ASI GYŐR
Plant Report

Introduction

Nemak, S.A.B. de C.V. (“Nemak”) is a leading provider of innovative lightweighting solutions for the global automotive industry, specializing in the development and manufacturing of aluminum components for e-mobility, structure & chassis, and ICE powertrain applications. In 2024, the Company employed approximately 23,000 people at 40 production facilities worldwide. For more details about the Company, please refer to Nemak’s most recent version of the Annual Report.

This report has been created for Nemak Győr located in Hungary, with the main address of 9027, Győr, Nyírfa sor 1. Therefore, all information disclosed in this report is only relevant for the scope of the location, unless otherwise specified.

Policy and Management

Impact Assessments

At Nemak's location in Győr, Environmental and Social Impact Assessments for new projects or major changes to the existing facilities are conducted. Such environmental and social impact assessments strive to identify and addresses risks associated with developments, expansions, exploration activities and significant changes to Nemak's Site in Győr.

Since June 2022 (start of ASI membership), Nemak's site in Győr has not undergone any major changes or expansions.

Human Rights Impact Assessments

Since June 2022 (start of ASI membership), Nemak's site in Győr has not undergone any major changes or expansions that might affect human rights of its workers or the communities within its area of social influence.

The latest version of the Global Human Rights Policy and Due Diligence Process can be found here: https://nemak.com/sustainability/?sc=0#sustainabilityPolicies

Impacts on Communities:
The area of social influence for Nemak Győr is defined as the area within 5 Km radius from the site:

Figure 1: Area of influence for Nemak Győr (5 Km radius)

A Corporate Citizenship materiality assessment has been conducted through interviews with several internal and external stakeholders, within its area of influence, to identify the needs of the communities which Nemak could support as well as potential negative impacts which Nemak could avoid and mitigate.

Nemak Győr regularly engages with the local communities through initiatives such as:

- football activity
- medical check ups
- donation to civil organizations
- training of dual students

Nemak recognizes and regularly evaluates both the actual and potential impacts of its operations on local communities, particularly in relation to environmental and natural resource considerations. Although Nemak has not identified any significant actual or potential negative impacts on local communities, the company remains committed to proactively addressing potential risks. To this end, Nemak continuously monitors key environmental parameters, such as air emissions, noise, odors, water discharges, and waste, and ensures full compliance with legal requirements, consistently maintaining values within permitted limits.

Emergency Response Plan

While Nemak Győr prioritizes transparency in its operations, the site's Emergency Response Plan is not fully disclosed in this report due to confidentiality reasons. However, the plan has been diligently prepared according to ISO 45001 Standard and relevant legislation, submitted to local authorities, and is available upon request for interested parties.

The description below is an overview of the Emergency Response Plan:
Nemak Győr is located in Győr on 137.717 m² land. The Emergency Plan is prepared by Plant Management team and regularly reviewed. The following emergency conditions are evaluated and action plans are defined for the Emergency Team and also for employees and visitors.

Emergency 1 :	Fire
Emergency 2 :	Industrial Accident
Emergency 3 :	Pandemic
Emergency 4 :	Earthquake
Emergency 5 :	Flood
Emergency 6 :	Storm
Emergency 7 :	Environmental Accident

The Emergency Team is organized according to legislation. Annual internal and external trainings are defined for this team. Annual drills are realized for different shifts. Evacuation, injury, fire, spill, etc case emergency team and other employee's response tested and reported as a result of drill.

Plant has fire extinguishers, sprinkler, hydrant and other firefighting equipment with proper number and type. The hazardous materials, waste, chemicals are separately conditioned and stocked on site. Inventory and transfer are also arranged according to legislation and risk.

Material Stewardship

Environmental Life Cycle Assessment

In general, Nemak relies on the ISO 14040/44 (Life Cycle Assessment -LCA methodology) to estimate through internal tools a product carbon footprint (PCF) considering a Cradle-to-Gate scope to guide its Sustainability Strategy and improve its understanding of the environmental impacts of its products throughout the entire value chain. The Cradle-to-Gate approach measures each product's environmental and climate impacts from the extraction of raw materials to delivery to customers. Nemak has successfully conducted LCAs for its major products and actively provides key customers with information about the carbon footprints of products, demonstrating its ability to apply LCA methodologies on demand.

