



# ASI PLANT REPORT - 2024

Nemak Nanjing

## Introduction

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 Nanjing located in China, with the main address of No.108, Xin Cheng Road, Lu Kou Street, Jiangning District, Nanjing City, Jiangsu Province(Jiangning development zone). Therefore, all information disclosed in this report is only relevant for the scope of the location, unless otherwise specified.

## Policy and Management

### Environmental Impact Assessments

At Nemak's location in Nanjing, 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 Nanjing.

Since June 2022 (start of ASI membership), the site has undergone the following major changes or new projects:

| Project                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Name</b>                | Lightweight subframe technology transformation project                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Date</b>                | 2024.10                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Short Description</b>   | 1)Remove five casting lines and the corresponding two sets of bag dust collectors, and transformed them into three LPDC lines for VS (vehicle sub frame ) components.<br>2)Stop 4# ZPF5T furnance 、 5# ZPF3T furnance, dismantled the corresponding bag dust collectors and exhaust stacks (FQ3); Added a new crucible furnace.<br>3)An additional heat treatment furnace has been added, which is divided into 2 layers inside, has a larger internal space, increased work efficiency, and reduced energy consumption. ;<br>4)Stop using the PP7 and PP11 cleaning lines, and dismantled the bag dust collector corresponding to the PP11 cleaning line. Add new PP13 and PP14 cleaning lines. |
| <b>Significant Impacts</b> | 1) Reduce Particulate Matter emissions.<br>2) Save energy and reduce consumption, resulting in less greenhouse gas emissions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Mitigation Actions</b>  | /                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

## Human Rights Impact Assessments

Since June 2022 (start of ASI membership), Nemak's site in Nanjing 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 Nanjing is defined as the area within 5 Km radius from the site:

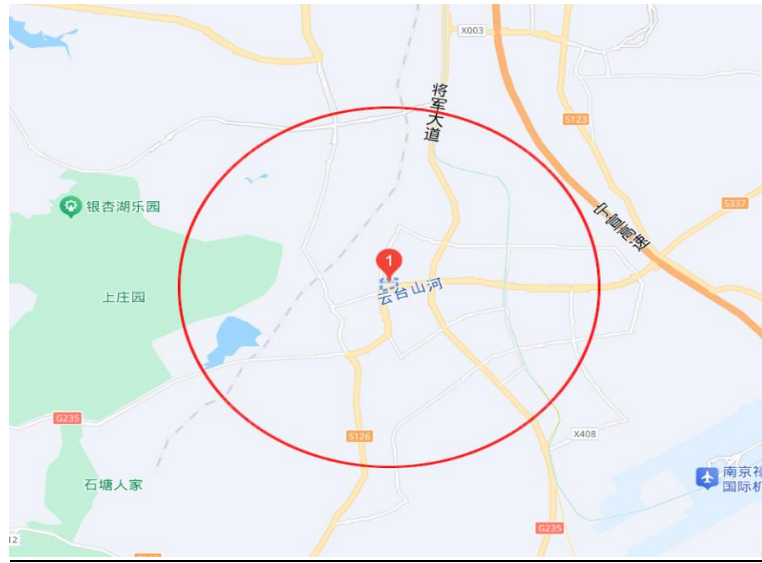


Figure 1: Area of influence for Nemak Nanjing (5 Km radius)

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 Nanjing regularly engages with the local communities through initiatives such :

- Organize a family day event to invite employees and their families to visit the factory
- Invite representatives of community residents to assess the factory's environmental emergency response plan.

Nemak Nanjing has not identified any significant actual or potential negative on the local communities.

## Emergency Response Plan

While Nemak Nanjing 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 related legislation, submitted to local authorities, and is available upon request for interested parties.

The description below is an overview of the Emergency Response Plan:

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  | : Radiation Accident                      |
| Emergency 4  | : Earthquake                              |
| Emergency 5  | : Flood                                   |
| Emergency 6  | : Storm                                   |
| Emergency 7  | : Environmental Accident                  |
| Emergency 8  | : Work at Height Accident                 |
| Emergency 9  | : Confined Space Accident                 |
| Emergency 10 | : Dangerous Goods Transportation Accident |
| Emergency 11 | : Pandemic                                |

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, 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.

