

ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

Nemak Nanjing Automotive Components Co., Ltd.

CERTIFICATE NUMBER
526

ASI STANDARD
**PERFORMANCE
STANDARD
(V3.1 2023)**

CERTIFICATION LEVEL
**FULL
CERTIFICATION**

ASI ACCREDITED
AUDITING FIRM
**SGS-CSTC
STANDARDS
TECHNICAL SERVICES**

DATE OF ISSUE
8 JANUARY 2026

DATE OF EXPIRY
7 JANUARY 2029

CERTIFIED SINCE
8 JANUARY 2026

AUTHORISED BY

A stylized, handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke.

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

Casting, cleaning, heat treatment
process for manufacturing of
Aluminium alloy components for
the automotive industry at Nemak
Nanjing Automotive Components
Co., Ltd. in Nanjing, China.

AUDIT REPORT PERFORMANCE STANDARD

OVERVIEW

MEMBER NAME	Nemak S.A.B de C.V
ENTITY NAME	Nemak Nanjing Automotive Components Co., Ltd.
CERTIFICATION SCOPE	Casting, cleaning, heat treatment process for manufacturing of Aluminium alloy components for the automotive industry at Nemak Nanjing Automotive Components Co., Ltd. in Nanjing, China.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none">• Casthouses• Material Conversion
ASI STANDARD	<ul style="list-style-type: none">• Performance Standard V3.1
AUDIT TYPE	<ul style="list-style-type: none">• Initial Certification Audit
AUDIT FIRM	SGS-CSTC Standards Technical Services
AUDIT DATE	<ul style="list-style-type: none">• 13 – 16 October 2025
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none">• 29 November 2025
AUDIT SCOPE	<p>The Audit Scope includes Casting, cleaning, heat treatment process for manufacturing of Aluminium alloy components for the automotive industry at Nemak Nanjing Automotive Components Co., Ltd. in Nanjing, China.</p> <p>The Supply Chain Activities included in the Audit Scope:</p> <ul style="list-style-type: none">• Casthouses• Material Conversion <p>All relevant criteria in the ASI Performance Standard were included in the Audit Scope.</p>
AUDIT OUTCOME	Certification
GHG PERFORMANCE EXEMPTION	The Entity has been approved for an exemption relating to its Greenhouse Gas (GHG) emissions performance under Criteria 5.3a and/or 5.4. Under this exemption, Major Non-Conformance(s) will not count towards any Provisional Certification status, and the Entity must develop Corrective Action Plans and demonstrate progress over time.
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.

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- ☑ 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.
 - ☑ The Auditor(s) have acted in a manner deemed ethical, truthful, accurate professional, independent and objective.
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CERTIFICATION PERIOD	8 January 2026 – 7 January 2029
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NEXT AUDIT TYPE	Surveillance Audit
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NEXT AUDIT DATE	7 July 2027
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CERTIFICATE NUMBER	526
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If you have an inquiry or complaint about this Certification, go to the third-party EthicsPoint portal at: <https://aluminium-stewardship.ethicspoint.com/>

EthicsPoint is a comprehensive and confidential reporting tool that enables complaints to be securely raised, managed and responded to. This enables anonymity to be maintained where desired by complainants, or as relevant to whistleblowing situations.

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

Nemak S.A.B de C.V ('the Group') is a provider of lightweighting solutions for the automotive industry specialising in the development and manufacturing of Aluminium components for powertrain, e-mobility, and structural applications. In 2022, the Group generated a revenue of US\$4.7 billion and joined the Aluminium Stewardship Initiative (ASI).

Nemak Nanjing Facility (the 'Entity') commenced operation in 2006 and produces automotive Aluminium alloy components including cylinder heads and subframes. In 2024, it produced and over 13,000 tonnes of cylinder heads and over 300 tonnes of subframes to some automakers located in China. The area under management is approximately 5.5 hectares (ha) and has approximately 450 employees on site. The Facility includes shower room, canteen, administrative offices, first aid station, raw materials warehouse, workshop and laboratory and fuel and chemical storage.

The nearest township to the Entity is Taowu, located approximately two kilometres away, and nearby sensitive receptors include the Dongkeng Ecological Public Welfare Forest (approximately four kilometres north-west) and the Yuntai Mountain River (approximately three kilometres south-east). Key external Stakeholders include the local Government, the Brembo Corporation and the local township of Taowu.

