

MARTINREA INTERNATIONAL INC.



CANADIAN MODERN SLAVERY

REPORT

Due May 31, 2024

INTRODUCTION

Martinrea International Inc.'s ("Martinrea" or the "Company") Slavery and Human Trafficking Report (the "Report") is made in compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act"). This Report covers the financial year from January 1, 2023 – December 31, 2023 and sets out the steps Martinrea and its subsidiaries have taken to address the risk of child labour and forced labour taking place within their own operations and supply chain.

STEPS TO PREVENT AND REDUCE RISKS OF FORCED LABOUR AND CHILD LABOUR

Martinrea has implemented policies and procedures to help ensure our suppliers respect human rights and are not using child or forced labour. This document is a summary of some of Martinrea's policies and procedures. While Martinrea's policies apply to all suppliers, certain of Martinrea's due diligence efforts may be aimed more at those suppliers that Martinrea considers to be high risk, as determined in accordance with its internal assessment.

Martinrea's policies and procedures help Martinrea comply with various requirements and help the companies we do business with understand what is important to Martinrea, and what is unacceptable behaviour. These policies include Martinrea's Code of Conduct, Human Rights Policy, Sustainability Policy, Conflict Mineral Policy and Martinrea's Supplier Code of Conduct (which summarizes these policies and expectations), all of which include human rights standards, as well as the other steps and procedure described in this report. Martinrea's general production terms & conditions ("T&Cs") require that suppliers comply with our policies, including the Supplier Code of Conduct, all human rights laws and not use child or forced labour, whether directly or indirectly. Our Supplier Code of Conduct is shared with our suppliers.

Martinrea has various due diligence procedures in the sourcing process, including supplier evaluations and a self-assessment form for use with suppliers Martinrea determines applicable. The Company also conducts financial due diligence, as Martinrea determines applicable, which helps us to understand and identify higher-risk situations. Further, any on-site visits by our business team can help to identify issues.

Martinrea's compliance efforts are bolstered by information gathering aimed at ensuring respect for human rights, including information related to child labour and the voluntary recruitment of workers. Our requirement that applicable suppliers provide information through our annual Self-Assessment Questionnaire and other processes, helps to ensure our cross-functional team is furnished with information helping to identify and address potential human rights issues in our supply chain. We also use available information to prioritize our due diligence activities on higher risk areas. For example, in 2023 we sent an inquiry to suppliers Martinrea determined to be relevant, asking them to confirm that they do not supply or source any materials from the Uyghur region of China.

Martinrea takes active steps in cases where a violation of Martinrea's human rights standards have been identified. If such a violation would be identified, that supplier would be placed in a "Penalty Box", which would make them ineligible for new business, until or unless the violation has been corrected. Repeated violations would result in the supplier being placed on our "Do Not Source" list which immediately triggers re-sourcing activities and removal from the Company's 'Approved Suppliers' list. The Penalty Box and Do Not Source list are checked before RFQ's are issued.

MARTINREA'S STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

Martinrea operates as a diversified and global automotive supplier engaged in designing, developing and manufacturing highly engineered, value-added Lightweight Structures and Propulsion Systems, primarily focused on the automotive sector. Martinrea employs approximately 19,000 skilled team members in 56 locations (including sales and engineering centers) in Canada, the United States, Mexico, Brazil, Germany, Spain, South Africa, Slovakia, China and Japan. The corporate head office is located in Vaughan, Ontario, Canada, with the main sales and research and development (R&D) technical center in Auburn Hills, Michigan, USA and sales and engineering offices in Japan and Germany.

Martinrea manufactures a variety of Lightweight Structures, including body-in-white (BIW) and chassis components, subframes, knuckles, control arms and links, engine cradles, battery trays, and exterior trim products.

The Company's Propulsion Systems offerings include engine blocks, transmission and electric motor housings, and fluid and thermal products such as brake lines, fuel lines, fuel fillers, and thermal management systems. The Company also has a Flexible Manufacturing Group (FMG) that produces automotive assemblies and components for industrial customers.

Martinrea is primarily a Tier One supplier to original equipment manufacturers ("OEMs") in the automotive sector. Companies that supply components, assemblies, modules or systems directly to OEMs, and which design, engineer, manufacture and conduct performance validation and quality control testing, are referred to in the automotive industry as "Tier One" suppliers. Tier One suppliers generally supply these components, assemblies, modules or systems to OEMs on a just-in-time sequential basis, which enables OEMs to reduce inventory levels. In producing components, assemblies, modules or systems for OEMs, Tier One suppliers may rely on other suppliers (referred to as "Tier Two" suppliers), for the supply of input components or parts. Tier Two suppliers and their suppliers (referred to as "Tier Three" suppliers) generally have specific technical or engineering skills or a niche product that the Tier One supplier would purchase for inclusion in an overall product for sale to an OEM.