## Non-compliance and Liabilities

To the best of the Company's knowledge, there were no material fines, judgments, penalties or non-monetary sanctions for failure to comply with applicable law in 2024. Materiality is defined as amounts exceeding 0.8% of total revenue.

## Payments to Governments

Nemak does not make any direct or indirect financial or in-kind political contributions for political influence or lobbying purposes, as confirmed by the Company's existing audit and assurance systems. To the best of the Company's knowledge, no payments have been made to governments for political purposes or influence, based on the evidence provided by these systems.

## Material Stewardship

### Environmental Life Cycle Assessment

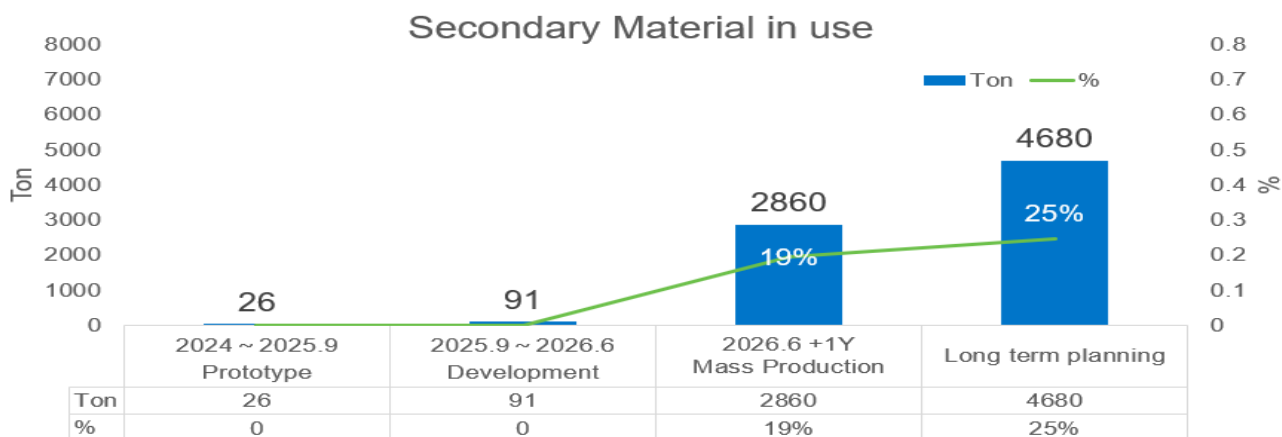
In general, Nemak relies on the ISO 14040/44 (Life Cycle Assessment -LCA methodology) to estimate through internal tools a product carbon footprint (PCF) considering a Cradle-to-Gate scope to guide its Sustainability Strategy and improve its understanding of the environmental impacts of its products 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 product categories and aims to have completed Cradle-to-Gate LCAs for all electrified portfolio products by 2030. At the same time, Nemak actively provides key customers with information about the carbon footprints of products, demonstrating its ability to apply LCA methodologies on demand.

For Nemak Nanjing, Cradle-to-Gate-PCF have been completed for 3 products. Due to confidentiality, Nemak does not disclose the results of the assessments, which can be provided to relevant stakeholders upon request.

### Collection and Recycling of Products at End of Life

Nemak Nanjing plans to develop new products that can directly use Secondary aluminum and achieve mass production as early as June 2026.

| Metal Reuse     | Target                                     | Due Date    | Status   |
|-----------------|--------------------------------------------|-------------|----------|
| Concept define  | Align with customer for the concept define | 2023        | Done     |
| Kick off        | Kick off the program                       | Jan 2024    | Done     |
| Development     | Process development and validation         | May 2026    | On going |
| Mass production | Implement in mass production               | June 2026 ~ | On track |



## 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 Nanjing 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          |
| <b>Total Energy consumption</b>         | <b>274871</b> |
| <b>Direct use</b>                       | <b>148612</b> |
| Natural gas                             | 148672        |
| <b>Indirect use</b>                     | <b>126259</b> |
| Electricity consumption (non-renewable) | 70059         |
| Renewable energy                        | 56200         |

Building upon its commitment to sustainability, Nemak Nanjing 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 CO<sub>2</sub>e), 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 <sub>2</sub> e                                                        | 2024         |
| <b>Total**</b>                                                                             | <b>28311</b> |
| Scope 1*                                                                                   | 7475         |
| Scope 2 (market-based)                                                                     | 11561        |
| Scope 2 (location-based)                                                                   | 20836        |
| <i>*Scope 1 covers fuels, excluding process and refrigerants emissions.</i>                |              |
| <i>**Total uses Scope 2 market-based emissions.</i>                                        |              |
| <i>Scope 1 and 2 emissions for all reported years have been verified by a third party.</i> |              |

### 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 Nanjing 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 Nanjing emissions pathway to achieve the 28% reduction goal by 2030.

