

CORPORATE SOCIAL POLICY

Purpose Statement

Freig Logistics Group was founded in 1973 with a clear mission: to move freight across borders with integrity, care for people, and respect for the environment in which we operate. With more than 50 years of continuous operations along the Arizona–Sonora corridor, we have grown as a family-owned company combining multimodal logistics, customs brokerage, and 4PL services with a lasting commitment to our communities, workers, and the natural world.

This Social Policy defines the principles that guide our decisions, labor relations, business practices, and conduct throughout our supply chain. It is designed to align with the highest international standards of sustainability and corporate conduct — including the UN Guiding Principles on Business and Human Rights, ILO standards, ISO 9001, and the OECD framework for responsible supply chains.

1. Scope and Applicability

This Social Policy applies to:

- All directors, managers, employees, and operational staff of Freig Logistics Group and its subsidiary companies (Grupo El Corporativo Freig Carrillo, Húngaros Transportistas S.A. de C.V., 4 Matildes Transportistas, Transportes Jamamadi, CELLA 3PL, and Alfri Express S.A. de C.V.)
- All subcontractors, carriers, freight agents, and service providers operating under contract or agreement with Freig Logistics Group
- All operations in Mexico and the United States where Freig Logistics Group has a presence or logistics coordination role

Freig Logistics Group explicitly incorporates these provisions into all subcontracts, purchase orders, and lower-tier agreements arising from the provision of its logistics services.

2. Our Core Values

Freig Logistics Group operates guided by six non-negotiable values:



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- **Integrity** — We act with honesty, transparency, and ethics in every operational and commercial decision.
- **Respect** — We value the dignity of all people: employees, clients, communities, and business partners.
- **Safety** — The well-being of our personnel and third parties always takes priority over any operational objective.
- **Accountability** — We own our actions and their social, economic, and environmental consequences.
- **Inclusion** — We promote a diverse, equitable, and inclusive work environment, free from discrimination and harassment.
- **Continuous Improvement** — We periodically review and strengthen our social practices to achieve world-class standards.

3. Human Rights and Decent Work

3.1 Human Rights Commitment

Freig Logistics Group recognizes and commits to respecting fundamental human rights across all its operations, in accordance with the United Nations Guiding Principles on Business and Human Rights.

- We do not tolerate any conduct inconsistent with internationally recognized human rights.
- We conduct periodic human rights risk assessments across our supply chain.
- We actively cooperate with any due diligence process requested by our clients or competent authorities.

3.2 Prohibition of Forced Labor and Child Labor

Freig Logistics Group absolutely prohibits:

- Forced labor, debt bondage, slavery, or slavery-like practices
- Child labor in any of its forms
- Human trafficking or labor exploitation of any nature
- Forced marriage or any form of involuntary servitude



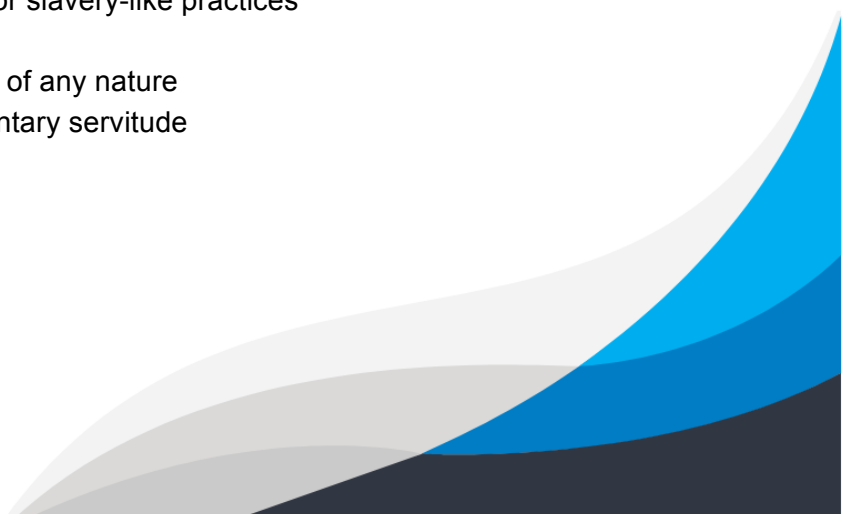
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All of these practices — collectively referred to as "Modern Slavery" under international standards — are grounds for immediate contract termination and reporting to competent authorities.

3.3 Freedom of Association

We respect the right of all workers to organize freely, join unions, and engage in collective bargaining in accordance with applicable law in Mexico and the United States.

3.4 Equality and Non-Discrimination

Freig Logistics Group guarantees equal opportunities in hiring, professional development, compensation, and working conditions, without distinction based on gender, age, ethnicity, religion, disability, sexual orientation, or any other characteristic protected by law.

