

ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

Magna PT s.r.o Kechnec, Slovakia

CERTIFICATE NUMBER
300

ASI STANDARD
**PERFORMANCE
STANDARD
(V3 2022)**

CERTIFICATION
LEVEL
**FULL
CERTIFICATION**

ASI ACCREDITED
AUDITING FIRM
**GUTCERT (AFNOR
GROUP)**

DATE OF ISSUE
3 OCTOBER 2023

DATE OF EXPIRY
2 OCTOBER 2026

CERTIFIED SINCE
3 OCTOBER 2023

AUTHORISED BY

A handwritten signature in black ink, appearing to be 'J. H.', with a long horizontal line extending to the right.

Aluminium Stewardship Initiative Ltd
ACN 606 661 125, Australia
info@aluminium-stewardship.org

*Validity of this Certificate is subject to
continued conformance with the
applicable ASI Standard and can be
verified at
www.aluminium-stewardship.org*

CERTIFICATION SCOPE

Design and manufacture of
transmissions, powertrain systems
and components at Magna PT s.r.o.
in Kechnec, Slovakia.

AUDIT REPORT PERFORMANCE STANDARD

OVERVIEW

MEMBER NAME	Magna International Inc.
ENTITY NAME	Magna PT s.r.o Kechnec, Slovakia
CERTIFICATION SCOPE	Design and manufacture of transmissions, powertrain systems and components at Magna PT s.r.o. in Kechnec, Slovakia.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none">Material Conversion
ASI STANDARD	<ul style="list-style-type: none">Performance Standard V3
AUDIT TYPE	<ul style="list-style-type: none">Initial Certification Audit
AUDIT FIRM	GUTCert (AFNOR GROUP)
AUDIT DATE	<ul style="list-style-type: none">11 – 14 April 2023 (on-site) and 28 April 2023 (remote)
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none">13 July 2023
AUDIT SCOPE	<p>The audit scope included the development and production of manual transmissions for passenger cars, SUVs, vans and light commercial vehicles, angular transmissions for all-wheel drive vehicles, axle differentials and automated manual transmissions and components at the Kechnec facility (Slovakia).</p> <p>Supply Chain Activities included in the audit scope:</p> <ul style="list-style-type: none">Material Conversion <p>All relevant criteria in the ASI Performance Standard were included in the audit scope. On-site and remote audit</p>
AUDIT OUTCOME	<ul style="list-style-type: none">Certification
AUDIT METHODOLOGY DECLARATION	<p>The Auditors confirm that:</p> <ul style="list-style-type: none"><input checked="" type="checkbox"/> The information provided by the Entity is true and accurate to the best knowledge of the Auditor(s) preparing this report.<input checked="" type="checkbox"/> The findings are based on verified Objective Evidence relevant to the time period for the Audit, traceable and unambiguous.<input checked="" type="checkbox"/> The Audit Scope and audit methodology are sufficient to establish confidence that the findings are indicative of the performance of the Entity's defined Certification Scope.<input checked="" type="checkbox"/> The Auditor(s) have acted in a manner deemed ethical, truthful, accurate professional, independent and objective.
CERTIFICATION PERIOD	3 October 2023 – 2 October 2026

NEXT AUDIT TYPE Surveillance Audit

NEXT AUDIT DATE 3 April 2025

CERTIFICATE NUMBER 300



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Information is available in five languages – English, French, Chinese, German and Portuguese (Brazil). Translation services provided by EthicsPoint enable complaints and correspondence to be managed in multiple languages.

ENTITY OVERVIEW

The Kechnec Plant (the 'Entity') was established in 2005 and manufactures transmissions, clutch drive plates and accessories and various inverters. The Entity is over 50,000 m² in area, and at the end of 2022, it employed 1369 people.

The Entity is located near the city of Kosice in eastern Slovakia, on the border with Hungary and in the immediate vicinity of Protected Areas. In cooperation with a non-profit organization, a report on the protection and promotion of biodiversity was prepared with recommended measures and their implementation has commenced. In order to reduce electricity use, the installation of a photovoltaic system at the Entity has been proposed. Heat pumps are currently being purchased to replace natural gas currently used for heating purposes.

The Entity participates in the International Peace Marathon. Regional projects in the areas of individual safety, sports, healthy lifestyle and tolerance are also supported. In cooperation with local secondary schools, school students frequently take advantage of opportunities to obtain an internship at the Entity.