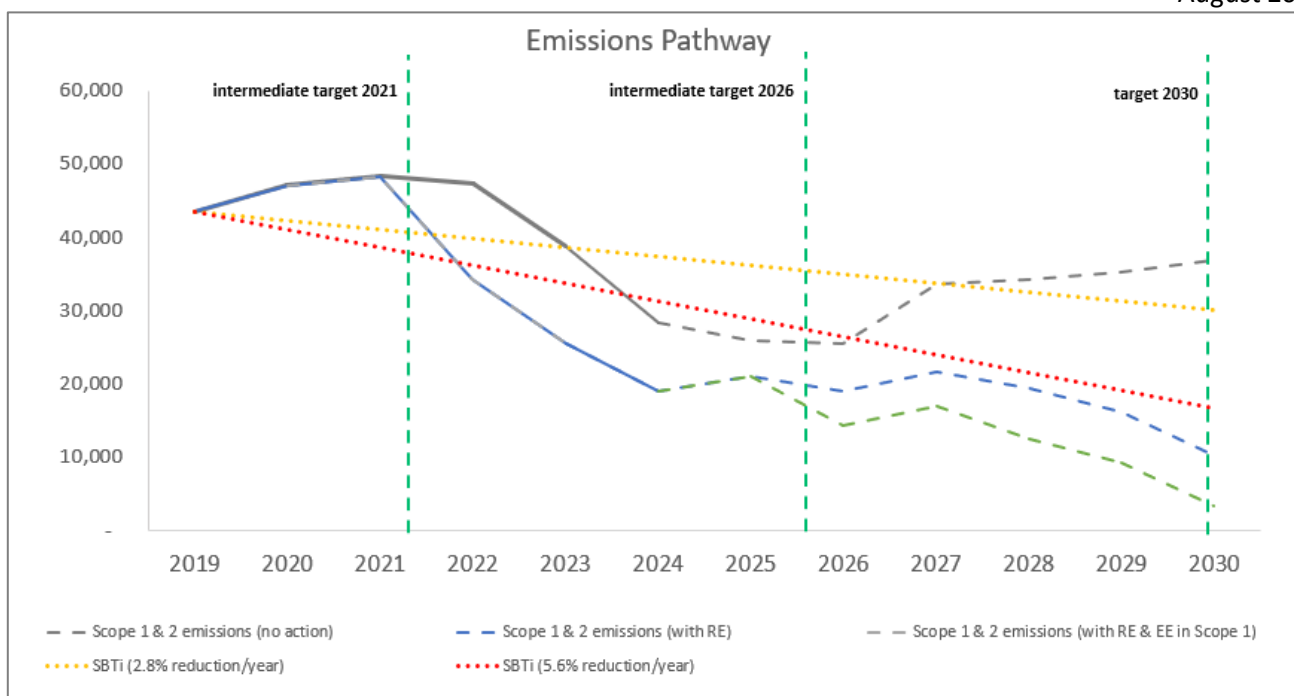


Figure 2: Scope 1&2 Emissions Pathway for Nemak Nanjing

To achieve its emissions reduction targets, Nemak Nanjing has identified energy efficiency and renewable energy initiatives to be executed in the coming years.

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 – Nemak Nanjing (beyond 2030)

| Category          | Measures                    | Planned execution | Estimated CO2 Reduction % |
|-------------------|-----------------------------|-------------------|---------------------------|
| Energy Efficiency | Switch to inorganic casting | 2030              | 30                        |
| Fuel Switch       | Electrified furnace         | 2040              | 40                        |
| Fuel Switch       | Hydrogen                    | 2050              | 30                        |
| Total             |                             |                   | 100                       |

In addition to the absolute reduction targets for Scope 1 and 2, the figure below shows Nemak Nanjing emissions reduction path in intensity values (t CO<sub>2</sub> / 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.