For Nemak Győr, Cradle-to-Gate-PCF have been completed for 6 products. Due to confidentiality, Nemak does not disclose the results of the assessments, which can be provided to relevant stakeholders upon request.

Greenhouse Gas Emissions

Energy Consumption & GHG Emissions

Nemak acknowledges the environmental impact of its operations and is actively engaged in initiatives to enhance energy efficiency. In line with its commitment to sustainability, Nemak Győr closely monitors its energy consumption and continually explores innovative methods to reduce its carbon footprint. The following table provides a breakdown of the energy consumption data, highlighting the contribution from various energy sources.

GRI 302-1

ENERGY CONSUMPTION IN GJ	2024
Total Energy consumption	**451,123 GJ**
Direct use	**264,267 GJ**
Natural gas	255,190 GJ
LPG	6,729 GJ
Gasoline	712 GJ
Diesel	1,636 GJ
Fuel Oil	n/a
Indirect use	**186,856 GJ**
Electricity consumption (non-renewable)	186,856 GJ
District heating	20,353 GJ
District cooling	2,843 GJ
Renewable energy	1,800 GJ

Building upon its commitment to sustainability, Nemak Győr extends its transparency to encompass Greenhouse Gas (GHG) emissions. Acknowledging the interconnected relationship between energy consumption and environmental impact, the company diligently tracks its emissions data. The table below indicates the GHG emissions (in tons CO2e), categorizing them into Scope 1 and Scope 2. Scope 3 emissions (global) is available in Nemak's Annual Report.

GRI 305-1/2/3

EMISSIONS IN TONS CO_2E	2024
Total**	**22,953 t**
Scope 1*	13,392 t
Scope 2 (market-based)	9,561 t
Scope 2 (location-based)	9,654 t

**Scope 1 covers fuels, excluding process and refrigerants emissions.*
***Total uses Scope 2 market-based emissions.*
Scope 1 and 2 emissions for all reported years have been verified by a third party.

GHG emissions reduction

As an organization, Nemak has defined Science Based Targets to reduce its Scope 1&2 emissions by 28%, using a 2019 baseline. On a plant level, Nemak Győr aspires to the same level of ambition. To achieve this target, specific initiatives such as energy efficiency and purchase of renewable energy have been identified. The figure below illustrates Nemak Győr emissions pathway to achieve the 28% reduction goal by 2030.

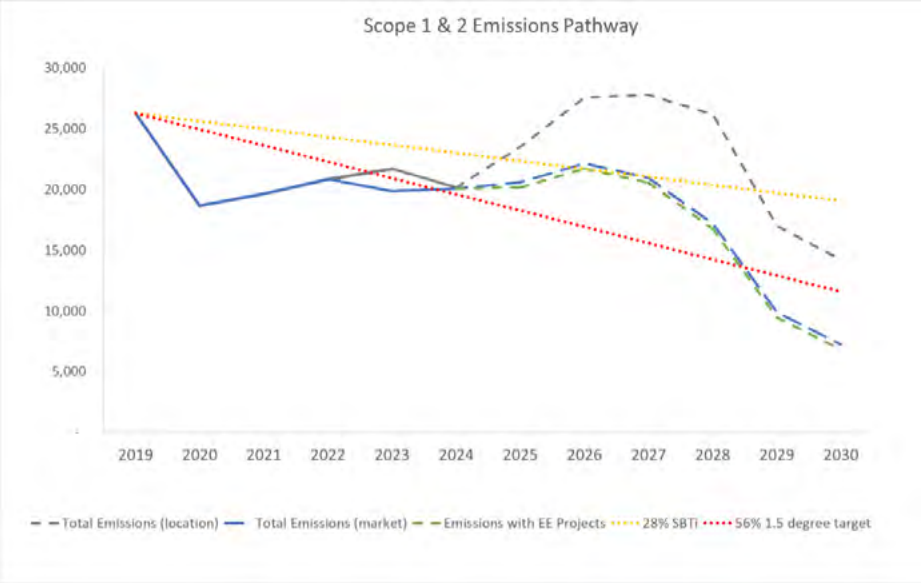

Figure 2: Scope 1&2 Emissions Pathway for Nemak Győr

To achieve its emissions reduction targets, Nemak Győr needs to identify initiatives for energy efficiency and renewable energy initiatives to be executed in the next years, to reach the expected CO2 savings.