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	Medium	HIGH
PERFORMANCE	High	Medium	High	HIGH
OVERALL	HIGH			

FINDINGS

CRITERION	RATING	COMMENT
1. BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	The Entity has established a 'Control Procedure for Laws, Regulations, and Other Requirements', which specifies the scope and responsibilities of each department in collecting laws, regulations, and compliance evaluations. The Entity identifies updated laws, regulations and standards regularly (at least annually), and evaluates its compliance.
1.2 Anti-Corruption	Conformance	<p>The Entity has established and implemented a system to work against Corruption, Bribery, and other similar practices in all their forms. A global business Code of Conduct and a global Anti-Corruption Policy have been issued, communicated within the Entity, and made publicly available.</p> <p>The Code of Conduct has been translated into several languages and is available at: https://www.nemak.com/media/2592/code-of-conduct-en-pdf.pdf</p> <p>The Anti-Corruption Policy is available at: https://www.nemak.com/media/2577/anti-corruption-policy-public.pdf</p> <p>Employees can submit reports via a 'whistleblower' hotline or an internal whistleblower email (governance@nemak.com). When the Entity signs contracts with each supplier, the contract terms include anti-Corruption reporting mechanisms. Suppliers and other relevant parties can report unethical behaviour or events through 24-hour toll-free telephone, email, and transparency hotline links.</p> <p>For the provision of gifts (where only small gifts are permitted), refer to the Global Supplier Code of Conduct, page 4: https://nemak.com/media/3374/nemak-business-code-for-suppliers.pdf</p>
1.3a-e Code of Conduct	Conformance	<p>Nemak Corporate has issued and publicly communicated its global Code of Conduct, available in every language where Nemak has operations. The Code of Conduct has been translated into several languages and is available at: https://www.nemak.com/media/2592/code-of-conduct-en-pdf.pdf</p> <p>The Code is also communicated internally through means such as posting and the intranet. Training on the Code occurs every two years for existing employees and for every new employee. Employees are required to sign the Code.</p>
2. POLICY AND MANAGEMENT		
2.1a-f Environmental, Social, and Governance Policy	Conformance	<p>The Entity has issued and communicated its Policy statements through various channels including the website, posters, leaflets, and notifications about newly published or updated Policies. Training on the Policies is available for employees.</p> <p>Senior management has endorsed these Policies and provided the necessary resources for their implementation. The Policies are regularly reviewed.</p> <p>The Nemak global Policy documents are publicly available at: https://www.nemak.com/sustainability/#sustainabilityPolicies</p>

CRITERION	RATING	COMMENT
2.2a-c Leadership	Conformance	The Entity has designated responsibility for the implementation of Environmental, Social, and Governance Policies to senior Management Representatives including the HSE Manager, Procurement Manager, and Human Resources Manager. The Entity has established an ASI Certification procedure which prescribes that the Plant Manager shall provide the necessary resources for establishing, implementing, maintaining, and improving a Management System compliant with the ASI Performance Standard.
2.3a Environmental and Social Management Systems – Environmental	Conformance	The Entity had established an Environment Management System, which is certified to ISO14001:2015 issued by a third party. The certificate is available at: https://nepak.com/media/3555/nan-iso14001english-20250721.pdf
2.3b Environmental and Social Management Systems – Social	Conformance	The Entity has established a series of processes and systems for its Social Responsibility Management System, developed in accordance with the SA8000 standard. Each year, the Entity's Headquarters commissions a third-party organisation to conduct GRI audits of all its global subsidiaries. The Entity reports evidence of compliance with the Social Responsibility Management System to Headquarters.
2.4a-e Responsible Sourcing	Conformance	<p>The Entity, as part of the Nepak Group, has issued and communicated its Global Business Code for Suppliers and Sustainable Purchasing Policy, available at: https://www.nepak.com/sustainability/#sustainabilityPolicies</p> <p>As part of Entity's supply chain management, relevant suppliers are systematically assessed and evaluated.</p>
2.5a-g Environmental and Social Impact Assessments	Conformance	<p>The Entity has established an Environmental Management System for Construction Projects, which stipulates that Environmental and Social Impact Assessments must be conducted for New Projects or Major Changes to existing Facilities.</p> <p>The Entity's latest Major Change to existing Facilities is the 'Lightweight Subframe Technology Upgrade Project.' The Environmental and Social Impact Assessment Report for this project has been publicly disclosed at: https://www.nepak.com/media/3531/nepak-nanjing-environmental-impact-report-form-for-the-lightweight-subframe-technology-project.pdf</p>
2.6a-h Human Rights Impact Assessment	Conformance	<p>According to China's environmental protection laws and regulations, the Entity's construction projects must comply with the Planning Environmental Impact Assessment (PEIA) of the local area to be approved for construction.</p> <p>The Entity identified the communities within a five-kilometre radius of the Entity and potential impacts, which are disclosed in the Entity's ASI Plant Report 2024, page 2: https://nepak.com/media/3554/nepak-nanjing-asi-plant-report-2024-03.pdf</p>
2.7a-f Emergency Response Plan	Conformance	<p>The Entity has developed an Environmental Emergency Response Plan which is available at: https://nepak.com/media/3533/nepak-nanjing-emergency-response-plan-of-environmental-incidents.pdf</p> <p>The Entity also released its Work Safety Accident Emergency Response Plan at: https://nepak.com/media/3532/nepak-nanjing-emergency-plan-of-production-safety-accidents.pdf</p>