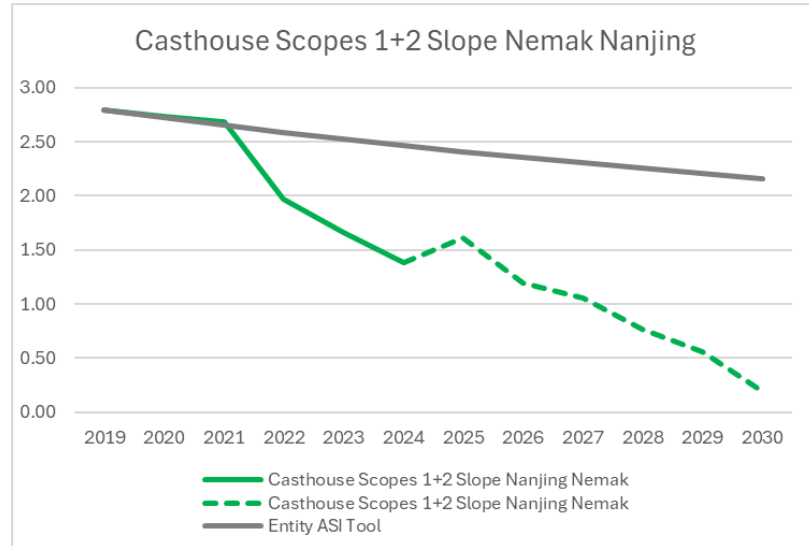


Figure 3: Pathway of Scope 1&2 emissions intensity (tCO<sub>2</sub>/t aluminum) for Nemak Nanjing

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 CO<sub>2</sub> / t aluminum), and the targets are based on the ASI Entity GHG Pathways Method.

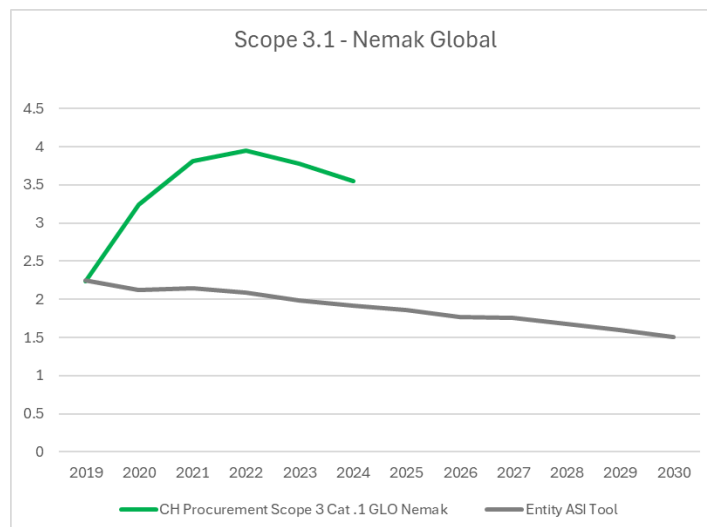


Figure 4: Pathway of Scope 3.1 emissions intensity (tCO<sub>2</sub>/t aluminum) for Nemak Global

Nemak's Scope 3.1 emissions have an average emission intensity of 3.4 t CO<sub>2</sub> / 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 aluminum rate by supplying high-quality scrap.

## Emissions, Effluents and Waste

### Emissions to Air at Nemak Nanjing

In addition to GHG emissions, Nemak Nanjing 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 Nanjing 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                              | 10.5488 |
| SO2 Emissions                              | 0.3558  |
| Volatile organic compounds (VOC) Emissions | 0.0407  |
| Particulate matter (PM) Emissions          | 7.2584  |

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

- The waste gas is treated and discharged up to the standard.
- Equip the production equipment with waste gas treatment facilities.
- Regularly disclose corporate environmental protection information on the public website.
- Regular maintain of waste gas treatment facilities.

