

Anticorruption Policy

May 2019

1. Purpose & Scope

- 1.1. Reaffirm to all employees our commitment to a culture of integrity, honesty, and accountability everywhere we operate and at the same time comply with the international anticorruption laws and policies.
- 1.2. Establish the basic principles and framework for preventing, detecting, investigating, remedying and, if applicable, apply the corresponding penalties.
- 1.3. This policy is applicable to:
 - a) All Nemak employees and every individual that either directly or indirectly acts on behalf of the company, such as representatives, agents, consultants, advisors, distributors, etc.
 - b) Suppliers, contractors, subcontractors and individuals that do not represent the company but provide a service to it will be notified of the existence of this Policy and will be encouraged to observe it.

2. Definitions

- a) **Corruption or bribery acts:** Offer or promise, pay or receive money or valuables to any individual or entity, to improperly influence their acts or decisions in order to obtain an unfair or unlawful benefit or advantage either as a personal favor or for the company. The mere act of offering or promising any kind of wrongful compensation, even if the act had not been completed, it is itself an act of corruption.
- b) **Valuables:** Gifts, invitations to entertainment events, travel expenses, employment opportunities and other perks or benefits.
- c) **Assets:** Assets may include, but are not limited to facilities, equipment, phones, smartphones, computers, e-mail, internet software, supplies, documents, money, intellectual property and any other services that help perform work-related duties.

3. General Guidelines

- 3.1. We expect all employees to perform their duties in accordance with applicable laws, rules, and regulations and in an ethical manner. We strive to ensure that all our activities comply with international anticorruption and bribery laws.
- 3.2. It is strictly prohibited that employees or contractors engage, order, authorize, promise, conspire or induce corrupt practices, either directly or through third parties.
- 3.3. **Relationships with other companies or institutions**
 - a) We value our business relationships with customers and suppliers, and expect employees to treat customers and suppliers honestly and with respect. It is strictly prohibited for employees to offer, solicit, pay or receive any kind of economic compensation or valuables from or to customers, suppliers, companies or other organizations or entities in order to obtain an unfair or improper business advantage.
- 3.4. **Relationship with authorities**
 - a) It is strictly prohibited to perform bribery acts when engaging with any kind of authority including government officers, company employees or government-owned entities, as well as members of political parties, or candidates for public offices, with the purpose of inducing or causing an action or inaction to obtain a benefit, either personal or for the company.

3.5. Gifts and hospitality

- a) Nematik employees must never offer or solicit gifts, services, and favors in exchange for preferential treatment in any business dealing. Any gifts, services, or favors that an employee either accepts or provides to any third parties must be in accordance to reasonable business practices and must not compromise, or appear to compromise, the employee's ability to make objective business decisions in the best interest of Nematik.

3.6. Accounting records

- a) The recording, safekeeping, and preparation of financial and company reports for Nematik's different stakeholders must strictly adhere to national, state, and local laws and regulations, and generally accepted accounting principles and control guidelines. We expect those employees involved in creating, processing or recording information to maintain its integrity. Employees must never alter or falsify documents, records, invoices, payments or reports, or conceal information that may alter the interpretation of financial or any other relevant company information.

3.7. Use of assets

- a) All employees are responsible for protecting Nematik's assets and ensuring that they are used in accordance with this policy and company values. The use of company's assets for any illegal purpose or against the company's moral values is strictly prohibited.

3.8. Disciplinary measures

- a) Employees or contractors in breach of this policy are subject to disciplinary actions ranging from a warning to termination of employment or contract. The severity of such disciplinary actions will depend on the seriousness of the breach and on whether the breach came from an error, willful misconduct, or negligent action. Employees or contractors may also be subject to civil and criminal penalties if the law has been breached.

3.9. Reporting

- a) We expect employees to report all known or suspected violations of this policy. Employees may raise concerns or report violations as follows:
 - **Within the business unit or global staff area**
Generally, an employee's Human Resources manager will be able to resolve any concerns or questions he/she might have.
 - **Nematik Governance and Compliance**
Employees may report concerns to Nematik's Governance and Compliance department by sending an e- mail to: governance@nemak.com

- **Alfa's transparency helpline**

Nemak's parent company, Alfa, has established a Transparency Helpline that is accessible toll-free in the countries listed below. Employees may submit reports to the Helpline anonymously, or indicate that they wish to be contacted.

Argentina 0800-444-5685

Austria 0800-293-215

Brazil 0800-892-2016

China 10-800-140-1817 (S) 10-800-714-1783-(N)

Czech Republic 800-701-160

Germany 0800-180-8939

Hungary 06-800-16476

India 000-800-100-5794

Mexico 01-800-265-2532

Poland 00800-112-4028

Slovakia 0800-606-251

USA/Canada 1-866-482-1957

Russia 88003017408

Employees may also submit a report via e-mail to:

transparency@alfa.com.mx

4. Contact Information

For questions or comments about this policy please contact the Governance & Auditing Department

5. Revisions

0, July– 2016

1, January – 2017

2, May - 2019

6. Created / Approved by

- ALFA CEO – July 2016

- NEMAK CEO – May 2019

7. Annexes