4. Anti-Corruption and Ethical Business Conduct

4.1 Anti-Corruption Policy

Freig Logistics Group maintains zero tolerance for corruption. The following are strictly prohibited:

- Offering, paying, soliciting, or accepting bribes to or from government officials or any other person, directly or indirectly
- Making facilitation payments — even small amounts — to expedite routine government services
- Engaging in any act that could constitute extortion, bribery, or undue influence

This policy applies to all employees, representatives, and subcontractors of Freig Logistics Group in every jurisdiction where we operate.

4.2 Conflicts of Interest

All directors and employees are required to disclose any real or potential conflict of interest that may affect their objectivity in commercial decisions. Freig Logistics Group maintains a register of these disclosures and applies the corresponding management procedures.



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4.3 Records and Audits

Freig Logistics Group maintains accurate and detailed accounting and financial records of all transactions related to service delivery. These records are retained for a minimum of 5 years and are available for audit by our clients or competent authorities.

5. Community Engagement and Social Impact

5.1 Shared Value Philosophy

Freig Logistics Group operates on the conviction that business success and community well-being are interdependent goals. As a company rooted in the Arizona–Sonora border corridor, we actively commit to creating shared value in the communities where we operate through quality employment, local purchasing, and sustained investment in regional development.

5.2 Local Hiring and Supplier Development

- We prioritize local hiring in the areas where we operate, with particular emphasis on the Arizona–Sonora corridor.
- We favor qualified local suppliers over outside alternatives when price, quality, and service conditions are comparable.
- We support capacity building in smaller businesses from border communities, providing subcontracting opportunities with clear and fair criteria.
- We actively participate as a member of the Nogales–Santa Cruz County Chamber of Commerce, promoting regional growth and binational relations.

5.3 Relationship with Communities and Indigenous Peoples

We recognize the importance of establishing respectful relationships with local communities, including indigenous peoples and tribal communities, that may be affected by mining logistics operations in sensitive territories. We commit to:

- Consulting and listening to communities before implementing operations in sensitive territories
- Respecting the territorial and cultural rights of indigenous peoples
- Actively collaborating with any community participation mechanism established by our clients or host communities



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5.4 Social Investment

Freig Logistics Group allocates annual resources to social impact initiatives in the communities where we operate, including:

- Technical training programs and logistics skills development for local youth
- Support for health, road safety, and community well-being initiatives along the border corridor
- Participation in corporate volunteer programs and community service

6. Environmental Responsibility and Logistics Sustainability

6.1 Environmental Commitment

Freig Logistics Group adopts a posture of continuous improvement in managing its environmental footprint. We understand that sustainability is a long-term requirement — from society, our clients, and future generations.

6.2 Responsible Operating Practices

- **Route Management:** We optimize transport routes to reduce fuel consumption and CO₂ emissions.
- **Vehicle Fleet:** We promote the gradual renewal of our fleet toward more energy-efficient, lower-emission units.
- **Hazardous Materials Handling:** We follow all applicable federal and state protocols in Mexico and the U.S. for the handling, transport, and disposal of hazardous materials.
- **Spill Prevention:** We have documented environmental incident response procedures and immediate client notification protocols in the event of any incident.

6.3 Water and Natural Resources

We comply with environmental regulations regarding water use and natural resources in every jurisdiction where we operate — particularly in mining logistics projects in the arid regions of the American Southwest and northern Mexico.



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7. Safety, Health, and Worker Well-Being

7.1 Safety Culture

Safety is a non-negotiable value at Freig Logistics Group. All personnel receive safety training before beginning operations and on an ongoing basis throughout their employment. Our programs are consistent with OSHA, MSHA, and applicable occupational health and safety standards in our operating jurisdictions.

7.2 Drug and Alcohol Free Workplace Program

Freig Logistics Group enforces a strict drug and alcohol free workplace policy. Screening tests are conducted at the following stages:

- Pre-employment
- Post-incident
- Reasonable suspicion
- Random periodic testing

7.3 Fatigue Management and Hours of Service

We recognize the critical risk of fatigue in long-haul transport operations. We apply a fatigue management standard that includes hours-of-service limits in compliance with DOT/FMCSA regulations, mandatory rest periods, and active monitoring of operator fitness for duty.

7.4 Incident Investigation

All incidents, near-misses, and unsafe conditions are investigated, documented, and reported in accordance with established procedures. Findings feed a continuous improvement cycle aimed at eliminating hazards.

Safety KPIs Monitored:

Indicator	Reporting Frequency
TRIR — Total Recordable Incident Rate	Monthly
LTIFR — Lost Time Injury Frequency Rate	Monthly
Fatalities	Immediate / Monthly



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"Connecting the U.S. and Mexico through compliant, visible, and scalable logistics."