MATURITY RATINGS

A rating of maturity (low, medium or high) determined by the Auditor that provides a general assessment in terms of systems, Residual Risk and performance assigned to a Sustainability Component.

Maturity ratings are not a direct assessment of conformance to the Standard.

	GOVERNANCE	ENVIRONMENT	SOCIAL	COMBINED RATING
SYSTEMS	Medium	High	Medium	Medium
RISKS	High	High	High	High
PERFORMANCE	High	Medium	Medium	Medium
OVERALL	MEDIUM			

FINDINGS

CRITERION	RATING	COMMENT
1. BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	<p>The Entity has developed and implemented procedures and processes that conform to the ASI Performance Standard legal compliance requirements. Systems are implemented (e.g., a set of files covering various legal aspects such as 'Social Responsibility' and 'Occupational Health & Safety') to maintain awareness of, and ensure compliance with Applicable Law.</p> <p>The Entity is certified against ISO 14001 (Environment), ISO 45001 (Health and Safety) and IQNet SRI0 (Social Responsibility):</p> <p>https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures</p>
1.2 Anti-Corruption	Conformance	<p>The Entity works against Corruption in all its forms and has implemented the Magna Code of Conduct and Ethics, which is communicated internally and externally:</p> <p>https://www.magna.com/code-of-conduct-pages/downloads</p> <p>The Entity has provided training to employees on business ethics.</p> <p>Magna has issued and communicated a separate Supplier Code of Conduct:</p> <p>https://www.magna.com/docs/default-source/2020-supplier-code-of-conduct/2020-supplier-code-v10-final-(june-5-2020)_en.pdf?sfvrsn=81f52644_12</p> <p>Magna operates a whistleblowing hotline where potential breaches or suspected Corruption can be reported confidentially:</p> <p>https://www.magna.com/company/for-employees/our-culture/the-hotline</p> <p>The financial system is annually audited by an external tax auditor.</p>
1.3a-e Code of Conduct	Conformance	<p>The Entity has implemented the Magna Code of Conduct and Ethics, which is communicated internally and externally:</p> <p>https://www.magna.com/code-of-conduct-pages/downloads</p> <p>The Entity has provided training to employees on business ethics.</p> <p>Magna has issued and communicated a separate Supplier Code of Conduct:</p> <p>https://www.magna.com/docs/default-source/2020-supplier-code-of-conduct/2020-supplier-code-v10-final-(june-5-2020)_en.pdf?sfvrsn=81f52644_12</p>
2. POLICY AND MANAGEMENT		
2.1a-f Environmental, Social, and Governance Policy	Conformance	<p>The Entity has established and reviewed its environmental, social and governance Policies and senior management approve and resource the Policies. The Entity has implemented the Magna Global Labour Standards and the Magna Powertrain (PT) Sustainability Policy:</p> <p>https://www.magna.com/company/for-employees/other-policies/global-labour-standards and</p>

CRITERION	RATING	COMMENT
		<p>https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures</p> <p>The Entity has also issued both Magna Codes of Conduct for employees and suppliers:</p> <p>https://www.magna.com/code-of-conduct-pages/downloads</p>
2.2a-c Leadership	Conformance	<p>The Entity's General Manager has the overall responsibility and authority for ensuring conformance with the ASI Performance Standard and providing sufficient resources to support its implementation. Responsibilities are reflected in the Entity's organisational chart.</p>
2.3a Environmental and Social Management Systems - Environmental	Conformance	<p>The Entity has documented and implemented an Environmental Management System according to ISO 14001:2015:</p> <p>https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures</p> <p>The latest external audit (undertaken during 2023) did not identify any non-conformity related to the Entity.</p>
2.3b Environmental and Social Management Systems - Social	Conformance	<p>The Entity has implemented a Social Management System in line with the requirements of the ASI Performance Standard. It holds certifications against ISO 45001 and IQNet SR10, as well as one of the few 'Responsible Employer' certificates from the Slovakian Labour Inspectorate. For further information refer to:</p> <p>https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures</p>
2.4a-e Responsible Sourcing	Conformance	<p>Magna has issued a responsible sourcing Policy, which addresses environmental, social and governance issues, consistent with the principles of the ASI Performance Standard:</p> <p>https://www.magna.com/company/suppliers/supplier-code-of-conduct-and-ethics</p> <p>It is publicly available and subject to regular review. The Entity's implementation of this Policy appears to be robust. The relevant legal supply chain Due Diligence requirements are met.</p>
2.5a-g Environmental and Social Impact Assessments	Not Applicable	<p>This Criterion is currently not applicable, as the Facility has not recently implemented a New Project or Major Change, which would require a related Impact Assessment. However, on divisional level, a system to assess environmental impacts for New Projects or Major Changes to existing Facilities has been established.</p>
2.6a-h Human Rights Impact Assessment	Not Applicable	<p>This Criterion is currently not applicable, as the Facility has not recently had a New Project or Major Change, which would require a Human Rights Impact Assessment. However, on divisional level, a system to assess Human Rights impacts has been established.</p>
2.7a-f Emergency Response Plan	Conformance	<p>The Entity has implemented a site-specific Emergency Response Plan. The plan was developed in collaboration with relevant Stakeholders, including the fire brigade. The plan is made available upon request. The Entity holds valid ISO 14001 and ISO 45001 certificates.</p>