### Water Management

The following table breaks down the water withdrawal and discharges for Nemak Nanjing in 2024.

| GRI 303-3/4                                                     |             |
|-----------------------------------------------------------------|-------------|
| Details on water withdrawal and discharge in 2024 in megaliters | 2024        |
| <b>Water withdrawal total</b>                                   | <b>120</b>  |
| surface water                                                   | 0           |
| groundwater                                                     | 0           |
| seawater                                                        | 0           |
| produced water                                                  | 0           |
| municipal water                                                 | 120         |
| <b>Water discharge total</b>                                    | <b>61.2</b> |
| <b>Water consumption total</b>                                  | <b>58.8</b> |

### Discharges to Water

The discharge water analysis is described in the following table

| Limit | Indicator | Unit | 2024.01.30<br>Measuring |
|-------|-----------|------|-------------------------|
| 6-9   | PH        | /    | 7.2                     |

|     |                                                      |      |      |
|-----|------------------------------------------------------|------|------|
| 500 | Chemical Oxygen Demand (COD)                         | mg/L | 87   |
| 300 | Biochemical Oxygen Demand (5-day, BOD <sub>5</sub> ) | mg/L | 3.2  |
| 400 | Suspended Solids (SS)                                | mg/L | 25   |
| 45  | Ammonia Nitrogen (NH <sub>3</sub> -N)                | mg/L | 4.97 |
| 20  | Petroleum Hydrocarbons (Oil & Grease)                | mg/L | 0.12 |
| 8   | Total Phosphorus (TP)                                | mg/L | 0.11 |
| 70  | Total Nitrogen (TN)                                  | mg/L | 7.10 |

To minimize the exposure to and impacts from Discharge to Water, Nemak Nanjing has established a sewage treatment station to treat wastewater and regularly monitor pollutants to ensure that it meets the discharge standards. wastewater is eventually discharged into the KONGGANG Sewage Treatment Plant (a municipal sewage treatment facility).

### 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 Nanjing has been identified as low. (see Figure below).

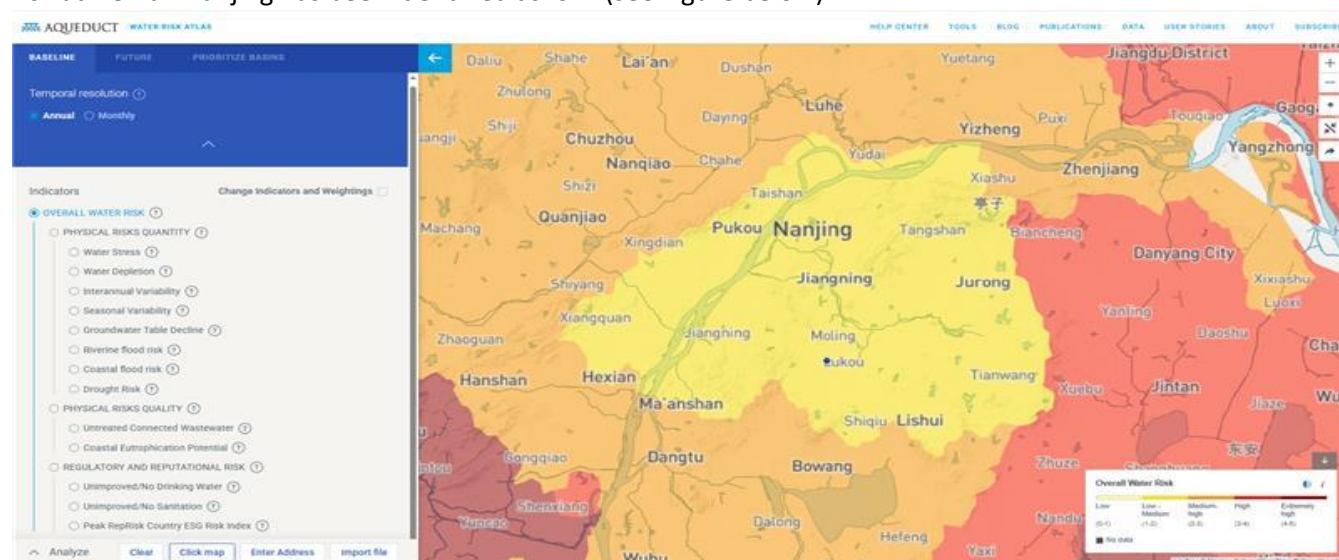


Figure 3: Aqueduct Water Risk Map for Nemak Nanjing

Nemak Nanjing has defined a target to reduce its water consumption by 2 % annually. To reduce water consumption Nemak Nanjing

- Use circulating water to cool the equipment.
- Use Energy-saving water storage tanks in the restroom.

