

Corporate Citizenship Policy

March 2024

English

1. Purpose & Scope

- 1.1. Corporate Citizenship has been identified as a material topic within Nemak's Sustainability Strategy.
- 1.2. The purpose of this policy is to establish a reference framework, guidelines and responsibilities of corporate social responsibility within Nemak.
- 1.3. This policy is in line with Nemak's Values and Code of Conduct, and it is complemented by other policies and guidelines, such as HSE, Governance & Compliance, and HR policies.
- 1.4. This Policy also aligns with the principles contained in the International Bill of Human Rights and Sustainable Development Goals (SDGs).
- 1.5. This policy applies to all Nemak employees, suppliers, communities & other stakeholders, establishing relationships of stability and equality.
- 1.6. Achieve Nemak's corporate interests and its strategic goals while contributing to its communities.

2. Definitions

- a) **Corporate Citizenship:** Refers to company's responsibilities toward society. The goal is to contribute to higher standards of living and quality of life for the communities in which Nemak operates, while maintaining profitability for stakeholders.
- b) **Corporate Citizenship Network:** Group of employees representing Nemak's regions, contributing to the deployment of the global strategy and leading the implementation of corporate citizenship initiatives in their regions.
- c) **Donation:** Voluntary delivery of a good (monetary or in-kind).

3. General Guidelines

3.1. Responsibilities:

- Human Resources Department of each Nemak region is responsible for managing donations, volunteering, and activities related to supporting communities.
- Global Sustainability Department is responsible for co-developing the global strategy and roadmap and compiling global results.
- Corporate Citizenship Committee regularly reviews the applicability and feasibility of the global strategy and processes as well as the progress of the regional action plans.
- Global Finance Department approves global budget.
- Finance Department in each Nemak region supports Human Resources and ensures fiscal transparency according to applicable laws.
- HSE Department manages regional environmental permits and that the activities to be carried out are in accordance with the environmental regulations of each country.
- Communications Department ensures that the information is shared correctly and in the correct channels, to ensure that it has visibility to stakeholders.

3.2. Legal Compliance:

Nemak commits to comply with applicable national and international laws and regulations in all regions where it operates.

3.3. Business Integrity:

All Nemak employees taking part in Corporate Citizenship initiatives, directly or indirectly, commit to maintain corporate governance practices and respect all Nemak policies and procedures including its Code of Conduct.

3.4. Stakeholders Dialogue:

Nemak maintains continuous communication with its internal and external stakeholders, involving them in social impact assessments and in prioritizing focus topics for Corporate Citizenship.

3.5. Transparency:

Processes and procedures related to Nemak's Corporate Citizenship (see Section 7 - Related Documents) are documented, available to Nemak's stakeholders and will be regularly reviewed and audited to serve the above-mentioned purpose.

3.6. Human Rights:

Nemak is truly committed to maintaining and promoting the fundamental human rights of employees and communities by operating under the global code of conduct and in compliance with its [Human Rights Policy](#).

3.7. Diversity and Inclusion:

Nemak is committed to promoting diversity, equality and inclusion across all aspects of its corporate social responsibility activities, philanthropic initiatives, public advocacy efforts, and partnerships. We recognize that equality is fundamental to sustainable development and societal progress. Therefore, the company strives to embed gender and other diversity and minorities perspectives in the design, implementation, and evaluation of our programs and initiatives. By fostering diverse and inclusive practices, we aim to create positive social impact and contribute to building more equitable and resilient communities in line with our [D&I Policy](#)

3.8. Fiscal responsibility:

Donations from Nemak must comply with applicable fiscal laws and regulations (in every city and country where we operate). Nemak commits not to use charities for tax evasion and tax fraud.

3.9. Promotion of social responsibility:

To be a good corporate citizen, Nemak strives to continuously promote our community-supporting programs to encourage employees and communities to act.

3.10. Social Impact Categories:

Nemak has defined 4 social impact categories: Wellbeing, Environment, Economic Empowerment and Education.

To effectively contribute to the global strategy, the regions define their focus topics within these categories and performed materiality assessment to develop their action plans in a standardized process.

3.11. Respect of rights and interests of Affected Populations and Organizations:

Nemak respects the rights and interests of the Affected Populations and Organizations in their lands, livelihoods and use of natural resources, including:

- a) Implement a plan to identify significant impacts from its operations and community needs and define measures to mitigate the risks and explore opportunities to respect and support the communities' livelihoods.
- b) Develop the plan in Consultation with and, where possible, with the participation of Affected Populations and Organizations.
- c) In accordance with the plan, commit resources to Local Community development.

3.12. Indigenous People:

Nemak is aware of and respects the rights and interests of Indigenous Peoples, consistent with international standards, including ILO Convention 169 and UN Declaration on the Rights of Indigenous Peoples.

- ### 3.13. Sustainable Development Goals (SDGs): Nemak supports UN Sustainable Goals as well as the UN Global Compact, ensuring we align our strategy and actions to the global aim of improved environmental, economic, and social conditions. The Company's efforts are primarily focused on supporting the following SDGs: Quality Education (SDG 4); Industry, Innovation and Infrastructure (SDG 9); Responsible Consumption and Production (SDG 12); Climate Action (SDG 13); and Decent Work and Economic Growth (SDG 8).

4. Contact Information

For questions or comments about this policy, please contact the Nemak HR and Sustainability teams.

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

- The direct manager or next-level manager
- The Human Resources manager or director
- Nemak Governance and Compliance department (governance@nemak.com)
- Transparency Helpline (<https://nemak.com/transparency-helpline/>)

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.

5. Revisions

0 – August 2023

1 – March 2024

6. Created / Approved by

Approved:

Global Sustainability Sr Manager – August 2023

Human Resources Director Americas – August 2023

Human Resources Director Europe and Asia – August 2023

Global Legal & Compliance Manager – August 2023

Global Process Assessment & Governance Sr Manager – August 2023

Global Human Resources Director – August 2023

VP Purchasing and Sustainability – August 2023

Created:

Global Sustainability Specialist – Sustainability – May 2023
Social Development Leader – Human Resources – May 2023

7. Related Documents

- 7.1. [Nemak Code of Conduct](#)
- 7.2. [Human Rights Policy](#)
- 7.3. [Anti corruption Policy](#)
- 7.4. [Global Diversity & Inclusion Policy](#)
- 7.5. [Business Code for Suppliers](#)