CRITERION	RATING	COMMENT
2.8a-d Suspended Operations	Conformance	As part of the preparation for emergencies and incidents, the Entity has developed a Business Resilience Plan, which includes factors outside its control. A regular review is ensured by the document control system.
2.9a-b Mergers and Acquisitions	Conformance	At the time of the audit, the Entity was not in a post-merger or acquisition phase. However, the site systematically reviews environmental, social and governance issues as part of the Entity's planning and due diligence processes. Closure, decommissioning and divestments are not managed on local level but by the Entity's corporate headquarters. On that level, both a process and procedure are in place.
2.10a-b Closure, Decommissioning and Divestment	Conformance	At the time of the audit, no plan for closure, decommissioning or divestment of the entity was announced. The site systematically reviews environmental, social and governance issues as part of the Entity's planning and due diligence processes. Closure, decommissioning and divestments are not managed on local level but by the Entity's corporate headquarters. On that level, both a process and procedure are in place.
3. TRANSPARENCY		
3.1a-b Sustainability Reporting	Conformance	The Entity reports annually about its governance approach to environmental, social and economic impacts and its impacts related to the ASI Performance Standard principles in the Magna PT Environmental Statement/Sustainability Report, available at: https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures
3.2 Non-compliance and Liabilities	Conformance	The Entity has publicly confirmed in the Environmental Statement/Sustainability Report, that during the 2022 reporting period no violations of the legal provisions were found, nor penalties or fines imposed by state authorities during the 2022 reporting period. Refer to the 'Kechnec' section, accessible at: https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures
3.3a-c Payments to Governments	Conformance	The Entity has publicly confirmed in the Environmental Statement/Sustainability Report, that during the 2022 reporting period they did not directly or indirectly support political parties and therefore did not make any payments to them. Refer to the 'Kechnec' section, accessible at: https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures
3.4a-f Stakeholder Complaints, Grievances and Requests for Information	Conformance	The Magna hotline is available for employees and third parties to report suspected violations of Magna's Employee Charter and the Code of Conduct and Ethics. The hotline is available in many languages and can be accessed via: https://secure.ethicspoint.com/domain/media/en/gui/38845/index.html

CRITERION	RATING	COMMENT
4. MATERIAL STEWARDSHIP		
4.1a Environmental Life Cycle Assessment	Conformance	The Entity has conducted an environmental Life Cycle Assessment (LCA) (cradle-to-gate) with the cut-off approach for recycled material. It is based on both ISO 14040 and ISO 14044. It is currently not publicly available. The 'LCA-Engine' used is 'GaBi', supplied by specialized provider SPHERA.
4.1b-c Environmental Life Cycle Assessment - Disclosure	Conformance	The Entity is prepared to provide cradle-to-gate LCA information on its Products and provided evidence that LCA related requests are duly managed. For the time being, the Entity does not intend to publicly communicate on their life cycle assessments.
4.2 Product Design	Conformance	The Entity has developed a product strategy and issued an action plan to implement this strategy. Sustainability is one of the key topics of that strategy. A dedicated sustainability function has been created in the Product Development Department in order to further foster sustainability aspects in product development.
4.3a-b Aluminium Process Scrap	Conformance	The Entity strives to reduce the generation of Aluminium Process Scrap and has implemented a system for the recycling of generated scrap. All process scrap is collected and sent to recycling. Alloys are not mixed.
4.4a-c Collection and Recycling of Products at End of Life - Material Conversion and other Manufacturing	Conformance	The Entity does not sell to consumers (only business-to-business) and in both the European Union and some other countries, there is a legal obligation of their clients (car manufacturers) to take-back, reuse and/or recycle the vehicles and their components. The Entity supports their clients' efforts through the continual optimisation of their Products, in accordance with a written procedure. The Entity's recycling strategy is contained in the Environmental Statement/Sustainability Report, section 9, available at: https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures
4.4d Collection and Recycling of Products at End of Life	Conformance	The Entity does not sell to consumers (only business-to-business) and in the European Union and some other countries, there is a legal obligation of their clients (car manufacturers) to take-back, reuse and/or recycle the vehicles and their components. Accordingly recycling centres have been established in these countries. Magna is an active member of the German car manufacturers association (VDA).
5. GREENHOUSE GAS EMISSIONS		
5.1a-b Disclosure of GHG Emissions and Energy Use	Conformance	The Entity has disclosed its Greenhouse Gas (GHG) emissions and energy use in its Environmental Statement/Sustainability Report covering the 2022 reporting period, accessed via: https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures The data have been verified by an independent environmental verifier prior to publication.

