading company in the administrative and real estate industrial services industry that helps international manufacturing companies to start up, operate, and consolidate their businesses in Mexico. It belongs to a holding group which, in turn, houses other companies. Our 2022 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; Delicias, Chihuahua; Monterrey, Nuevo León; Querétaro, Querétaro; Silao, Guanajuato; Guadalajara, Jalisco; Matamoros, Tamaulipas; and San Luis Potosí, San Luis Potosí.

As of November 30, 2022, we manage 13,712 employees.

Location	Employees under Shelter scheme ¹	Shelter Clients ²
Ciudad Juárez	715	3
Chihuahua	9,585	22
Monterrey	5,564	16
Guadalajara	186	3
Querétaro	381	9
Guanajuato	579	4
Total	17,009	57

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.

We currently own more than 3,983,142 square meters in territorial reserve.

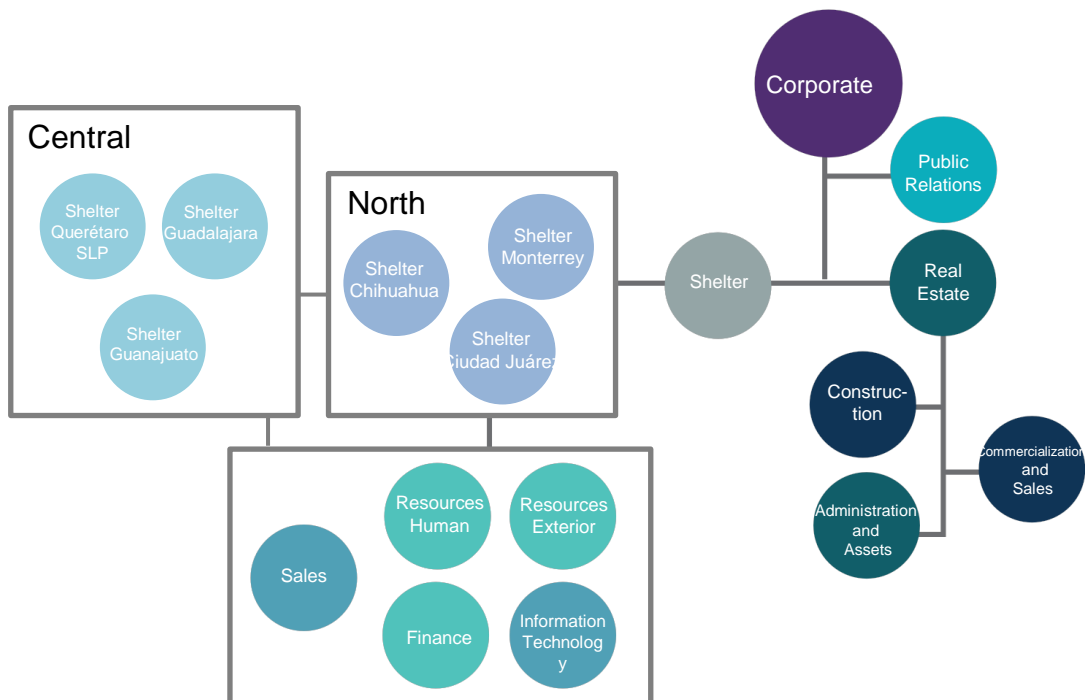
Corporate Social Responsibility Strategy

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 the following:

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

- Accountability
- Transparency
- Ethical behavior
- Respect for the interests of stakeholders
- Respects for the principles 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 it operates.
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.

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. This strategy involves promoting not only professional growth, but also healthy habits and work-life balance, ensuring our collaborators can achieve integral growth and flourish in a positive organizational environment.

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 physically and mentally.

We continue to contribute to the economic growth in the communities we are a part of through the economic spillover resulting from conserving existing employment and generating new jobs, 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. We continue to strengthen the relationships and face challenges together. In 2022, we are grateful for the ties we have formed between 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 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 Preservation of the environment
Civil Society Organizations	Collaboration, volunteering and/or sponsorship	Messages and meetings	Leadership and participation in activities promoting social responsibility

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.