### Assessment and Management of Spills and Leakage

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

- Establish a dedicated hazardous waste storage warehouse with hardened flooring, equipped with collection channels and containment sumps.
- Designate proper solid waste storage zones, conduct regular packaging integrity inspections, enforce standardized loading procedures, and perform periodic transport vehicle checks.
- Store all chemicals and petroleum products on spill-containment pallets with secondary leak-proof emergency materials provision.
- Strengthen pipeline inspection and maintenance protocols, enhance equipment sealing and pressure monitoring systems, implement regular tank/valve integrity testing, and install gas leak detection alarms.

Since June 2022, Nemak Nanjing 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 Nanjing 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 waste at Nemak Nanjing is summarized in the table below and all hazardous wastes are handed over to qualified enterprises for disposal.

| GRI 306-5/5                     |               |          |               |
|---------------------------------|---------------|----------|---------------|
| Waste generated in tons         |               |          |               |
| Waste diverted from disposal    | total         | onsite   | offsite       |
| thereof non-hazardous materials | <b>40033</b>  | <b>0</b> | <b>40033</b>  |
| Inorganic waste sand            | 39045         | 0        | 39045         |
| Aluminum chip                   | 322           | 0        | 322           |
| Waste dust                      | 498           | 0        | 498           |
| Other industrial solid waste    | 168           | 0        | 168           |
| thereof hazardous materials     | <b>811.86</b> | <b>0</b> | <b>811.86</b> |
| Waste aluminum dross            | 726.26        | 0        | 726.26        |
| Waste emulsion                  | 32.88         | 0        | 32.88         |
| Sewage sludge                   | 20.38         | 0        | 20.38         |
| Waste spray liquid              | 0.27          | 0        | 0.27          |
| Waste paint                     | 0.18          | 0        | 0.18          |
| Waste activated carbon          | 5.94          | 0        | 5.94          |
| Waste resin and Catalyst        | 2.38          | 0        | 2.38          |
| Waste filter bag                | 2.92          | 0        | 2.92          |
| Laboratory waste                | 0.33          | 0        | 0.33          |
| Waste alkali liquor             | 3.53          | 0        | 3.53          |
| Waste chemical                  | 0.39          | 0        | 0.39          |
| Waste packaging container       | 6.27          | 0        | 6.27          |
| Waste machine oil               | 10.13         | 0        | 10.13         |

## 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 2024, Nemak Nanjing 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 Nanjing 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 Nanjing is not directly dependent on Ecosystem Services, although it relies on the availability of natural resources such as minerals, bauxite etc.

## Protected Area

According to the company's environmental impact assessment report and biodiversity assessment report, the company is not located within a protected area and has no protected areas in its vicinity. The company commits to not conducting exploration or constructing new projects within protected areas.

## Human rights

### Human Rights Due Diligence

Nemak has established comprehensive human rights-related policies that cover issues such as forced labor, prohibition of child labor and protection of minors, prohibition of violence and harassment, prohibition of discrimination, respect for freedom of association, freedom of expression, communication, and participation, and these policies are well enforced. The Human Resources Department regularly organizes training on the code of conduct for all employees at Nemak, effectively strengthening the awareness of human rights protection.

Nemak has established a diversified communication and complaint channels, such as a suggestion mailbox, a transparency hotline, and satisfaction surveys, which effectively protect the rights of employees, actively promote company improvements, and fully mobilize employees' enthusiasm for participation and supervision. During the period from 2022 to 2023, Nemak respected and safeguarded the legal rights of every employee, with no incidents related to violations of human rights policies. In the future, Nemak will continue to focus on human rights protection work, promptly improve issues identified during assessments, continuously enhance the level of human rights protection, and ensure that company operations comply with global human rights standards.