CRITERION	RATING	COMMENT
5.2a Aluminium Smelter GHG Emissions Intensity - Started production after 2020	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5.2b Aluminium Smelter GHG Emissions Intensity - In production up to and including 2020	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5.3a-e GHG Emissions Reduction Plans	Minor Non-Conformance	A GHG Emissions Reduction Plan is available at Group level. The Entity plans to make it publicly available as part of its 2024 Environmental Statement/ Sustainability Report. However, at the time of the audit, the latest version of the GHG Emissions Reduction Pathway - Progress against the GHG Emissions Reduction Plan on an annual basis, was not available for publication.
5.4 GHG Emissions Management	Conformance	The Entity demonstrated that a system and processes are in place to implement its GHG reduction targets. The GHG Management System is integrated in the Entity's Environmental Management System, which is certified against ISO 14001 and the Eco-Management and Audit Scheme (EMAS).
6. EMISSIONS, EFFLUENTS AND WASTE		
6.1a-f Emissions to Air	Conformance	Emissions to Air have been quantified at the Entity level and activities to minimise exposure and impacts of Emissions to Air have been publicly disclosed in the Environmental Statement/ Sustainability Report 2023, sections 12-15, accessible at: https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures
6.2a-g Discharges to Water	Conformance	Discharges to Water have been quantified at Entity level and activities to minimise impacts of wastewater have been publicly disclosed in the Environmental Statement/ Sustainability Report 2023, sections 12-15, accessible at: https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures
6.3a-g Assessment and Management of Spills and Leakages	Conformance	The Entity's Environmental Management System is certified against ISO 14001. Major risks related to Spills and Leakages have been evaluated regularly. Government approved emergency plans are in place. The Entity confirmed that there had not been any Material Spills or Leakage up to the time of the audit. Information on emergency plans is available in the Environmental Statement/ Sustainability Report 2023, section 11, accessible at: https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures
6.4a-b Public Disclosure of Spills and Leakages	Conformance	The Entity's Environmental Statement/ Sustainability Report 2023 confirms that there were no Material Spills or Leakages during the reporting period, refer to section 12:

CRITERION	RATING	COMMENT
		https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures
6.5a-c Waste Management and Reporting	Conformance	<p>Generated waste has been quantified at Entity level and publicly disclosed in the Environmental Statement/ Sustainability Report 2023 (reporting period 2022), sections 12-15, accessible at:</p> <p>https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures</p> <p>The Entity has implemented a procedure for waste collection and management, which is designed in accordance with the Waste Mitigation Hierarchy.</p>
6.6a-g Bauxite Residue	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.7a-f Spent Pot Lining (SPL)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.8a-d Dross	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
7. WATER STEWARDSHIP		
7.1a-b Water Assessment and Disclosure	Conformance	<p>The Entity has identified and disclosed its water source and use in the Environmental Statement/ Sustainability Report, sections 12-15:</p> <p>https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures</p> <p>The Entity's water consumption is approximately 3500 m³/month. According to the Aqueduct water risk assessment tool, the Entity is located within a low to medium' area of overall water risk (see: https://www.wri.org/applications/aqueduct/water-risk-atlas)</p> <p>The Entity's Environmental Management System is certified against ISO 14001 and water-related risks have been evaluated in the environmental impact analysis. The analysis did not identify any Material risks related to water withdrawal.</p>
7.2a-e Water Management	Not Applicable	This Criterion is not applicable, as the risk assessment did not identify any Material risks related to water withdrawal, and therefore, no need for action.
8. BIODIVERSITY AND ECOSYSTEM SERVICES		
8.1a Biodiversity and Ecosystem Services Risk and Impact Assessment	Conformance	A Biodiversity assessment was conducted in 2020, undertaken by the Ekopolis Foundation. The assessment included recommendations for improvement of the Biodiversity in the Entity's Area of Influence. The Kechnec plant is predominantly surrounded by a Natura 2000 area.
8.1b Biodiversity and Ecosystem Services Risk and Impact Assessment - Priority	Minor Non-Conformance	The Biodiversity assessment does not contain any information on Ecosystem Services. Therefore, there has been no expert opinion provided as to whether the Entity contributes to, or is likely to impact Ecosystem Services.
8.2a-g Biodiversity Management	Minor Non-Conformance	Based on the Biodiversity assessment, the Entity has implemented a Biodiversity Action Plan with time-bound targets. The plan is reviewed

CRITERION	RATING	COMMENT
		<p>monthly. Summary information is provided in the Environmental Statement/ Sustainability Report, available at:</p> <p>https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures</p> <p>However, the assessment has some methodical weaknesses and did not specifically state the Materiality of the Entity's impact on Biodiversity and Ecosystem Services.</p>
8.3a-c Management of Priority Ecosystem Services	Not Applicable	This Criterion is not applicable, as the Entity does not depend on Priority Ecosystem Services. The Biodiversity study and site tour confirmed this rating.
8.4 Alien Species	Conformance	Whilst the Entity's Products are all metalliferous, the Entity is participating in global trade and therefore only wooden packaging is used, which is treated according to the International Standard for Phytosanitary Measures No. 15 (ISPM 15).
8.5a-b Commitment to 'No Go' in World Heritage Properties	Conformance	<p>The Entity does not operate in, nor plan to explore or develop New Projects in or close to World Heritage Properties. An according commitment is stated in the Environmental Statement/ Sustainability Report, available at:</p> <p>https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures</p> <p>The Entity's production site is not adjacent to a World Heritage Property.</p>
8.6a-d Protected Areas	Conformance	<p>The Entity does not operate in, or plan to explore or develop New Projects in or close to world heritage properties. An according commitment is stated in the Environmental Statement/ Sustainability Report, available at:</p> <p>https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures</p>
8.6e Protected Areas - Bauxite Mining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.7a-i Mine Rehabilitation	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9. HUMAN RIGHTS		
9.1a-d Human Rights Due Diligence	Conformance	<p>The Entity has established a Human Rights Due Diligence process, which is reported publicly in the Environmental Statement/ Sustainability Report, available at:</p> <p>https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures</p> <p>The commitment to respect Human Rights is also made in these documents:</p> <p>Code of Conduct: https://www.magna.com/de/verhaltens-und-ethikkodex-seiten/downloads</p> <p>Employee Charta: https://magna.sharepoint.com/sites/Magna-HR/EmployeesCharter/Forms/AllItems.aspx?id=%2Fsites%2FMagna%2D</p>