CRITERION	RATING	COMMENT
		<p>Both plans include emergency response measures for incidents such as fire and explosion, liquid Leakage, molten Aluminium Leakage from smelting furnaces and scalding personnel accidents, personnel poisoning and suffocation in confined spaces, vehicle injuries related to special equipment, lifting injuries, and container explosions. The Entity plans emergency response drills annually and conducts them on schedule.</p> <p>These plans have been registered on the local government regulatory website and will be assessed for suitability and effectiveness every three years.</p>
2.8a-d Suspended Operations	Conformance	The Entity has established a Crisis Management Manual as per the Corporate Crisis Management Policy. The Entity has made a resumption process for restarting production following shutdowns and outages as detailed in the Crisis Management Manual. This manual undergoes periodic review every year to assess its suitability.
2.9a-b Mergers and Acquisitions	Conformance	The Entity is not in a merger or an acquisition (M&A) or post-merger situation. However, there is an established procedure for managing the Due Diligence process for M&As, which addresses environmental, social and governance (ESG) issues.
2.10a-b Closure, Decommissioning and Divestment	Conformance	Nemak's global business development team is responsible for ensuring that ESG practices are reviewed in the planning process for closure, decommissioning, and divestment (CCD). A documented process for managing CCD was provided. Management confirmed that there are no plans to close, decommission or divest the site in Nanjing.
3. TRANSPARENCY		
3.1a-b Sustainability Reporting	Conformance	<p>Nemak's Annual Report contains details about the Group's ESG aspects, initiatives, and performance. The Annual Report is publicly available at: https://investors.nemak.com/financiera/informacion_anual</p> <p>The associated Global Reporting Initiative (GRI) Index Report is available at: https://www.nemak.com/media/3174/gri-index-2023.pdf</p> <p>The Entity also published its ASI Plant Report 2024 at: https://nemak.com/media/3554/nemak-nanjing-asi-plant-report-2024-03.pdf</p>
3.2 Non-compliance and Liabilities	Conformance	<p>The Nemak Group has disclosed its non-compliance and liabilities in its 2024 Annual Report, page 84: https://investorcloud.s3.amazonaws.com/nemak/InformacionFinanciera/ReportesAnuales/IA-2024-en.pdf</p> <p>The Entity has disclosed its Non-compliance and liabilities in ASI Plant Report 2024, page 3: https://nemak.com/media/3554/nemak-nanjing-asi-plant-report-2024-03.pdf</p> <p>No material fines, judgments, penalties and non-monetary sanctions have been received by the Entity for failure to comply with Applicable Law.</p>

CRITERION	RATING	COMMENT
3.3a-c Payments to Governments	Conformance	<p>In its Anti-Corruption Policy, the Entity states that political contributions may never be made to obtain or retain business or any undue advantage in favour of Nemak. Written approval from the Vice President, the Governance Department and the Compliance Department is required before any political contribution is made.</p> <p>The Entity has declared that it has not made any direct or indirect financial or in-kind political contributions for political influence or lobbying purposes in its ASI Plant Report 2024, page 3: https://nemak.com/media/3554/nemak-nanjing-asi-plant-report-2024-03.pdf</p> <p>The Nemak Group has also disclosed its Financial audit results in its 2024 Annual Report, pages 130-180: https://investorcloud.s3.amazonaws.com/nemak/InformacionFinanciera/ReportesAnuales/IA-2024-en.pdf</p>
3.4a-f Stakeholder Complaints, Grievances and Requests for Information	Conformance	<p>The Entity has implemented a Transparency Helpline (in both Chinese and English), which is accessible at: https://secure.ethicspoint.com/domain/media/en/gui/97874/index.html</p> <p>Any concerned Stakeholder can report either online or by phone (400-120-1840) with all reports investigated.</p>
4. MATERIAL STEWARDSHIP		
4.1a Environmental Life Cycle Assessment	Conformance	<p>The Entity has developed a Life Cycle Assessment (LCA) Report for cylinder heads (B48B TU1, M254 E15, and M254 E20) in accordance with EN ISO 14040 and EN ISO 14044, as well as EN ISO 14020, EN ISO 14021, and EN ISO 14024. Cylinder head products consume over 95% of the Entity's Aluminium materials.</p> <p>The method used was developed by the Joint Research Centre (JRC) was chosen to assess the impacts: The Environmental Footprint (EF 3.1). The LCIA factors were selected in accordance with the current version of the 'LCA for experts' LCA software. The LCA Report defines the system boundaries and scope covering the functional and declared unit, system boundaries, allocation procedure, assumptions and limitations, cut-off criteria.</p> <p>The LCA Report includes indicators such as climate change, ecotoxicity freshwater, stratospheric ozone layer, human toxicity and health, land use, acidification of water and soil, eutrophication divided into saltwater, freshwater and terrestrial, particulate matter, photochemical oxidants, resource depletion, and water use.</p>
4.1b-c Environmental Life Cycle Assessment - Disclosure	Conformance	<p>The Entity provides LCA information to customers upon request, however, no requests have been received to date. The LCA outcomes are included in the Annual Report, available at: https://investors.nemak.com/financiera/informacion_anual</p> <p>System boundaries and underlying assumptions are stated in the LCA Report.</p>
4.2 Product Design	Conformance	<p>The Entity has set a design-related 100% sand recycling target for the design process, which has integrated sustainability objectives, and as a result will achieve 19% Recycled Aluminium content in raw materials for one product by 2027.</p>