The Company's vision for the future is: Making Lives Better by being the best supplier we can be in the products we make and the services we provide. The Company's mission is Making People's Lives Better by: (i) delivering outstanding quality products and services to our customers; (ii) providing meaningful opportunity, job satisfaction and job security for our people; (iii) providing superior long term investment returns to our stakeholders; and (iv) being positive contributors to our communities. The Company's vision and mission is based on four key pillars: having a high-performance culture, operational excellence, superior financial management and customer satisfaction. This has internally become known as Martinrea 2.0: a four pillar strategy to create a framework to become a great company with diverse people and groups working together to be One Company.

In pursuing its vision and mission, the Company developed, on a collaborative basis, a set of guiding principles to be communicated, reinforced and adopted throughout the Company on a consistent basis as follows:

- 1. The Golden Rule-Treat everyone with dignity and respect
- 2. We make great, high quality products
- 3. Every location must be a center of excellence
- 4. Discipline and ownership are key
- 5. We strive for greatness
- 6. We are a diverse and inclusive team
- 7. Challenges make us better
- 8. Think different
- 9. Work hard, play hard
- 10. Leave it better

The Company believes a great culture is core to a sustainable business and successful company. The Company’s culture of entrepreneurship, lean manufacturing principles, and the Golden Rule philosophy can be represented as follows:

MAKING PEOPLE’S LIVES BETTER



Our human rights policies are an extension of our Golden Rule culture.

For more information, please refer to Martinrea’s Annual Information Form for the year ended December 31, 2023, which can be found on www.martinrea.com or www.sedarplus.ca.

MARTINREA'S POLICIES AND DUE DILIGENCE PROCESSES IN RELATION TO FORCED LABOUR AND CHILD LABOUR

Modern Slavery & Human Trafficking Policies

Martinrea's commitment to protecting and respecting human rights is embodied in the Human Rights Policy, Sustainability Policy and Conflict Mineral Policy, which address key workplace issues commonly associated with modern slavery, including but not limited to child labor, forced labor, human trafficking, fair and equal wages, and freedom of association and collective bargaining rights.

Martinrea's policies and Supplier Code of Conduct prohibit forced or compulsory labour and require our business, including all suppliers' to comply with ethical recruitment principles (for example, not using misleading or fraudulent practices while offering employment, or confiscating, destroying, concealing, and/or denying access to employee identity documents).

Protecting rights to freedom of association and collective bargaining is also vital in preventing modern slavery and human trafficking in our workforce.

Global Working Conditions in Our Supply Chain

In addition to supporting human rights within the Company's own operations, Martinrea is committed to ensuring its suppliers do the same. Martinrea's Supplier Code of Conduct outlines both the Company's requirements and expectations for supplier relationships in areas related to human rights, the environment, responsible material sourcing, responsible and lawful business practices, and the implementation of associated due diligence principles.

The Supplier Code of Conduct applies to Martinrea's supplier community. The Company's requirements and expectations reflect applicable laws, widely accepted international human rights frameworks and charters, and Martinrea's internal policies and procedures. The Company requires suppliers follow all applicable Martinrea policies and comply with or exceed all applicable laws and regulations. Incorporated into the Company's T&Cs, the Supplier Code requires that suppliers must enforce a similar code of practice and require their subcontractors do the same. The Company uses the Self-Assessment Questionnaire (SAQ) process for suppliers Martinrea determines to be applicable, outlined in the following section, to help ensure compliance with the Supplier Code of Conduct.

Supply Chain Responsibility:

Martinrea's Supplier Code of Conduct outlines the principles we set at Martinrea, as well as our expectations for every company that supplies goods or services to Martinrea, relating to, but not limited to:

- Responsible sourcing of materials
- Respect for human rights such as forced and child labour
- Employee health and safety
- Promotion of diversity and inclusion
- Privacy and cybersecurity

- Prohibitions against counterfeit parts
- Environmental protection
- Global trade compliance (export, import and sanctions)
- Ethical business conduct, such as compliance with antitrust/competition, anti-corruption laws
- Integrity of financial reporting and financial controls, protection of intellectual property
- Data security and cybersecurity protection

Martinrea expects the standards set out in the Supplier Code of Conduct to be met by all of our suppliers, even in jurisdictions where meeting such standards may not be considered part of the common business culture. We communicate to suppliers Martinrea determines to be applicable that we require their suppliers to abide by the principles of the Supplier Code of Conduct as well. Martinrea reserves the right to audit a supplier's compliance with the Supplier Code of Conduct. We perform limited audits, as needed, on suppliers identified to be potentially high risk. Failure to meet our standards detailed within the Supplier Code of Conduct may result in the termination by Martinrea of the supply relationship. This makes our expectations clear, and demonstrates how seriously we take our position on ethical standards. The Supplier Code of Conduct resides on our website under the Suppliers webpage on www.martinrea.com. Martinrea also requests an annual supplier self-assessment from our production supplier partners, which includes questions related to sustainability and code of conduct. These assessments aid in our determination of high-risk suppliers and identification of the best suppliers for collaboration.

Assessment of Risks, Due Diligence and Verification

Martinrea has a cross-functional team using multi-purpose processes to help us evaluate the effectiveness of our due diligence systems and efforts to address human rights issues, including those that affect how we source materials responsibly.