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.



Commitment to Our People

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.

Making capacity building a priority, we have a more motivated and engaged workforce.

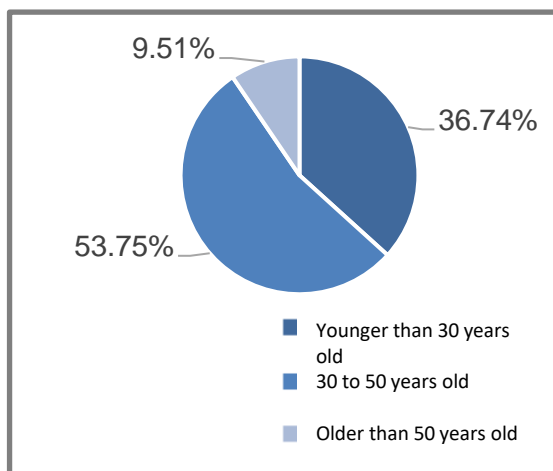
Talent Attraction and Retention

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 2022

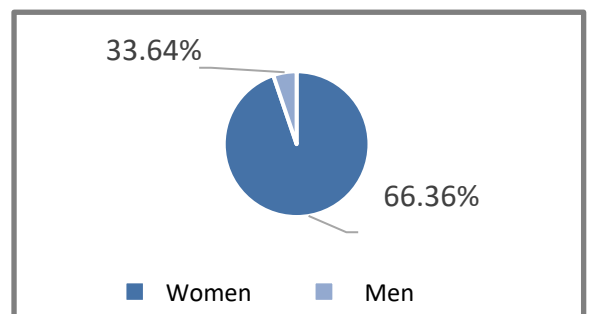


Recruitment

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 generating 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 2022



Commitment to Our People

Motivated and Engaged Human Capital

2022 American Industries'® Employees

Location	Employees
Chihuahua	206
Ciudad Juárez	29
Monterrey	166
Guadalajara	30
Querétaro	42
Guanajuato	33
Others	41
Total	547

New Hires 2021

Location	Men	Women	Total
Chihuahua	175	77	252
Ciudad Juárez	25	14	39
Monterrey	43	39	82
Guadalajara	1	4	5
Querétaro/SLP	6	2	8
Guanajuato	1	1	2
Total	251	137	388

New Hires 2022

Location	Men	Women	Total
Chihuahua	14	51	65
Ciudad Juárez	7	4	11
Monterrey	59	67	126
Guadalajara	7	8	15
Querétaro/SLP	7	15	22
Guanajuato	3	8	11
Others	1	3	4
Total	98	156	254

Employee attrition

By gender	Men	Women	Total
2021	127	240	367
2022	76	97	173

By age	<30	30-50	50>
2021	36.2%	52%	11.8%
2022	36.73%	53.75%	9.52%

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 maintain and are expanding our online training platform through AI University.

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.

Commitment to Our People

Motivated and Engaged Human Capital

Feedback and Performance

It is essential that our team meets 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

Our personnel is motivated to create and implement projects that ensure the continuous improvement of our services processes and activities and provide added value to our clients. American Industries implements indicators, acknowledges and values these achievements.

Improvement Projects Carried Out		
	2021	2022
Projects	21	25

Climate and Work Culture

We regularly 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.



Commitment to Our People

Motivated and Engaged Human Capital

Respect for Individuals

We firmly 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 2021 and 2022 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 maintaining their physical and emotional health at optimal levels, including how to use available technology to streamline activities in accordance with applicable policies

-
- Simple physical exercises, including cardio, strength training, and muscle-building.
- Managing stress and emotions.
- Mental health, among others.
- Optimizing the use of major medical expenses policies for employees and their beneficiaries.

Likewise, we keep them up to date on safety protocols to follow to prevent the spread of illness and updates issued by corresponding authorities.



Our Principles and Corporate Values

Business Ethics

Our relationships with stakeholders should reflect our corporate values and principles. Ensuring integrity in decision-making and behaviors is a critical aspect of maintaining the highest standards of performance. Through communication and training we spread awareness of the 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*

	2021	2022
No. of employees trained	58	67

* 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.