CRITERION	RATING	COMMENT
4.3a-b Aluminium Process Scrap	Conformance	The Entity has established classification standards and operational guidelines for the recycling of Aluminium Process Scrap. The Production Operations Department has set a KPI for Aluminium material loss (with a burn loss rate not exceeding 3.5%) to promote 100% recycling of Scrap material.
4.4a-c Collection and Recycling of Products at End of Life – Material Conversion and other Manufacturing	Conformance	At the customer's request, the Entity has specified that Aluminium alloy ingot suppliers must provide alloy Aluminium ingots containing 40% Recycled Aluminium. The ASI Plant Report 2024 (page 4) outlines the Aluminium recycling plan, which aims to achieve 19% Recycled Aluminium content in one product by 2026. Suppliers provide alloy Aluminium ingots with a planned post-consumer Recycled Aluminium content of 10–15%. Refer to: https://nematik.com/media/3554/nematik-nanjing-asi-plant-report-2024-03.pdf
4.4d Collection and Recycling of Products at End of Life	Conformance	Through direct collaboration with its supply chain, the Entity has been actively seeking regional recycling systems and striving to support the recycling and reuse of Scrap Aluminium.
5. GREENHOUSE GAS EMISSIONS		
5.1a-b Disclosure of GHG Emissions and Energy Use	Conformance	The Nematik Group has disclosed its global Greenhouse Gases (GHG) emissions data in its Annual Report 2023, pages 44 and 46: https://www.nematik.com/media/3065/ia-2023-en.pdf Entity-specific data for energy use and GHG emissions are available in the ASI Plant Report 2024, page 6: https://nematik.com/media/3554/nematik-nanjing-asi-plant-report-2024-03.pdf The data for Scopes 1, 2 and 3 have been independently verified.
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 GHG Emissions Reduction Plans	Major Non-Conformance	The Entity has established a GHG Emissions Reduction Plan with a pathway that is consistent with the ASI methodology for a 1.5°C warming scenario: https://nematik.com/media/3554/nematik-nanjing-asi-plant-report-2024-03.pdf The Nematik Group has completed a validation process with the Science Based Targets initiative (SBTi). As an organisation, Nematik has defined targets in accordance with the SBTi to reduce its Scopes 1 and 2 emissions by 28% by 2030, using 2019 as the baseline year. This target is also applied to the Entity, at plant level. Due to centralised sourcing, Scope 3, Category 1 emissions are managed at the group level. While Nematik's purchased Aluminium has a notably low emissions intensity, below 4 tCO ₂ /t Aluminium, which is significantly under the industry sector average. Refer to the ASI Plant