CRITERION	RATING	COMMENT
		<p>HR%2FEmployeesCharter%2FEmployeesCharter%5FCAN%2DUSA%5Fen%2Epdf&parent=%2Fsites%2FMagna%2DHR%2FEmployeesCharter</p> <p>Sustainability Policy: contained in the Environmental Statement/ Sustainability Report on page 19.</p> <p>Magna Corporate has established a systematic Human Rights Due Diligence process with focus on the supply chain. A mapping of Affected Populations and Organisations did not identify salient Human Rights issues which were caused or contributed to by the Entity.</p>
9.2a-e Gender Equity and Women's Empowerment	Minor Non-Conformance	<p>The Entity has implemented activities to promote gender equity and women's empowerment. During 2023, a new position was created titled 'Director Diversity, Equity & Inclusion and HR Transformation'. The Entity has increased the share of female employees over the last five years.</p> <p>However, the Entity did not demonstrate that an effective program which promotes gender equity and women's empowerment is in place as related documented objectives, action plans, performance indicators and a defined review cycle were not available at the time of the audit.</p>
9.3a-i Indigenous Peoples	Not Applicable	This Criterion is not applicable, as Indigenous Peoples or their lands, territories and resources are not directly affected by the Entity's operations.
9.4a Free, Prior, and Informed Consent (FPIC) - New Projects or Major Changes	Not Applicable	This Criterion is not applicable, as Indigenous Peoples or their lands, territories and resources are not directly affected by the Entity's operations.
9.4b Free, Prior, and Informed Consent (FPIC) - Bauxite Mining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.4c Free, Prior, and Informed Consent (FPIC) - Demonstrate support	Not Applicable	This Criterion is not applicable, as Indigenous Peoples or their lands, territories and resources are not directly affected by the Entity's operations.
9.5a Cultural and Sacred Heritage - Identification	Not Applicable	This Criterion is not applicable, as no sacred or cultural heritage sites and values within the Entity's Area of Influence are present. Indigenous Peoples or their lands, territories and resources are not directly affected by the Entity's operations.
9.5b Cultural and Sacred Heritage - Impacts	Not Applicable	This Criterion is not applicable, as no sacred or cultural heritage sites and values within the Entity's Area of Influence are present. Indigenous Peoples or their lands, territories and resources are not directly affected by the Entity's operations.
9.6a-i Displacement	Not Applicable	This Criterion is not applicable, as the Entity did not require people to resettle/to be displaced. This was confirmed via interviews undertaken during the audit. The Entity's senior management confirmed that any displacement is not planned for New Projects or Major Changes.

CRITERION	RATING	COMMENT
9.7a-h Affected Populations and Organisations	Not Applicable	This Criterion does not apply, as the outcome of the Stakeholder assessment has confirmed that there are no salient issues with Local Communities and therefore no need for action.
9.8a Conflict-Affected and High-Risk Areas - Strong Management Systems	Minor Non-Conformance	<p>The Entity has established a system and processes, including a Supplier Sustainability Standard which is based on the OECD Due Diligence Guidance for Responsible supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Magna is a founding member of the Responsible Supply Chain Initiative (RSCI) of the automotive industry.</p> <p>However, the process has not yet been defined in writing (e.g. standard operating procedure or similar).</p>
9.8b Conflict-Affected and High-Risk Areas - Identify and assess risks	Conformance	<p>The Entity avoids buying from conflict-affected areas and has obliged their suppliers to ensure responsible sourcing, including the prohibition on sourcing materials from areas of conflict. For further information, refer to the Magna global supply chain requirements:</p> <p>https://www.magna.com/company/suppliers/global-supply-chain-requirements</p> <p>The Entity has implemented tools and practices to monitor and assess supply chain related risks. During the assessment, there were no indications observed that the Entity would contribute to armed conflict or Human Rights abuses in Conflict-Affected and High-Risk Areas.</p>
9.8c Conflict-Affected and High-Risk Areas - Strategy to respond to risks	Conformance	Magna has defined a strategy to minimise supply chain related environmental, social and governance (ESG) risks and respond to ESG related incidents. The Entity's action on identified specific supplier risks was demonstrated during the audit. The Entity itself is not buying Aluminium, as this is undertaken via the central purchasing function at Magna Headquarters.
9.8d Conflict-Affected and High-Risk Areas - Audit of due diligence	Conformance	This external ASI Audit served to fulfill the requirement of this Criterion to audit the Entity's Due Diligence practices related to Conflict-Affected and High-Risk Areas.
9.8e Conflict-Affected and High-Risk Areas - Report annually	Minor Non-Conformance	<p>General information on Magna's supply chain Due Diligence is made publicly available in the Environmental Statement/ Sustainability Report, section 6, accessible at:</p> <p>https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures</p> <p>However, the Entity has not reported any performance data.</p>
9.9 Security practice	Conformance	The Entity does not employ armed security forces. During the Entity's Human Rights risk assessment, no specific risks related to security practices were identified. Worker interviews confirmed that there were no known Human Rights incidents caused by the security service.
10. LABOUR RIGHTS		
10.1a-c Freedom of Association and Right to Collective Bargaining	Conformance	<p>The Entity is committed to respecting Freedom of Association and the right to Collective Bargaining of all employees within the framework of applicable national laws and regulations (see:</p> <p>https://www.magna.com/company/for-employees/other-</p>