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.

Ethical Standards of Our Personnel

Our culture of legality 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.

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, take into consideration how these will promote development in the community.



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 2022, our recertification audit for this version of the standard was submitted and approved.

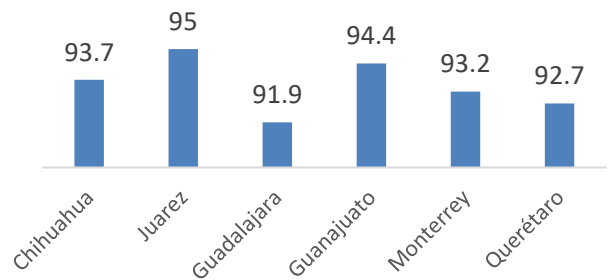
The work this entailed helped us to further understand the requirements and expectations of our clients, as their full satisfaction is our top priority.

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

2022



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

Number of Customer Complaints		
	2021	2022
Complaints	2	2

Commitment to Our Clients

Operational Excellence

Client Mentoring

Recent changes in the national and global panorama require us to have a thorough understanding of this to achieve optimal results. 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 invoicing 4.0, as applicable
- Bill of lading applications
- Adapting to labor law reform
- Determining the best possible labor benefits for the market conditions in each area allowing them to remain competitive

Supply Management

American Industries offers purchasing processes for non-productive goods as part of our portfolio of services. During 2022, we handled purchasing transactions totaling more than a billion pesos.

	Percentage of Spending on Suppliers	
	2021	2022
National	94%	96%
International	6%	4%

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.

Focus on Property Management and Real Estate Services

In 2013, we made an agreement with Terrafina (BMV:TERR A13) for a portfolio administration services, which is still in force today. The number of buildings managed has increased to 119 thanks to the high quality achieved.

We currently have nine of our own buildings in areas across Mexico, which can be adapted to meet the specific characteristics and needs of each client and region. We have a territorial reserve of 398 hectares, which allows us to be prepared to better respond to our clients' needs and create alliances with strategic partners.

Improvement of Internal Real Estate Processes

In 2022, we continued improving the internal processes of the real estate business area and adapted them to meet the requirements of the different standards under which we operate, such as the AMPIP Safe Park standards. This allow us to ensure the service we provide to our portfolio of clients is consistent and standardized under the guidelines of the certifying bodies, as well as those of Terrafina and American Industries®.

Our systems, policies, and administration and maintenance policies for buildings provide a uniformity in 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 of life in the communities where we operate. We generate 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

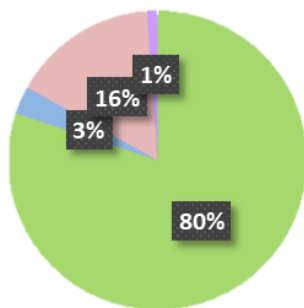
We contribute economically by financing social projects that have a positive impact on the community. These projects comply with legal requirements and have programs that meet basic needs. We currently support 30 civil society organizations (CSOs) and public institutions.

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.
- Supporting pregnant women in vulnerable situations so that they can have or adopt their children.

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.

Percentage of distribution in social investment in 2022



Education
Health
Vulnerable
Others

Commitment to the Community

Community Outreach and Ties



Corporate Volunteering

We encourage our collaborators to participate in activities to improve the community. These include:

- Participation with environmental organizations to recover recyclable material.
- Sponsoring children through the Fundación Lazos and Casa Hogar Angel Guardián.
- Following up with beneficiary institutions that serve people with disabilities or in vulnerable situations.
- Donations from collaborators for therapies given to children with down syndrome through Gigi's House, as well as toys for children from various institutions.
- Collection of blankets among collaborators to benefit the "Rincón del amor" nursing home.
- Collection of bottle caps for donation as funds for chemotherapy.

Opportunities for Youth

We understand that our future lies in the hands of our 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 Tecnológico 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 furniture and computer equipment.
- Create opportunities for students to receive scholarships to study undergraduate programs related to the manufacturing industry at the University of Arkansas, ULSA, and Tecnológico de Monterrey, among other institutions.