CRITERION	RATING	COMMENT
		<p>Report 2024, page 7: https://nemak.com/media/3554/nemak-nanjing-asi-plant-report-2024-03.pdf</p> <p>The Nemak group has not yet demonstrated that its Scope 3, Category 1 GHG emissions intensity reduction performance aligns with its ASI method-derived GHG Emissions Reduction Pathway.</p> <p>This is the first Certification Period in which the Entity has exceeded the required GHG Emissions Reduction Pathway.</p> <p>As per the Criteria 5.3a & 5.4 Exemption Process, both Non-Conformances are exempt from the Certification outcomes and member obligations resulting from non-conformance as outlined in the ASI Assurance Manual.</p> <p>It is expected that the Entity will be required to ongoingly disclose its performance and to meet the other requirements of the GHG emissions related criteria and to reduce its emissions intensity (all conditions of exemption). At subsequent Audits, the Entity's ability to meet the conditions of exemption will be reviewed, should the Major Non-Conformances remain valid.</p> <p>Under these exemption rules, Major Non-Conformance against Criterion 5.3a or performance related elements of Criterion 5.4 will not count towards the maximum three (3) Major Non-Conformances leading to a Provisional Certification nor 3+ leading to non-issuance or revocation of a Certificate.</p>
5.3b-e GHG Emissions Reduction Plans – Targets, review and disclosure	Conformance	<p>The Entity has established a GHG Emissions Reduction Plan with a Pathway that is consistent with the ASI methodology for a 1.5°C warming scenario: https://nemak.com/media/3554/nemak-nanjing-asi-plant-report-2024-03.pdf</p> <p>After completing a validation process with the Science Based Targets initiative (SBTi), the Nemak Group is committed to achieving a 28% absolute reduction in Scopes 1 and 2 GHG emissions (direct and certain indirect emissions, respectively) by 2030, from a 2019 baseline year, and reducing absolute Scope 3 GHG emissions from purchased goods and services by 14% over the same timeframe. These goals also apply to the Entity.</p> <p>The Entity aims to deliver an 18% reduction in its Scope 1 and 2 emissions by 2026 relative to a 2019 baseline, and an 14% reduction for Scope 3 emissions by 2030. This goal is aligned with its plans to reach a 28% reduction by 2030, all of which were verified by the SBTi.</p> <p>Whilst the SBTi targets are set to a 'well-below 2°C' warming scenario, both the Nemak Group and the Entity's overall transition plan and long-term strategy support a 1.5°C scenario, with an aim to be 'net zero' by 2050.</p>
5.4 GHG Emissions Management	Major Non-Conformance	<p>The Entity has implemented an ISO 50001 certified Energy Management System and has established goals and indicators to monitor progress and actions to achieve them.</p> <p>The Nemak group has not yet demonstrated that its Scope 3, Category 1 GHG emissions intensity reduction performance aligns with its ASI method-derived GHG Emissions Reduction Pathway.</p> <p>This is the first Certification Period in which the Entity has exceeded the required GHG Emissions Reduction Pathway.</p>

CRITERION	RATING	COMMENT
		<p>As per the Criteria 5.3a & 5.4 Exemption Process, both Non-Conformances are exempt from the Certification outcomes and member obligations resulting from Non-Conformance as outlined in the ASI Assurance Manual.</p> <p>It is expected that the Entity will be required to ongoingly disclose its performance and to meet the other requirements of the GHG emissions related criteria and to reduce its emissions intensity (all conditions of exemption). At subsequent Audits, the Entity's ability to meet the conditions of exemption will be reviewed, should the Major Non-Conformances remain valid.</p>
6. EMISSIONS, EFFLUENTS AND WASTE		
6.1a-f Emissions to Air	Conformance	<p>The Entity had established a Waste Gas Emissions Management Program to ensure its emissions achieve relevant standards. The Entity had quantified and publicly disclosed Material Emissions to Air in its ASI Plant Report 2024, section 'Emissions, Effluents and Waste', page 8: https://nepak.com/media/3554/nepak-nanjing-asi-plant-report-2024-03.pdf</p> <p>There is also a plan disclosed in the ASI Plant Report 2024, which includes the Entity's measures to minimise the exposure to and impacts from Emissions to Air.</p>
6.2a-g Discharges to Waters	Conformance	<p>The Entity has established a Wastewater Management Program to ensure its sewage discharges achieve relevant standards. The Entity has quantified and publicly disclosed Material Discharges to Water from its activities in its ASI Plant Report 2024, section 'Emissions, Effluents and Waste', page 8: https://nepak.com/media/3554/nepak-nanjing-asi-plant-report-2024-03.pdf</p> <p>The Entity has disclosed its measures to minimise the exposure to and impacts from Discharges to Water in the ASI Plant Report.</p>
6.3a-g Assessment and Management of Spills and Leakages	Conformance	<p>The Entity has assessed major risk areas of operations where Spills and Leakages could contaminate air, water and soil. The latest Emergency Response Plan is available at: https://nepak.com/media/3533/nepak-nanjing-emergency-response-plan-of-environmental-incidents.pdf</p> <p>The Entity reviews the management plan at least every three years or after any Spill / Leakage event or any changes to the business that alter Spills and Leakage risks.</p>
6.4a-b Public Disclosure of Spills and Leakages	Conformance	<p>The Entity has outlined how it reports to local government and disclose information to Affected Populations and Organisations the volume, type and potential impact of Material Spills and Leakages as soon as practicable after an incident in the Emergency Plan for Sudden Environmental Incidents, page 24: https://nepak.com/media/3533/nepak-nanjing-emergency-response-plan-of-environmental-incidents.pdf</p> <p>There have been no Spills or Leakage at the Entity to date.</p>
6.5a-c Waste Management and Reporting	Minor Non-Conformance	<p>The Entity has implemented a Waste Management System, which requires separate collection and storage. The waste reduction target is reviewed at the end of each year. The Environmental Impact</p>