Over the past two years, emissions levels at Nemak Győr have decreased due to buying green energy to produce the BMW Stator products and finished with the STRIKO melting furnace energy optimization project.

In addition to the 2030 target, Nemak supports the comprehensive transition plan and the long-term strategy to limit global warming to 1.5 °C and aims to achieve net zero emissions by 2050.

NET-ZERO PLAN 2050			
Category	Measures	Planned implementation by	Estimated CO2-Reduction (%)
Energy efficiency	Use of solar and wind power	2035	20%
Energy efficiency	Change to electrical heating in case of GAS heated units	2040	40%
Fuel switch	Use of hydrogen and electric engines	2050	10%
Offsetting	Carbon Offsetting	2050	30%
Residual emissions			100%

In addition to the absolute reduction targets for Scope 1 and 2, the figure below shows Nemak Győr's emissions reduction path in intensity values (t CO2 / t Aluminum produced). The targets are based on the ASI Entity GHG Pathways Method.

The chart shows both Nemak's historical emissions (from 2019 to 2024) and a projection up to 2030.

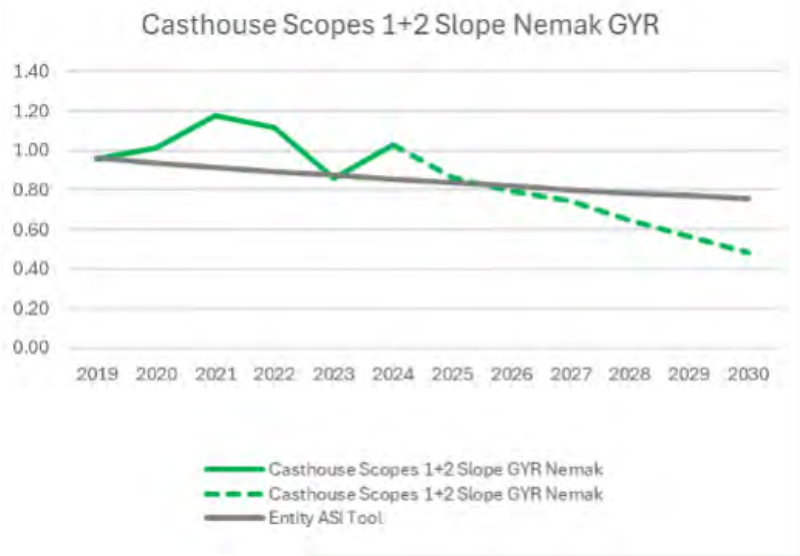

Figure 3: Pathway of Scope 1&2 emissions intensity (tCO2/t aluminum) for Nemak Győr

In addition to Scope 1 and 2 emissions, Scope 3 emissions are also of central importance for Nemak, especially category 3.1, which accounts for the largest share of emissions (83% of Scope 3 emissions in 2024).
The graph below shows the global reduction pathway for Scope 3.1 emissions (intensity values: t CO2 / t aluminum), and the targets are based on the ASI Entity GHG Pathways Method.

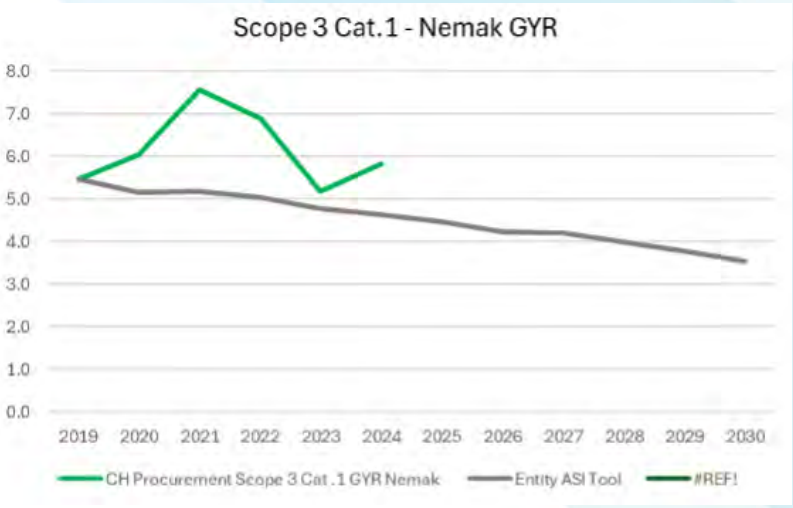

Figure 4: Pathway of Scope 3.1 emissions intensity (tCO2/t aluminum) for Nemak Győr

Nemak's Scope 3.1 emissions have an average emission intensity of 6 t CO2 / t Al. Reduction measures include the purchase of "green" primary aluminum, i.e. material produced using green electricity in the electrolysis process, as well as increasing the secondary Aluminium rate by supplying high-quality scrap.