Hours worked without incidents	Monthly
Environmental incidents (spills, leaks)	Immediate / Monthly
Drug/alcohol policy violations	Immediate

8. Privacy, Data Protection, and Cybersecurity

8.1 Confidential Information Handling

Freig Logistics Group is committed to protecting all confidential information belonging to our clients and partners with the same level of care we apply to our own proprietary information. We do not disclose, transfer, or use confidential information for any purpose other than providing the contracted services.

8.2 Personal Data

The processing of personal data complies with applicable law in Mexico (Federal Law on Protection of Personal Data Held by Private Parties) and the United States, including relevant state and federal regulations.

8.3 Information Security

We maintain technical and organizational controls to prevent unauthorized access, loss, or misuse of data. In the event of a Data Breach, we notify affected clients within 24 hours of becoming aware of the incident.

9. International Trade Controls and Sanctions

Freig Logistics Group strictly complies with applicable trade control laws in Mexico and the United States, including economic sanctions, export controls, and restricted party lists. We commit to:

- Not providing services to any person or entity that is a Sanctioned Party under any applicable list
- Conducting periodic screening of our partners, suppliers, and carriers against applicable lists (SDN, BIS Entity List, among others)
- Immediately notifying our clients of any identified risk of sanctions exposure



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10. Responsible Supply Chain

10.1 Subcontractor Requirements

Freig Logistics Group requires all subcontractors and contracted carriers to comply with the same principles established in this Social Policy. Subcontractor agreements explicitly include:

- Prohibition of forced labor and child labor
- Anti-corruption compliance
- Occupational health and safety requirements
- Responsible environmental conduct commitments
- Compliance with Trade Control Laws

10.2 Cascade Model for Carriers

In operations where carriers are coordinated by Freig Logistics Group, we apply our requirements cascade model, which includes:

- CTPAT/C-TPAT compliance verification prior to onboarding
- Training on conduct and safety policies
- Ongoing performance and compliance monitoring
- Authority to intervene, suspend, or escalate non-compliance

11. Reporting Mechanism and Whistleblower Channel

11.1 Speak Up — Report with Confidence

Freig Logistics Group provides a safe and confidential channel for any employee, contractor, or third party to report suspected:

- Violations of this Social Policy
- Bribery, corruption, or unethical conduct
- Harassment, discrimination, or labor abuse
- Environmental harm or safety incidents

Reporting channel: ethics@freiglogistics.com



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We guarantee that there will be no retaliation against anyone who reports a legitimate concern in good faith. This commitment aligns with international best practices in corporate governance and business ethics.

11.2 Response Timeframes

Freig Logistics Group commits to responding to any complaint or report within the following timeframes: no more than 4 business days for human rights violations, 24 hours for Data Breaches, and immediately for active unsafe conditions.

12. Governance, Review, and Continuous Improvement

12.1 Corporate Accountability

The Logistics Project Manager at Freig Logistics Group is responsible for overseeing the implementation and compliance of this Social Policy. The General Management reviews its validity and updates it annually.

12.2 Alignment with International Standards

Reference Framework	Relevance to Freig Logistics
UN Guiding Principles on Business and Human Rights	Human Rights and Due Diligence
ILO Core Labour Standards	Decent work and freedom of association
ISO 9001:2015 (active certification)	Quality Management System
CTPAT / C-TPAT (active alignment)	Supply chain security
OECD Due Diligence Guidance for Responsible Mineral Supply Chains	Responsible minerals and logistics
DOT/FMCSA Federal Motor Carrier Safety Regulations	Road safety and hours of service

12.3 Social Performance KPIs

Social KPI	Target	Frequency
% of employees trained on this Policy	100%	Annual
% of subcontractors with social clause in contract	100%	Ongoing

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Number of unresolved ethical conduct incidents	0	Monthly
% of local suppliers out of total active suppliers	≥ 60%	Semi-annual
Social/HR training hours per employee	≥ 4 hrs/yr	Annual
Speak Up reports addressed within < 30 days	100%	Monthly
Social compliance audits of subcontractors	≥ 1/yr	Annual

13. Leadership Commitment Statement

"At Freig Logistics Group, we believe that being a world-class logistics partner means more than moving freight efficiently. It means operating with integrity, caring for our team, respecting the communities where we work, and building supply chains that generate sustainable value. This Social Policy is our public declaration of those commitments."

Jorge O. Freig Carrillo

Chief Executive Officer — Freig Logistics Group
Nogales, Arizona, January 2026

Contact Information

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This document is for public distribution and is available for review by our clients, regulators, communities, and all interested parties.

Issue Date: January 2026 | Next Review: January 2027



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