CRITERION	RATING	COMMENT
		<p>Assessment had been completed before the construction of the Entity's factory. The assessment concluded that there are no Material impacts to human well-being and the environment because it is located in an industrial park.</p> <p>The Entity publicly disclosed its solid waste generated in 2024 in its ASI Plant Report 2024, page 10: https://nemak.com/media/3554/nemak-nanjing-asi-plant-report-2024-03.pdf</p> <p>The associated Waste disposal methods, however, are not disclosed in the report.</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	Conformance	The Entity has engaged a contracting firm with Hazardous Waste disposal qualifications to dispose of its Aluminium Dross. Dross residues are used to manufacture calcium carbonate powder and are not disposed of via landfill.
7. WATER STEWARDSHIP		
7.1a-b Water Assessment and Disclosure	Conformance	<p>The Entity has established a Management System to control water consumption and usage. The Entity performed an assessment of water-related risks in watersheds in its Area of Influence and determined the water risk as low.</p> <p>The assessment and water withdrawal data has been publicly disclosed in the Water Management section of its ASI Plant Report 2024, pages 8-9: https://nemak.com/media/3554/nemak-nanjing-asi-plant-report-2024-03.pdf</p>
7.2a-e Water Management	Not Applicable	This Criterion is not applicable to the Entity, as the risk assessment identified water-related risks linked to water withdrawal and discharges are low.
8. BIODIVERSITY AND ECOSYSTEM SERVICES		
8.1a Biodiversity and Ecosystem Services Risk and Impact Assessment	Conformance	<p>In 2024, the Entity 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 indicate that there are no Ecosystem Services systems within the Entity's Area of Influence.</p> <p>The Entity is located in industrial park established by the local government. Based on the Environmental Impact Assessment Report, there are no protected or listed flora and fauna present in the Entity's Area of Influence. The risks and potential impacts of physical Biodiversity and Ecosystem Services are low. The Entity has publicly disclosed this assessment result in the ASI Plant Report 2024, page 11: https://nemak.com/media/3554/nemak-nanjing-asi-plant-report-2024-03.pdf</p>

CRITERION	RATING	COMMENT
		For further information, also refer to Biodiversity & Ecosystem Services Policy: https://nemak.com/media/2574/biodiversity-ecosystem-services-policy-public.pdf
8.1b Biodiversity and Ecosystem Services Risk and Impact Assessment - Priority	Not Applicable	This Criterion is not applicable to the Entity, as the Biodiversity risk assessment concluded that the site has no Material impacts on Biodiversity values. The Entity is not dependent on a specific Ecosystem Service.
8.2a-g Biodiversity Management	Not Applicable	This Criterion is not applicable to the Entity, as the Biodiversity risk assessment concluded that the site has no Material impacts on Biodiversity values.
8.3a-c Management of Priority Ecosystem Services	Not Applicable	This Criterion is not applicable to the Entity, as the Biodiversity risk assessment concluded that the site has no Material impacts on Biodiversity values.
8.4 Alien Species	Conformance	A supporting Biodiversity Procedure has been implemented by the Entity to facilitate the prevention and control of invasive Alien Species. The Entity has assessed the Biodiversity in its region and determined the risk of Alien species to be low.
8.5a-b Commitment to “No Go” in World Heritage Properties	Conformance	<p>The Entity's Biodiversity & Ecosystem Services Policy is available at: https://nemak.com/media/2574/biodiversity-ecosystem-services-policy-public.pdf</p> <p>The Entity commits to not conducting exploration or constructing New Projects within Protected Areas, including World Heritage Properties. According to the Entity's Environmental Impact Assessment Report and Biodiversity Assessment Report, the Entity is not located within or adjacent to World Heritage Properties.</p>
8.6a-d Protected Areas	Conformance	<p>The Entity's Biodiversity & Ecosystem Services Policy is available at: https://nemak.com/media/2574/biodiversity-ecosystem-services-policy-public.pdf</p> <p>The Entity commits not to conduct exploration or construct New Projects within Protected Areas, including World Heritage Properties. According to the Entity's Environmental Impact Assessment Report and Biodiversity Assessment Report, the Entity is not located within or adjacent to Protected Areas.</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	Minor Non-Conformance	<p>The Nemak Group has published its Global Human Rights Policy and is committed to a gender-responsive approach to respect Human Rights, available at: https://nemak.com/media/3520/global-human-rights-policy-2025-v2.pdf</p> <p>The 2024 Annual Report summarises the Group's procedures and results of the Group Due Diligence on Human Rights in the Supply</p>