Emissions, Effluents and Waste

Emissions to Air at Nemak Győr

In addition to GHG emissions, Nemak Győr diligently monitors other air emissions as part of its comprehensive environmental management strategy. Recognizing the importance of maintaining air quality standards, both at the regulatory and community levels, the company remains steadfast in its commitment to mitigating potential environmental impacts. By closely monitoring these emissions and implementing proactive measures, Nemak Győr endeavors to ensure compliance with legal regulations and safeguard the well-being of both the environment and surrounding communities.

The table below includes an extract of the most relevant air emissions.

GRI 302-7

OTHER EMISSIONS IN TONS	2024
NOx Emissions	8,15
SOx Emissions	0,2
Persistent organic pollutants (POP) Emissions	n/a
Volatile organic compounds (VOC) Emissions	2,83
Hazardous air pollutants (HAP) Emissions	n/a
Particulate matter (PM) Emissions	8,2

To minimize the exposure to and impacts from Emissions to Air, the following measures are in place:

- regular, preventive maintenance of the affected equipment
- regular measurement of the affected equipment

Water Management

At Nemak Győr, water is used for sanitary facilities and production processes (e.g. cooling water and cleaning systems). The following table breaks down the water withdrawal and discharges for Nemak Győr in 2024.

GRI 303-3/4

DETAILS ON WATER WITHDRAWAL AND DISCHARGE IN 2024 IN MEGALITERS	2024
Water withdrawal total	**98,9**
surface water	n/a
groundwater	98,9
seawater	n/a
produced water	n/a
third party withdrawal	n/a
Water discharge total	**39,6**
Water consumption total	**59,3**

Discharges to Water

The discharge water analysis is described in the following table:

ENTRY POINT NR.1

Indicator	Limit	Unit	Average
pH	6,5-10,0		8,40
KOIk	1000	mg/l	113
Összes technológiai só	2500	mg/l	1,056
Szerves oldószeres extrakt	50	mg/l	<2
N(NH3-NH4)	100	mg/l	14,20
Fluorid	50	mg/l	0,24
Ülepedő anyag ‘10	150	mg/l	<5

ENTRY POINT NR.2

Indicator	Limit	Unit	Average
pH	6,5-10,0		8,00
KOIk	1000	mg/l	173
Összes technológiai só	2500	mg/l	455
Szerves oldószeres extrakt	50	mg/l	22
N(NH3-NH4)	100	mg/l	29,28
Fluorid	50	mg/l	0,30
Ülepedő anyag ‘10	150	mg/l	<5

To minimize the exposure to and impacts from Discharge to Water, Nemak Győr has:

- regular, preventive maintenance of the affected equipment
- regular measurement of the discharged water

Assessment and Management of Water

The Company performs a water risk assessment by using the Aqueduct tool, developed by the World Resources Institute, to identify water-stressed zones where the Company has operations. In the reporting year, the water risk at Nemak Győr has been identified as low (see Figure below).