We conduct Self-Assessment Questionnaires with applicable suppliers. A growing element in our due diligence efforts, the Self-Assessment Questionnaires allows us to assess supplier sustainability and alignment with our Supplier Code of Conduct and any issues are escalated accordingly. It also supports our efforts to identify social and environmental risks and compliance actions in our supply base.

Conflict Minerals

Martinrea's Conflict Minerals Policy provides a general overview of our commitment to ethical and socially responsible business practices and recognizes responsibility to promote the protection of human rights. Martinrea completes conflict mineral reporting as we determine necessary to help ensure conflict minerals such as gold, tantalum, tungsten and tin, as well as cobalt and mica, sourced from mines under the control of armed groups in the Democratic Republic of Congo and certain neighbouring countries, are not used in our automotive parts and assemblies.

This Policy plays an important role in Martinrea's commitment to source components and materials from companies that act in an ethical and environmentally responsible manner.

Martinrea strives to have a conflict-free supply chain and is committed to working with its suppliers to increase transparency regarding the origin of minerals in its products. Suppliers we determine to be "high-

risk potential” will be audited by Martinrea to reduce risk within the supply chain. Failure to meet our standards may result in the termination by Martinrea of the supplier relationship.

We report annually to our customers, where required, on supply chain due diligence and use our International Materials Data System (IMDS) and the Responsible Minerals Initiative (RMI) to perform due diligence queries of our supply chain.

THE PARTS OF MARTINREA’S BUSINESS AND SUPPLY CHAINS THAT CARRY A RISK OF FORCED LABOUR OR CHILD LABOUR BEING USED AND THE STEPS TAKEN TO ASSESS AND MANAGE THAT RISK

When assessing a supplier, our areas of concern include:

- The sector or industry it operates in
- The types of products it produces, sells, distributes or imports
- The locations of its activities, operations or factories
- The types of products it sources
- The raw materials or commodities used in its supply chains
- The use of outsourced, contracted or subcontracted labour
- The use of migrant labour

The Company has determined that the risk of forced or child labour may occur with services providers of temporary staffing or within certain countries or areas where there is a heightened risk of forced labour or child labour that the Company sources products or services. The Company conducts internal assessments as it determines applicable, and takes steps it considers applicable, including as described in this report. The Company also expects to be strengthening its risk assessment activities, described herein, by using a third party risk analytical tool for supplier intelligence, due diligence and third-party risk mitigation for applicable suppliers. This tool is expected to be used as an addition to our current activities described above.

ANY MEASURES TAKEN TO REMEDIATE ANY FORCED LABOUR OR CHILD LABOUR

Martinrea is in a position to react effectively if a human rights issue is identified. We have an internal standard for Supplier Non-compliance which manages the process in case of supply chain disruption caused by an alleged or actual breach of applicable laws or customer requirements by suppliers. Overall, Martinrea’s preferred approach is to engage with suppliers and customers in a cooperative and reasonable manner to arrive at effective and consensual solutions to these issues.

ANY MEASURES TAKEN TO REMEDIATE THE LOSS OF INCOME TO THE MOST VULNERABLE FAMILIES THAT RESULTS FROM ANY MEASURE TAKEN TO ELIMINATE THE USE OF FORCED LABOUR OR CHILD LABOUR IN ITS ACTIVITIES AND SUPPLY CHAINS

As noted above, Martinrea’s preferred approach is to engage with suppliers and customers in a cooperative and reasonable manner to arrive at effective and consensual solutions to these issues, rather than automatically ceasing business with a supplier. If such a situation of non-compliance is identified, Martinrea expects to be able to develop and implement a plan to correct and remedy the situation.

THE TRAINING PROVIDED TO EMPLOYEES ON FORCED LABOUR AND CHILD LABOUR

The Company has implemented Code of Conduct Training, which includes training on promoting respect and business ethics. In 2023, our Human Resources team reviewed and acknowledged the ‘Child Labor Call to Action’ training provided by General Motors. This training was cascaded to our sourcing teams. The Company has developed training for its production suppliers on the Supplier Code of Conduct, which includes forced labour and child labour, which is expected to be rolled out in 2024. We also shared the GM Child Labor Call to Action with our temporary labor suppliers.

We expect to continue to improve and elaborate on our training to employees and suppliers in the future.

HOW MARTINREA ASSESSES ITS EFFECTIVENESS IN ENSURING THAT FORCED LABOUR AND CHILD LABOUR ARE NOT BEING USED IN ITS BUSINESS AND SUPPLY CHAINS

We maintain internal/external accountability, holding Martinrea employees and suppliers accountable to the standards on human trafficking set out in our Human Rights Policy, Sustainability Policy, Martinrea Code of Conduct, Martinrea’s T&Cs, and Martinrea’s Supplier Code of Conduct.

Employees and suppliers have multiple avenues through which to report complaints or grievances, including those related to human rights and human trafficking. Some of these mechanisms allow for anonymous and confidential reporting, including telephone hotlines and online reporting.

Martinrea has an internal audit department that assists with investigations as determined necessary.

APPROVAL AND ATTESTATION:

“In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.”

Full name: Rob Wildeboer

Title Executive Chairman

Date May 29, 2024

Per:



I have the authority to bind the Company.