## Gender Equity and Women's Empowerment

| 分类<br>(SECTION)                        | 关键绩效指标 (KPI)                                | 定义 (Definition)                                                                                                                                                                                                                           | 结果 (Nemak NAN RESULT) |
|----------------------------------------|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Leadership                             | Percentage of Women in Management           | Percentage of women in management positions such as plant managers, Department managers, and supervisors                                                                                                                                  | 40.00%                |
| Talent Pipeline and Career Development | Percentage of Women in Technical Positions) | Percentage of female employees in PDC /process engineering/Quality positions                                                                                                                                                              | 20.00%                |
| Talent Pipeline and Career Development | Percentage of New Female Hires              | Percentage of female employees among new hires in a year (including technical /production/functional positions). In the past year, the company hired 4 people, 1 of whom was female, accounting for 25%, exceeding the set target of 20%) | 25.00%                |
| Training and Development               | Female's Promotion Opportunities            | In the past year, the total number of promotions in the company was 1, and the number of female employees promoted was 1, accounting for 100%, exceeding the set target of 40%)                                                           | 100%                  |
| Training and Development               | Female Employee Training Participation Rate | Female training participation rate = (Number of female employees participating in training / Total number of female employees) × 100%)                                                                                                    | 7.10%                 |
| 薪酬福利<br>Compensation and Benefits      | Average Raw Gender Pay Gap                  | Annual pay audit to ensure the pay gap between male and female employees in the same position with the same performance                                                                                                                   | 0.00%                 |

|                                   |                                                                                                                      |                                                                                            |                                                                                                                                                                                                                                                                                                                  |
|-----------------------------------|----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Compensation and Benefits         | Comprehensive Services for Women                                                                                     | Welfare leave, flexible work arrangements, health - care services, etc. provided for women | We provide welfare leave (maternity leave, breastfeeding leave, parental leave) for all female employees. For females in special circumstances, the privilege of working from home is also provided. Nursing rooms are provided for breastfeeding employees, and an annual health check - up service is offered) |
| 薪酬福利<br>Compensation and Benefits | Percentage of Female Employees Still with the Company 12 Months after Parental Leave (Parental Leave Retention Rate) | -                                                                                          | 100.00%                                                                                                                                                                                                                                                                                                          |
| Inclusive Culture                 | Whether Unconscious Bias Training is Provided                                                                        | -                                                                                          | Yes, participation rate 100%                                                                                                                                                                                                                                                                                     |
| Inclusive Culture                 | Whether All Employees are Required to Complete a Code of Conduct Training at Least Once Every Two Years              | -                                                                                          | Yes, participation rate 100%                                                                                                                                                                                                                                                                                     |

## Affected populations and organizations

Corporate Citizenship has been identified as a material topic within Nemak's Sustainability Strategy. The purpose of this policy is to establish a reference framework, guidelines and responsibilities of corporate social responsibility within Nemak. 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. This Policy also aligns with the principles contained in the International Bill of Human Rights and Sustainable Development Goals (SDGs). This policy applies to all Nemak employees, suppliers, communities & other stakeholders, establishing relationships of stability and equality. Achieve Nemak's corporate interests and its strategic goals while contributing to its communities.

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

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.

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.

## Conflict-Affected and High-Risk Areas

The company conducts annual reviews to determine whether it has operations or direct raw material suppliers in conflict-affected or high-risk areas. The company is committed to avoiding direct or indirect involvement in conflict through its business relationships. If the company sources raw materials from relevant regions, it conducts due diligence and risk assessments to identify potential adverse human rights impacts and high risks of contributing to conflict. This includes evaluating the risks that suppliers may pose in terms of fueling conflict or adverse human rights violations, particularly the risk of providing direct or indirect support to illegal armed groups. These assessments serve as a basis for supplier evaluation.

The organization did not find any Danger signals for "conflict-affected and high-risk areas".

## 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 Nanjing are summarized in the table below:

| GRI                                                      |      |      |      |
|----------------------------------------------------------|------|------|------|
| Health and safety metrics                                |      |      |      |
| Lagging KPIs                                             | 2024 | 2023 | 2022 |
| Total recordable incidents                               | 2    | 4    | 8    |
| Accidents with Medical Treatment                         | 2    | 1    | 5    |
| Accidents with lost time                                 | 0    | 3    | 3    |
| Fatalities                                               | 0    | 0    | 0    |
| Total recordable incidents rate                          | 0.29 | 0.6  | 0.88 |
| Lost time case rate                                      | 0    | 0.45 | 0.33 |
| Leading KPIs                                             |      |      |      |
| Preventive health care – Total examinations carried out  | 400  | 416  | 515  |
| OH&S Initial Trainings Participants (% of workforce)     | 100  | 100  | 100  |
| OH&S Specialized Trainings Participants (% of workforce) | 100  | 100  | 100  |

### 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<br>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