Commitment to the Environment

Respect for Our Environment

We are aware of the impact our operations have on our environment. Because of this, we plan activities that minimize our environmental impact.

We strive to make the most efficient use of resources possible in our shelter services and building portfolio, ensuring that we comply with applicable environmental regulations and customer requirements.

We know that everyone's involvement is key to conservation, so we encourage our staff to participate in environmental activities at work and in their personal lives.



Energy

Electricity is one of the resources needed for our daily activities.

We have three locations for headquarters in Chihuahua. One is our Operational Building housing all our Shelter activities, the Business Center Building, where our Real Estate area is located, and the corporate building.

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.

The corporate building has windows that maximize natural light in the majority of our offices and meeting rooms.

Since 2010, all our facilities have been 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 through the Las Américas Industrial Park supply.

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

Commitment to the Environment

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. These actions have been duplicated in different companies in the municipality of Chihuahua.

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

We have also worked in recent years with Juárez en Acción. In 2022, a heart was installed inside American Industries® facilities to collect bottlecaps to donate them in exchange for chemotherapies.



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 AI and Prudential, plus the Shelter operations in Chihuahua.

Día Mundial del Reciclaje



Commitment to the Environment

Respect for Our Environment



Energy Committee

With the goal of fulfilling our commitments 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 yet have them.

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

Commitment to the Environment

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 of 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.
- 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 of 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.

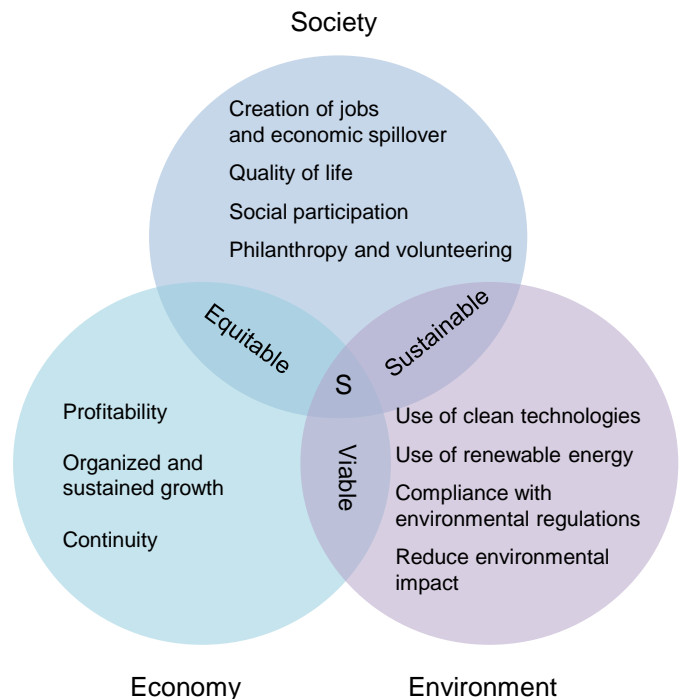
Environmental Sustainability: To optimize the use of natural resources to preserve the ecosystems in the areas where we operate.

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 Distinction 2022



In 2022, 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.



This year, American Industries celebrated nine 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.

Distinction of Responsible Family Business by the Ministry of Labor



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

We are prepared to renew this distinction in 2023 though the program's new Distinction for Labor Responsibility as soon as the Ministry of Labor establishes the guidelines for obtaining it.

SAT's AAA IVA-IEPS Certification for Exporting Companies

We reaffirmed our commitment to legality and accountability by having this certification for companies that introduce goods into the temporary import customs regimes for processing, 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.

Awards and Certifications

Distinction of a Company Committed to Human Rights



Protecting and respecting human rights is one of the company's key commitments. As part of this, in 2019, we first obtained this distinction granted by the Chihuahua State Human Rights Commission.

We again received this distinction in 2021, meeting all the requirements and passing an audit of our facilities by the Commission

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.

AMPIP Safe Industrial Park



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.