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		<p>Chain, available at: https://investorcloud.s3.amazonaws.com/nemak/InformacionFinanciera/ReportesAnuales/IA-2024-en.pdf</p> <p>The Entity conducts Human Rights Due Diligence on Affected Populations and Organisations in accordance with their Global Human Rights Policy and reports annually. This report, however, did not include the mapping of Affected Populations and Organisations.</p>
9.2a-e Gender Equity and Women's Empowerment	Conformance	<p>The Entity's Employee Handbook section 5.3 (page 34) of the Entity's Employee Handbook defines the reporting and appeal procedures for female employees encountering unequal treatment or harassment incidents. The Entity has disclosed its performance in the 'Gender Equity and Women's Empowerment' section of the ASI Plant Report 2024, page 12: https://nemak.com/media/3554/nemak-nanjing-asi-plant-report-2024-03.pdf</p> <p>There have been no reported incidents of Gender Inequality or violations of women's empowerment in the Entity.</p>
9.3a-i Indigenous Peoples	Not Applicable	This Criterion is not applicable to the Entity, 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 to the Entity, 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 to the Entity, 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 to the Entity, as confirmed by document review, there are no sacred or cultural heritage sites on the property or in the vicinity of the site.
9.5b Cultural and Sacred Heritage - Impacts	Not Applicable	This Criterion is not applicable to the Entity, as confirmed by document review, there are no sacred or cultural heritage sites on the property or in the vicinity of the site.
9.6a-i Displacement	Not Applicable	This Criterion is not applicable to the Entity, there are no New Projects or Major Changes that require resettlement.
9.7a-h Affected Populations and Organisations	Conformance	<p>A Corporate Citizenship Materiality assessment has been conducted by the Entity via interviews with several internal and external Stakeholders, within its Area of Influence, to identify the needs of the communities where the Entity could provide support as well as potential negative impacts which Nemak could avoid and mitigate. The Entity has identified communities, organisations, and individuals within a five kilometre radius of its vicinity that may be affected by its business activities. Refer to the ASI Plant Report 2024, pages 2 and 13:</p>

CRITERION	RATING	COMMENT
		https://nepak.com/media/3554/nepak-nanjing-asi-plant-report-2024-03.pdf The Entity regularly engages with the Local Communities through initiatives including the organising of a family day event and inviting representatives of community to assess the environmental emergency response plan. Nepak Nanjing has not identified any significant actual or potential negative on the Local Communities.
9.8a Conflict-Affected and High-Risk Areas – Strong Management Systems	Conformance	The Entity has implemented processes and procedures for its supply chain, which clearly define rules and expectations for suppliers, contractors, and others with whom they do business. The Entity has implemented a Management System, including a supplier evaluation and selection process based on a documented risk rating.
9.8b Conflict-Affected and High-Risk Areas – Identify and assess risks	Conformance	The Entity has implemented a supplier evaluation and selection process based on a documented risk rating. They also identify, track, and act on any potential risks based on their supplier risk management process. The Entity's global purchasing department confirmed that the Entity does not source any metal from Conflict-Affected and High-Risk Areas (CAHRAs). For more information, refer to the ASI Plant Report 2024, page 14: https://nepak.com/media/3554/nepak-nanjing-asi-plant-report-2024-03.pdf The Entity has not identified any 'red flags' relating to CAHRAs.
9.8c Conflict-Affected and High-Risk Areas – Strategy to respond to risks	Not Applicable	This Criterion is not applicable to the Entity, as it has not identified any 'red flags' relating to CAHRAs.
9.8d Conflict-Affected and High-Risk Areas – Audit of due diligence	Conformance	The Entity's Due Diligence practices were included in this ASI Performance Standard Certification Audit, which addresses this requirement.
9.8e Conflict-Affected and High-Risk Areas – Report annually	Conformance	The Entity reports on its supply chain risks in the ASI Plant Report 2024, page 14: https://nepak.com/media/3554/nepak-nanjing-asi-plant-report-2024-03.pdf
9.9 Security practice	Conformance	The Entity has implemented security practices that respect Human Rights. Guard security procedures and an Employee Handbook define how the security providers must adhere to and respect to Human Rights. All security guards have been trained in the procedures.
10. LABOUR RIGHTS		
10.1a-c Freedom of Association and Right to Collective Bargaining	Not Applicable	This Criterion is not applicable to the Entity, as the right to Freedom of Association and Collective Bargaining is addressed in accordance with Chinese Applicable Law.
10.1d Freedom of Association and Right to Collective Bargaining – Alternative means in context of Applicable Law	Conformance	The Entity has established a Labour Union and all Workers have become members. The Labour Union Constitution outlines the Union representative election process and member's rights.