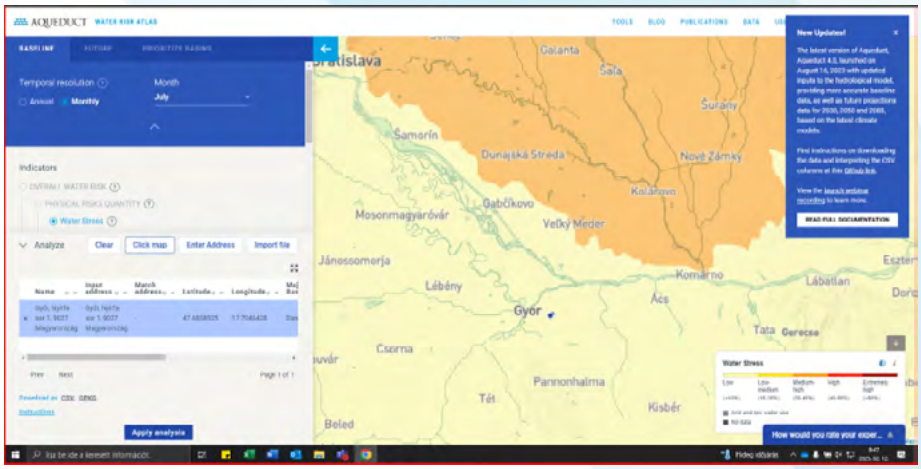

Figure 3: Aqueduct Water Risk Map for Nemak Győr

Assessment and Management of Spills and Leakage

To prevent, detect and remediate Spills and Leakages Nemak Győr has a management plan that consists of:

- trainings
- reporting systems/control systems
- double-wall containers
- drip trays
- emergency plans

Since June 2022, Nemak Győr did not have any material spill or leakage incident.

Waste Management

As a responsible steward, Nemak strives to minimize the environmental impact of its products and maximize material efficiency. In alignment with the Company's Standard for Waste Management, Nemak Győr recovers, recycles, and/or reuses aluminum and sand, wherever possible. The site continuously works on minimizing waste disposal and finding opportunities to reuse and recycle resources.

The generated waste at Nemak Győr is summarized in the table below:

GRI 306-5/5

WASTE GENERATED IN TONS	2024
Waste diverted from disposal	
thereof non-hazardous materials	**3770,4**
prepared for reuse	-
prepared for recycling	3643,8
other recovery options	126,5
thereof hazardous materials	**2020,76**
prepared for reuse	-
prepared for recycling	201,71

other recovery options	1819,05
Waste directed to disposal	
thereof non-hazardous materials	9862,3
directed to incineration | with energy recovery	-
directed to incineration | without energy recovery	-
directed to landfilling	9862,3
other disposal methods	-
thereof hazardous materials	**1139,19**
directed to incineration | with energy recovery	35,1
directed to incineration | without energy recovery	-
directed to landfilling	1104,06
other disposal methods	-

Biodiversity

Biodiversity management

Nemak is committed to conserving and promoting biodiversity across all sites. A Global Biodiversity Policy is in force since 2023 and meets the requirements of international standards for biodiversity, including Global Reporting Initiative (GRI) disclosure 304. A supporting Biodiversity Procedure is in place to facilitate the assessment of operations, analysis of risks, development of action plans to mitigate risks, and reporting the results of conservation and preservation efforts.

In 2023, Nemak Győr conducted a Biodiversity assessment covering the scope of direct operations. The analysis was conducted using Integrated Biodiversity Assessment Tool (IBAT) and Species Threat Abatement and Restoration (STAR) methodologies.

The results indicated that Nemak Győr has no significant impacts related to key biodiversity or protected areas.

Local laws regarding biodiversity protection were taken into consideration for the analysis of the IBAT results. Nemak Győr is not directly dependent on Ecosystem Services, although it relies on the availability of natural resources such as minerals, bauxite etc.

Protected Areas

Based on the proximity assessment using IBAT, the following protected areas are found within 5 km of the area of interest:

- Gönyüi-homokvidék
- Szigetköz

On the other hand, the generated Species Threat Abatement and Restoration (STAR) indicates a Very Low/low Abatement score (0.62) and a low Restoration score (14.73):