CRITERION	RATING	COMMENT
		<u>policies/global-labour-standards</u>). A Collective Bargaining Agreement has been negotiated with local Union representatives. The Union confirmed that they can undertake their work unhindered and also receive the necessary resources.
10.1d Freedom of Association and Right to Collective Bargaining - Alternative means in context of Applicable Law	Not Applicable	This Criterion is not applicable, as the right to Freedom of Association and Collective Bargaining is not restricted in the country where the Entity operates/is located.
10.2a Child Labour	Conformance	The Entity neither uses, nor support the use of Child Labour. The minimum working age of 15 years is respected. The youngest Worker was 18 years old. The Entity has robust practices to ensure that children are not employed. Only students of an age of at least 16 years can become employed by the Entity. However, at the time of the audit, no students were present.
10.3a-c Forced Labour	Conformance	The Entity neither engages in, nor supports the use of Forced Labour or Human Trafficking, either directly or through any employment or recruitment agencies, as confirmed by interviews. The Entity is committed to fair labour practices, refer to the Magna Global Labour Standards: https://www.magna.com/company/for-employees/other-policies/global-labour-standards The Entity has disclosed a Modern Slavery Statement: https://www.magna.com/docs/default-source/financial-reports-public-filings/tax-other-reports/230413a_modern-slavery-statement_2022_final.pdf?sfvrsn=c549ce12_13
10.4a-c Non-Discrimination	Conformance	The Entity is committed to non-Discrimination and communicates this commitment in the Magna Code of Conduct: https://www.magna.com/code-of-conduct-pages/downloads The Entity does not engage in, nor supports Discrimination in hiring, salary, promotion, training, advancement opportunities or termination of any worker on the basis of gender, race, national or social origin, religion, disability, political affiliation, sexual orientation, marital status, family responsibilities, age or any other condition that could give rise to Discrimination. This was confirmed by interviews and document review. Employees receive diversity and anti-Discrimination training.
10.5 Communication and engagement	Conformance	The Entity ensures open communication and direct engagement with Workers and their representatives regarding working conditions and resolution of workplace and compensation issues, without the threat of reprisal, intimidation, or Harassment. This was confirmed by interviews with Workers and their representatives. The latest employee opinion survey confirmed a high satisfaction rate.
10.6a-g Violence and Harassment	Conformance	As confirmed by interviews and document review, the Entity ensures open communication and direct engagement with Workers and their representatives regarding working conditions and resolution of workplace and compensation issues, without threat of reprisal, intimidation or Harassment.

CRITERION	RATING	COMMENT
		<p>Violence and Harassment are not tolerated, as confirmed in the Magna Global Labour Standards, page 2:</p> <p>https://www.magna.com/docs/default-source/2022-compliance-documents/global-labour-standards/magna-global-labour-standards---english.pdf</p>
10.7a-c Remuneration	Conformance	The Entity respects the rights of Workers to a living wage and ensures that wages paid for a normal working week meet the industry standard. Working time, payments and leave are negotiated in Collective Bargaining Agreements. The wages paid are above the living wage and are in accordance with the national industry standard.
10.8a-c Working Time	Conformance	The Entity complies with Applicable Law and industry standards on working time, public holidays and paid annual leave. Working time is part of the Collective Bargaining Agreement and each employment contract.
10.9a-b Informing Workers of Rights	Conformance	Document review and interviews confirmed that Workers are informed about their work-related rights at the commencement of employment.
11. OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Management System	Conformance	The Entity holds a valid ISO 45001 certificate from GUTCert, available at: https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures
11.1b-e Occupational Health and Safety (OH&S) Management System - Reviews and disclosure	Conformance	<p>The Entity holds a valid ISO 45001 certificate from GUTCert, available at: https://www.magna.com/company/company-information/magna-groups/magna-powertrain/facts-figures</p> <p>This standard requires a periodic review of the Occupational Health and Safety (OH&S) Management System. The latest review was undertaken in February 2023. The effectiveness of the Management System (at group level) is made publicly available in the annual Environmental Statement/ Sustainability Report (same link as above).</p>
11.2 Employee engagement on Health and Safety	Conformance	The Entity has implemented a joint Health and Safety Committee, through which Workers can raise, discuss and participate in the resolution of Occupational Health and Safety issues with the Entity's management. Agendas and meeting minutes were available for review during the audit.

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DOCUMENT CONTROL AND VERSION HISTORY

REVISION	DATE	NOTES
0	3 October 2023	Certification Audit - Full Certification
