

# Global Human Rights Policy

April 2024

## 1. Purpose & Scope

Nemak Corporate Values declare that the company and its stakeholders must drive business growth while acting with respect and responsibility towards our people, the environment, and the communities in which we operate.

The Human Rights Policy aligns with Nemak's Values, Code of Conduct, and business policies covering diversity, environment, health and safety, and employee relations.

Our commitment to respect human rights is guided by internationally recognized standards and principles, including those contained in the International Bill of Human Rights and the International Labor Organization Declaration on Fundamental Principles and Rights at Work.

We comply with the relevant laws in the locations where we operate. In instances where local laws contradict the principles or standards outlined in this document, we prioritize compliance with local laws, while we strive to find ways to maintain the principles and standards specified in this document.

This policy applies to all Nemak suppliers, contractors, employees, and joint venture employees over which Nemak has management control.

## 2. Roles & Responsibilities

- Sustainability Department: has a governance and advisory responsibility to ensure that necessary policies, processes, and procedures are in place.
- Human Resources Department: implements the company's human rights policy by promoting a workplace free of discrimination and harassment, guaranteeing fair and equitable wages, benefits, providing humane and safe working conditions and respecting employees' rights to freedom of association and collective bargaining. Additionally, the HR department contributes to identifying and addressing human rights issues within the organization, including the well-being of salary and hourly employees. They also play a pivotal role in training, monitoring, and fostering continuous improvement in human rights practices.
- Process Assessment & Governance Department: ensures internal compliance with company policies and processes and conducts risk assessments through internal audits. Additionally, the department is responsible for the transparency helpline and oversees the grievance mechanism to address human rights impacts and ensure accountability.
- Purchasing Department: develops and manages supply chain processes, including the supplier risk management process, with a specific focus on identifying human rights risks stemming from critical suppliers. A dedicated risk committee oversees this due diligence process and ensures that corrective actions are promptly implemented in response to any identified human rights impacts.

### Respect and Responsibility

Nemak is committed to maintaining and promoting the human rights of all individuals and groups who may be affected by its activities, including employees, contractors, suppliers, agencies, partners and local communities.

The company has identified its salient human rights, which it is most at risk of impacting, including:

### Violence and Harassment

Nemak is committed to equal employment opportunities, rejecting all forms of discrimination based on age, gender, race, ethnicity, nationality, religion, disability, or any other status. We maintain a zero-tolerance policy for hostility, violence, and all types of harassment, including sexual, verbal, and physical. Our goal is to provide a workplace marked by respect, dignity, and fairness for every employee. We seek to create an inclusive and equitable work environment that respects and accommodates employees' religious beliefs and practices while ensuring their equal participation and well-being.

### Child Labor

Nemak strictly prohibits the use of child labor. We do not employ any person under the age of 18. Younger workers, above the legal minimum age, may be employed through approved short-term internships, apprenticeships, or work experience programs. However, these workers are not allowed to do work that may threaten their health and safety or obstruct their education.

### Modern Slavery and Forced labor and Human Trafficking

Nemak does not use and condemns forced labor in any form. The Company prohibits the use of all forms of forced labor, including indentured labor, bonded labor, slave labor and any form of modern slavery. Additionally, Nemak upholds zero tolerance to the use of physical punishment or threats of violence or other forms of physical, sexual, psychological, or verbal abuse as a method of discipline or control. In addition, we uphold the fundamental right to freedom of movement for all employees, contractors, and authorized visitors within our organization.

### Health & Safety

Nemak provides and maintains for all employees, contractors, and authorized visitors within the organization a work environment that meets or exceeds applicable legal standards for occupational health and safety. Each employee must follow health and safety rules and practices and must report accidents, injuries, and unsafe equipment, practices, or conditions, and near misses.

### Working Conditions, Working Hours, Wages and Benefits

Nemak upholds decent working conditions at a minimum according to applicable laws and industry standards, including for terms of employment, working hours, compensation and leave of absence. Nemak aims to provide wages and benefits covering basic needs, as a minimum, as well as a good work-life balance.

