Memorandum of Understanding

Industrias Tecnos, S.A. de C.V.

October 1, 2026

The United States and Mexico agree to this Memorandum of Understanding for purposes of the United States-Mexico-Canada Agreement (USMCA) Annex 31-A (United States-Mexico Facility Specific Rapid Response Labor Mechanism) at Industrias Tecnos, S.A. de C.V. (Industrias Tecnos, or the company) in Cuernavaca, Morelos, Mexico (the facility). The agreed-upon date for all actions to be complete is October 15, 2026; however, each action specified in the Memorandum of Understanding must occur by the date specified for such action in the Memorandum of Understanding, and Mexico will provide evidence of each action within a week of the specified date. If no date is specified for an action, it is understood that such action will occur at any time before the expiration of the Memorandum of Understanding. The United States and Mexico will meet regularly to share information about and closely monitor implementation of this Memorandum of Understanding.

1. Mexico, in accordance with its legislation, will ensure that Industrias Tecnos undertakes the following actions:

   Unlawful Dismissals

   a. For the workers identified in the attached Confidential Appendix, verify that have received all payments to which they are entitled under Mexican law. This was completed on June 26, 2026.

   Neutrality Statement and Company Guidelines

   b. Distribute hard copies of a neutrality statement and company guidelines related to freedom of association and collective bargaining (Neutrality Statement and Guidelines) to all employees and contractors (Company Personnel), post them in prominent locations throughout the facility and on the company website, and make them available upon request. The Neutrality Statement and Guidelines must be reviewed by Mexico to ensure consistency with Mexican law. Commit to providing hard copies of these documents to new workers and maintaining the postings indefinitely. This will be completed no later than October 15, 2026.

   c. Implement the Neutrality Statement and Guidelines to ensure there is an environment where all freedom of association and collective bargaining rights are realized without employer interference. This includes changing company operations as necessary to implement the Neutrality Statement and Guidelines within the facility, thoroughly investigating allegations of violations of these company policies, and applying the zero-tolerance policy for any identified violations. Penalize any employees “de confianza,” including supervisors, human resources personnel, and labor relations personnel, who violate the Neutrality Statement or Guidelines, including by sanctioning and terminating staff, where appropriate. This will be completed no later than October 15, 2026.

d. Provide training to all Company Personnel on the Neutrality Statement and Guidelines and the company's zero-tolerance policy and ensure high-level company officials attend the trainings, including officials from company headquarters whenever possible. The Secretariat of Labor and Social Welfare (STPS), and any other experts as necessary, will be included in the development and delivery of the training. Commit to providing retraining as needed. This will be completed no later than October 15, 2026.

Informing Workers

e. Post this Memorandum of Understanding, as well as notices affirming Industrias Tecnos' intention to respect workers' exercise of freedom of association and collective bargaining rights in the future. This will be completed no later than October 15, 2026.

f. Conduct meetings at the facility, scheduled to ensure maximum attendance by workers, in which a responsible management official publicly informs workers about this Memorandum of Understanding, as well as Industrias Tecnos' intention to respect workers' exercise of freedom of association and collective bargaining rights in the future. This will be completed no later than October 15, 2026.

Complaint Mechanisms

g. Install, maintain, and publicize the existence of a telephone line or direct email address, and a system of anonymous and confidential messages to the company, through which workers can report to the company violations of their rights and breaches of the Neutrality Statement or Guidelines. Industrias Tecnos commits that there will not be any discrimination, reprisals, threats, harassment, or violence against workers who utilize the mechanism. This will be completed no later than October 15, 2026. The company will thoroughly investigate and address, in a timely manner, allegations received through this mechanism and share with the United States, through Mexico, any allegations received during the term of this Memorandum of Understanding and the results of corresponding investigations.

h. Post in prominent, high-traffic areas of the facility and on the company website information about how workers can file complaints with Mexico related to violations of their freedom of association and collective bargaining rights. Industrias Tecnos commits that there will not be any discrimination, reprisals, threats, harassment, or violence against workers who contact Mexico to raise concerns. This will be completed no later than October 15, 2026.

