

Environmental Policy

Managing spill risk, emissions and environmental compliance

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1

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POLICY OWNER

Health, Safety and Environment Lead

APPROVED BY

Jorge O. Freig Carrillo, Chief Executive
Officer

NEXT REVIEW

January 2027

1. Purpose

Freig Logistics Group moves regulated and hazardous cargo across an environmentally sensitive binational corridor. This policy sets how we prevent environmental harm, meet the permit and reporting obligations that apply to us in both countries, and reduce the environmental footprint of the freight we manage.

2. Scope

This policy applies to every entity, facility, employee, officer, temporary worker and contracted third party operating under the Freig Logistics Group name, including Nogales Transportation Services, LLC and every affiliated transportation, customs brokerage and warehousing company within the group. It applies at all owned and leased facilities in the Arizona and Sonora corridor and on every lane managed on behalf of a client, on both sides of the United States and Mexico border.

3. Environmental Commitments

Freig Logistics Group commits to the following.

1. Comply with all applicable environmental law. In the United States this includes the Resource Conservation and Recovery Act, the Clean Water Act including stormwater permitting, spill prevention control and countermeasure requirements at 40 CFR Part 112, and the requirements of the Arizona Department of Environmental Quality. In Mexico this includes the Ley General del Equilibrio Ecológico y la Protección al Ambiente and the requirements of SEMARNAT, PROFEPA and the Sonora state environmental authority.
2. Transport hazardous materials in accordance with 49 CFR Parts 171 to 180 in the United States and the applicable Normas Oficiales Mexicanas issued by SICT in Mexico, including correct classification, packaging, marking, placarding, documentation and driver training.
3. Maintain a current register of every environmental permit, authorization and license held by the group, with responsibility for renewal assigned by name and renewal tracked in advance of expiry.
4. Prevent spills and releases through equipment integrity, load securement, container seal control, bunding and containment at fueling and transfer points, and inspection at every handover.
5. Hold spill response materials at every yard and warehouse and on vehicles carrying regulated cargo, train personnel in their use, and rehearse spill response on a scheduled basis.
6. Manage stormwater at yards and warehouses, including sediment and dust control, and maintain a stormwater pollution prevention plan where the site requires one.
7. Segregate waste at source, track regulated waste on manifest from generation to final disposal, and use only licensed and audited disposal contractors.

8. Report any environmental incident to the relevant authority within the statutory timeframe, notify the affected client without delay, and investigate to root cause.
9. Reduce fuel use and emissions through route optimization, empty mile reduction, load consolidation, idle reduction, telematics based driver behavior monitoring and progressive fleet renewal within our own operations and our contracted network.
10. Require the same environmental standards of every contracted carrier, warehouse operator and disposal contractor through contract terms and monitoring.

4. Regulated and Hazardous Cargo

Freig Logistics Group holds active state environmental authorization for the cross border transport of regulated waste and has operated a continuous regulated waste lane between the United States and Mexico for more than ten years. Regulated cargo is only ever moved by carriers qualified for that cargo class, under the documentation and emergency response arrangements required by the applicable regulations in both jurisdictions.

5. Responsibilities

- The Chief Executive Officer is accountable for environmental performance and for the resources required to deliver this policy.
- The Health, Safety and Environment Lead maintains the permit register, the spill response arrangements and environmental monitoring, and reports performance to management.
- Facility and operations managers are responsible for environmental controls at their site and on the lanes they manage.
- Every employee and contractor is responsible for preventing spills and releases and for reporting any environmental hazard or incident immediately.

6. Monitoring and Review

Environmental performance is monitored through permit compliance, spill and release counts, waste volumes and disposal routes, fuel consumption and emissions data, and the results of internal and external audit. This policy is reviewed at least annually and following any environmental incident or material change in operations or regulation.

Approved and issued by

Signature and date

Jorge O. Freig Carrillo
Chief Executive Officer
Freig Logistics Group