### Freedom of association and collective bargaining

We recognize and respect freedom of association and the right to collective bargaining, including respect for each employee's right to make an informed decision, free of coercion, about membership in associations or labor unions. In locations where employees are unable to exercise these rights due to legal constraints or other reasons, we provide channels for employee concerns to be heard.

### Privacy

Nemak upholds the right to privacy of those who entrust us with their personal information.

### Avoiding complicity

Nemak upholds zero tolerance to wrongful acts that are inconsistent with, or disrespectful of, international standards or local laws. Functional areas must assess if through association with third parties Nemak could be at risk of being an accomplice thereof and must take preventive measures.

### Vulnerable groups

Nemak recognizes its responsibility to be predominantly attentive to the rights above as they relate to vulnerable individuals and groups, that are actually or potentially impacted by our operations. These include:

- Women
- Children
- Refugees
- Internally displaced persons
- Stateless persons
- National minorities
- Indigenous peoples
- Migrant workers
- Disabled persons
- Elderly persons
- HIV positive persons and AIDS victims
- Lesbian, gay, and transgender people
- Other vulnerable groups may include, for example, the economically disadvantaged individuals, people with low literacy levels, and
- Religious groups

### Human Rights Management

We perform risk-based due diligence across our entire operations and supply chain to assess, prevent and address actual or potential adverse impacts on human rights that we may cause, contribute to, or be linked to.

Our approach is based on key frameworks that define human rights principles for businesses:

- The UN Global Compact's Ten Principles
- UN Guiding Principles on Business and Human Rights
- OECD Due Diligence Guidelines for Responsible Business Conduct
- German Supply Chain Act (LkSG)

### Governance:

- Respecting human rights is part of Nemak's Code of Conduct, with which we expect all our employees to abide by.
- Information related to Nemak's salient human rights risks are communicated to the Executive Management Team as well as to other relevant stakeholders.
- Employees receive training on the Code of Conduct. In addition, more targeted trainings on relevant human rights topics are provided to relevant functions.
- Human rights requirements are established for our suppliers and are articulated in Nemak's Global Business Code for Suppliers. We expect our suppliers to comply with and endorse the same principles in their own supply chain.

### Due Diligence:

Throughout our operations and supply chain, Nemak carries out risk-based due diligence to assess, prevent and address actual or potential adverse impacts on human rights that it may cause, contribute or be linked to. The Due Diligence process is described as follows:

- Responsible business conduct (RBC) is embedded into the company's policies & management systems.
- Adverse impacts are identified and assessed in operations, supply chains & business relationships.

- Adverse impacts are ceased, prevented or mitigated through a concrete action plan.
- If a human rights impact occurs, the issue is addressed by providing or cooperating in remediation and ensuring effective resolution and accountability.
- The implementation and results of the due diligence process are monitored and adjusted accordingly to ensure stakeholder fulfillment and continuous improvement.

Internal and external communications of the process and results are ensured to interested stakeholders.

### 3. Contact Information

We expect employees and suppliers to report all known or suspected violations of this policy. All our stakeholders can raise concerns or report violations without fear of reprisal through one of the following channels:

- The direct manager or next-level manager
- The Human Resources manager or director
- Nemak Governance department ([governance@nemak.com](mailto:governance@nemak.com))
- Transparency Helpline (<http://www.alfa.com.mx/CONT/transparency.htm>)

Nemak commits to observe international whistleblower protection standards or laws. Retaliation against a person for reporting an issue in good faith is a violation of our Global Code of Conduct.

### 4. Revisions

- 0, May – 2019
- 1, December – 2023
- 2, April - 2024

### 5. Approved by

CEO – December – 2023

### 6. Related Documents

- 6.1. [Nemak Code of Conduct](#)
- 6.2. [Global Diversity & Inclusion Policy](#)
- 6.3. [HSE Policy](#)
- 6.4. [Corporate Citizenship Policy](#)
- 6.5. [Nemak Business Code for Suppliers](#)
- 6.6. Human Rights Due Diligence Process (internal)
- 6.7. Supplier Risk Management Process (internal)
- 6.8. Supplier Escalation Process (internal)