Website with Materials

i. Maintain on its website and in any internal communication platform the Neutrality Statement and Guidelines, training materials, and complaint mechanisms discussed in this Memorandum of Understanding in a location that allows workers to easily access the materials. Distribute the website or platform links to workers in an easily accessible manner, such as electronically via messaging app, and post the links in high-traffic areas of the facility. This will be completed no later than October 15, 2026.

2. Mexico, in accordance with its legislation, will:

Unlawful Dismissals

a. Review pursuant to paragraph 1.a, to ensure all workers identified in the attached confidential Appendix receive full severance payments as appropriate under Mexican law. This was completed on June 26, 2026.

Human Resources Practices - Hiring and Firing and Freedom of Association

b. STPS will conduct a limited scope investigation into the company's rate of hiring, rate of dismissals, and its use of private termination agreements and payouts, to determine whether the company's current policies or practices comply with Mexican Law, and whether the policies or practices interfere with workers' ability to exercise their union rights.

Transparency

c. Issue a press release about the Memorandum of Understanding, and circulate the press release at the facility. This will be completed no later than October 15, 2026.

Trainings

d. Through the STPS, conduct in-person workers' rights training for all Company Personnel during normal working hours, and post and distribute informational material at the facility, regarding freedom of association and collective bargaining, including the right to organize, select, affiliate, and conduct union activities with a union of the workers' choice without any intimidation, coercion, violence, or retaliation; the right to freely elect union leaders to represent them; the right to receive an accounting of union spending; and the concepts of union independence and employer neutrality. Employees "de confianza," including supervisors, human resources and labor relations personnel, and other high-level officials, will be trained separately from other workers. This will be completed no later than October 15, 2026.

e. As part of in-person training, inform workers of the scope and content of the Memorandum of Understanding and corresponding provisions of Mexican law, including relevant rights of workers and obligations of employers, labor organizations, and third parties; and explain the scope and content of the Memorandum of Understanding. This will be completed no later than October 15, 2026.

f. As part of in-person training, through the Centro Federal de Conciliación y Registro Laboral (CFCRL), educate workers on the conciliation process available to any dismissed worker and types of conflicts that are exempt from the requirement to exhaust obligatory pre-trial conciliation. Ensure workers understand that they may seek appropriate legal advice, such as from a lawyer, the union of their choice, or Labor Defense Attorney's Offices, and that they have the right to be reinstated to their job if they have been dismissed due to union activities or support. This will be completed no later than October 15, 2026.

g. Structure the in-person trainings to ensure workers understand their right to freedom of association and collective bargaining, how to effectively exercise that right, and recourse for violations of that right, including by requiring that each worker attend the full series of training sessions, designating sufficient time in each training to answer worker questions, conducting an assessment of each worker's understanding before and after each training, and providing retraining as needed. This will be completed no later than October 15, 2026.

Government Complaint Mechanisms

h. Maintain a direct email address (inspeccionfederal@stps.gob.mx), the SIQAL platform, and a phone line for workers to anonymously report any allegations of potential acts of unlawful interference, or other violations of workers' freedom of association and collective bargaining rights, including intimidation, coercion, or threats with respect to their selection of a union or union activities, non-neutrality, or interference in internal union affairs. Mexico will timely investigate any allegations of acts of anti-union discrimination, unlawful interference, and other violations of workers' freedom of association and collective bargaining rights at the facility. Mexico will share with the United States any allegations received during the term of this Memorandum of Understanding, including allegations notified to Mexico by the company, and the results of corresponding investigations.

Monitoring

i. Monitor the facility with regard to the obligations of this Memorandum of Understanding and compliance with Mexican laws related to freedom of association and collective bargaining. The STPS will share the results of this monitoring with the United States and Industrias Tecnos.

Sanctions

j. Impose sanctions in accordance with Mexican law, including financial penalties, on Industrias Tecnos and any other individual, labor organization, or company that has been found to violate Mexican laws related to freedom of association and collective bargaining. This will be completed no later than October 15, 2026.

3. The United States and Mexico will consult at the expiration of this Memorandum of Understanding regarding its implementation with a view to the prompt resolution of the matter. The United States and Mexico will endeavor to determine whether implementation has been adequately accomplished within 30 days after the expiration of this Memorandum of Understanding. If either the United States or Mexico considers there to be any pending issue under this Memorandum of Understanding, that country will notify the other country of such pending issue within 30 days after the expiration of this Memorandum of Understanding.

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