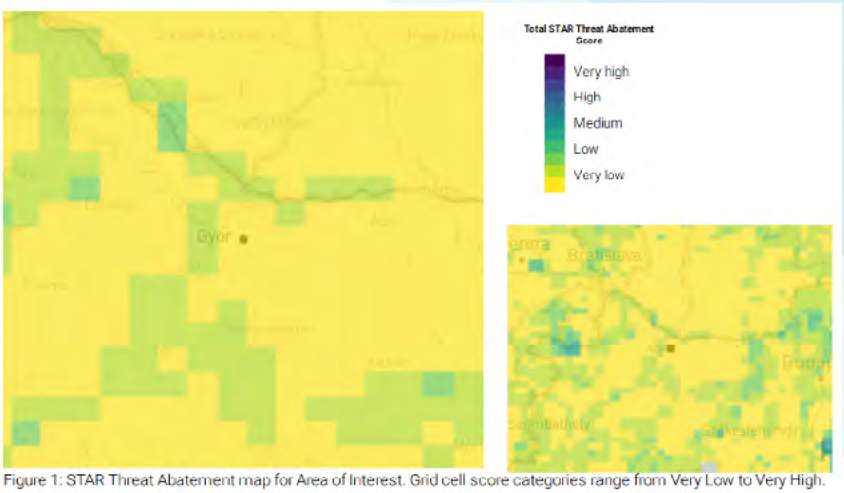

Figure 1: STAR Threat Abatement map for Area of Interest. Grid cell score categories range from Very Low to Very High. Note that low scores do not mean that there are no threatened species present. Grid cells are at a 5 km resolution.

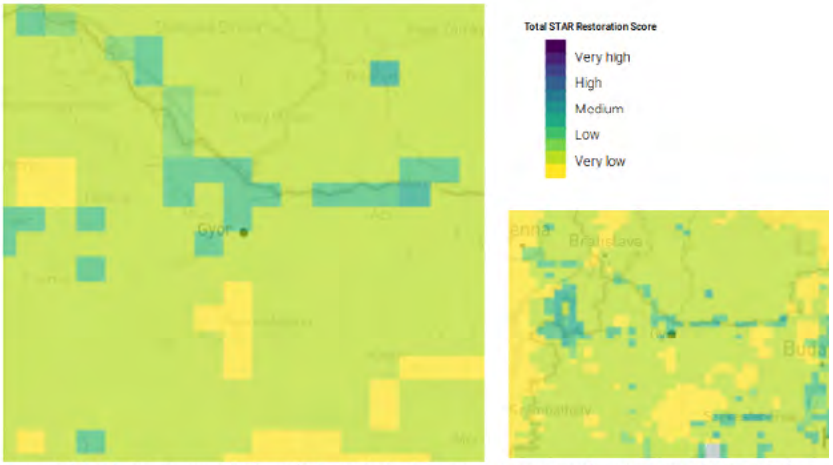

Figure 2. STAR Restoration map for Area of Interest. Grid cell score categories range from Very Low to Very High. Grid cells are at a 5 km resolution.

Occupational Health & Safety

The Company measures its safety performance using the Total Recordable Incident Rate (TRIR), which specifies the frequency of injuries requiring medical treatment beyond first aid for every 100 employees. Each location sets annual targets, which should not exceed the previous year's TRIR, Lost Time Case Rate (LTC) and Days Away, Restricted or Transferred (DART). The latter metric refers to injuries that result in days away from work, job restrictions or job transfers. At a company-wide level, Nemak also strives to deliver year-over-year improvements.

The OH&S indicators at Nemak Győr are summarized in the table below:

GRI

HEALTH AND SAFETY METRICS		
Lagging KPIs	**2024**	**2023**
Total recordable incidents	**10**	**31**
Accidents with serious consequences	0	0
Accidents with lost time	10	31

Fatalities	0	0
Total recordable incidents rate	2,84	2,77
Lost time case rate	1,88	2,70
Leading KPIs		
Preventive health care – Total examinations carried out	936	931
OH&S Initial Trainings Participants (% of workforce)	100	100
OH&S Specialized Trainings Participants (% of workforce)	23,17	15,74

Comparative Analysis

Nemak conducted a comparative analysis of its Occupational Health & Safety (OH&S) data to foster a culture of workplace safety and well-being. By scrutinizing incident rates, near-misses, and adherence to safety protocols, Nemak strives to identify trends, areas for improvement, and best practices. This commitment underscores the company's dedication to prioritizing the health and safety of its employees across all operational facets.

For comparative analysis, the table aligns key Occupational Health & Safety (OH&S) metrics, from the year 2024, at a global level, compared to peer businesses within the Aluminum market:

HEALTH AND SAFETY METRICS		
	Average Peer Businesses**	Nemak (global)***
Total Recordable Incidents (TRI)	**243**	**339**
Accidents with lost time (LTI)	159	122
Fatalities	0.5	1.00
Total Recordable Incidents Rate (TRIR)	6.36	5.18
Lost Time Case Rate (LTIR)	4.01	2.23

** Total recordable incidents per 1 million Hours Worked*
***Based on benchmarking with Peer businesses based on public data from 2024*
**** Data consider employees and contractors of Nemak*