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10.2a Child Labour	Conformance	<p>In the Nemak Global Human Rights Policy and Global Business Code for Suppliers, it is stated that the use of Child Labour is strictly prohibited, refer to: https://www.nemak.com/sustainability/#sustainabilityPolicies</p> <p>The Entity adheres to all regulations and Applicable Law related to Child Labour and compulsory or Forced Labour and does not employ individuals under the age of 16 years (minimum 18 years in production).</p> <p>The Entity has established Personnel Management System alignment with ILO Conventions C138 and C182, relating to Child Labour, which defined that Child Labour under 16 may not be employed, and it is also prohibited to arrange for underage Workers to be engaged in hazardous work. At the time of the Audit, the youngest employee on site is 25 years old.</p>
10.3a-c Forced Labour	Conformance	<p>A comprehensive set of Policies for responsible business conduct has been developed by the Entity which addresses Modern Slavery, Forced Labour, and Human Trafficking. These Policies ensure that Nemak operates with integrity and respect for Human Rights at every level. The Entity is not involved in Forced Labour in any way, which was confirmed during Worker interviews. There is no retention of employees' personal effects by the Entity, and there are no requirements to lodge deposits or security payments.</p> <p>Nemak Corporate has issued a 2025 Modern Slavery Statement which is applicable to the Entity, available at: https://nemak.com/media/3496/modern-slavery-statement-2025.pdf</p>
10.4a-c Non-Discrimination	Conformance	<p>The Entity does not tolerate any form of Discrimination or Harassment in the workplace and communicates its approach internally via training and through the Code of Conduct, available at: https://www.nemak.com/sustainability/#sustainabilityPolicies</p> <p>There is a global compliance hotline for reporting any breaches of the Code.</p> <p>As verified by interviews and document review, there is no Discrimination in pay for equal work. Also, during interviews and site tour, there was no indication of deliberate Discrimination based on 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.</p>
10.5 Communication and engagement	Conformance	<p>The Entity has established a Transparency Helpline which is accessible at: https://secure.ethicspoint.com/domain/media/en/gui/97874/index.html</p> <p>Employees can report via the internet or by phone (400-120-1840) regarding working conditions and resolution of workplace and compensation issues. The Entity commits to empowering employees to confidentially report concerns or potential violations of Policies and standards, ensuring their voices are heard. Worker interviews confirmed that there were no communication barriers within the Entity.</p>
10.6a-g Violence and Harassment	Conformance	<p>The Entity has issued and internally communicated its Violence and Harassment Policy, which is publicly available at:</p>

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		<p>https://nemak.com/media/3384/violence-and-harassment-global-policy_170225_v2.pdf</p> <p>The Entity upholds zero tolerance to the use of physical punishment or threats of Violence or other forms of physical, sexual, psychological, or verbal abuse as a method of discipline or control. Interviews with operators (including remelting, Casting, core making, cleaning, and warehouse keeping) and management confirmed that there have been no incidents of Violence and Harassment in the Entity.</p>
10.7a-c Remuneration	Conformance	<p>The Entity has established a working hours, payroll and benefits administration procedure and an Employee Handbook defined to ensure wage payments are timely, in legal tender and fully documented. The Entity's calculation of Overtime compensation meets the requirements of the regulations. Worker interviews confirmed that they are satisfied with their salaries.</p>
10.8a-c Working Time	Conformance	<p>The Entity's Employee Handbook governs working hours and the management of voluntary Overtime. All operators work in three shifts, while other employees work in one shift. A review of attendance records confirms that Overtime is less than 36 hours every month.</p> <p>The Entity has demonstrated the workday does not exceed 8 hours on average over a six-month period.</p>
10.9a-b Informing Workers of Rights	Conformance	<p>The Entity has communicated to employees their rights through the signing of their labour contract and the Employee Handbook. Pre-job training is provided to new employees, which includes Human Rights and social responsibility training. Workers are aware of their rights to Freedom of Association and Collective Bargaining and will not be punished or retaliated against.</p>
11. OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Management System	Conformance	<p>The Entity has implemented its Occupational Health and Safety (OH&S) Management System, which has been certified since 2005 (OHSAS 18001 and subsequently according to ISO 45001) by an accredited certification body. Nemak's Global Health, Safety, and Environmental Policy is supported by the Entity's local OH&S Policy and is available at: https://www.nemak.com/media/2773/hse-policy.pdf</p>
11.1b-e Occupational Health and Safety (OH&S) Management System - Reviews and disclosure	Conformance	<p>The Entity measures its safety performance using the Total Recordable Incident Rate (TRIR). The Entity 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.</p> <p>The Entity has publicly disclosed its lagging and leading OH&S performance indicators and comparative analysis with peers in its ASI Plant Report 2024, pages 15-16: https://nemak.com/media/3530/nemak-nanjing-asi-plant-report-20241011.pdf</p>
11.2 Employee engagement on Health and Safety	Conformance	<p>The Entity has established a Work Safety Committee and a Labour Union. The Safety Committee is responsible for developing and revising the Production Safety Management System, conducting regular safety inspections, and maintaining records. The Committee</p>

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		<p>conducts annual employee satisfaction surveys, collates feedback on OH&S issues and performance and communicates the results.</p> <p>The Entity's EHS Department and Safety Committee investigate and analyse workplace safety incidents, develop improvement measures, and oversee their implementation.</p> <p>The Entity has implemented a hazard identification mechanism where shift-level employees report potential OH&S risks weekly through self-inspections. The Safety Committee then develops corrective actions and verifies their effectiveness.</p>

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DOCUMENT CONTROL AND VERSION HISTORY

REVISION	DATE	NOTES
0	8 January 2026	Initial Certification Audit – Full Certification